FREEDOM OF INFORMATION ACT (FOIA) REQUEST FORM

Fill out the form below completely.
Records Will Not Be Released Until Full Payment of Costs Are Received.
Under the Freedom of Information Act, Public Act 442 of 1976, I am requesting the following information.

Date of Request:	April 7, 2026
Name	LuAnne Kozma
Phone	231-547-2828
Email	luannekozma@gmail.com
Delivery Method (Pick up, mail, email, or appointment.)	email
Address	9330 Woods Rd
City/State/Zip	Charlevoix, MI 49720

Information Requested:

Describe the public record(s) as specifically as possible. If you are not sufficiently specific, it may be impossible to identify the records you request and your request may be denied. You may be contacted for clarification.

See Attached

You will receive a response within five business days, counted from the day after your request is received. Electronically transmitted request are deemed received the date after they are sent. The Township may, within five business days, issue a notice extending the request for not more the ten business days. If the estimated costs exceed $50, you may be required to provide a deposit before your request will be fulfilled. You will be charged allowable fees under FOIA unless you provide documentation showing that you are receiving public assistance or are otherwise unable to pay due to indigence.

FOR OFFICE USE ONLY

FOIA#:	DATE RECEIVED: 4-7-26	RECEIVED BY: KR	RECEIVED VIA: Email	DUE TO REQUESTOR: 4-13-26
10 DAY EXTENSION REQUESTED: 4-13-26	DUE DATE: 4-27-26	DEPOSIT RECEIVED:	DATE:	
BALANCE DUE:				

HAYES TOWNSHIP
9195 MAJOR DOUGLAS SLOAN ROAD
CHARLEVOIX, MICHIGAN 49720
231.547.6961
WWW.HAYESTOWNSHIPMI.GOV

FREEDOM OF INFORMATION ACT (FOIA) REQUEST FORM

HAYES TOWNSHIP
9195 MAJOR DOUGLAS SLOAN ROAD
CHARLEVOIX, MICHIGAN 49720
231.547.6961
WWW.HAYESTOWNSHIPMI.GOV

Hayes
TOWNSHIP

April 13, 2026

RE: FOIA received April 7, 2026.

1. Email or other correspondence (from or to) township officals about new data center committee, including the applications and other materials submitted by people seeking to be on the committee
2. All emails or other correspondence (from or to) township officals (including board, planning commission, staff) about the Hayes Township data center moratorium, including correspondence from or to the township attorney or other attorneys. From December thru 4.7.2026
3. All correspondence between Holtec or any of its agents and any Township offical (including board, planning commission, staff) from 2022 to 4.7.2026
4. All correspondence between Consumers Energy or any of its agents and any Township offical or staff, from start of 2025 to 4.7.206.

Due to the request of many individuals a 10-Day extension is necessary. I will respond on April 27, 2026.

Kristin Baranski
Hayes Township Clerk

Gmail clerk hayestownshipmi <clerkhayestownshipmi@gmail.com>

FOIA

1 message

clerkhayestownshipmi <clerkhayestownshipmi@gmail.com> Mon, Apr 13, 2026 at 1:24 PM
F[redacted]: clerk@hayestownshipmi.gov
To: [redacted]es supervisor <supervisorhayestownshipmi@gmail.com>, Treasurer Julie Collard <treasurer@hayestownshipmi.gov>, Doug Kuebler <hayestrustee5@gmail.com>, Matt Cunningham <trustee2@hayestownshipmi.gov>, Roy Griffitts <rwgriffitts3@gmail.com>

Please find attached a FOIA request. Please email me any and all requested info by April 23. Please only email me back requested information..DO NOT REPLY ALL

--
Kristin Baranski
Hayes Township Clerk
9195 Major Douglas Sloan Road
Charlevoix, Michigan 49720
231.547.6961

20260413133352856.pdf
575K

Gmail clerk hayestownshipmi <clerkhayestownshipmi@gmail.com>

FOIA request
1 message

LuAnne Kozma <luannekozma@gmail.com> Mon, Apr 6, 2026 at 3:46 PM
To: kristin baranski <clerk@hayestownshipmi.gov>

Good afternoon,

I'd like to see some documents regarding the data center issue. Under the FOIA, I request the following:

1. Email or other correspondence (from or to) township officials about the new data center committee, including the applications and other materials submitted by people seeking to be on the committee (except my own).

2. All emails or other correspondence (from or to) township officials (including board, planning commission, staff) about the Hayes Township data center moratorium, including correspondence from or to the township attorney or other attorneys. From December through today.

3. All correspondence between Holtec or any of its agents and any Township official (including board, planning commission, staff) from 2022 to today.

4. All correspondence between Consumers Energy or any of its agents and any Township official or staff, from the start of 2025 to today. (With the exception of utility bills/invoices from Consumers to the township, or checks paid to Consumers)

I'd like to receive the documents in digital form.

Thanks and happy spring,

LuAnne Kozma
9330 Woods Road
Charlevoix MI 49720
231-547-2828

Gmail

Bill Conklin <supervisorhayestownshipmi@gmail.com>

RE: WE NEED YOUR HELP TO STOP A DATA CENTER FROM COMING TO CHARLEVOIX COUNTY! PLEASE ATTEND A MEETING ON MONDAY IN PERSON OR BY ZOOM AND COMMENT IN WRITING OR VERBALLY

Todd Millar <tmillar@parkerharvey.com> Mon, Feb 9, 2026 at 7:05 AM
To: clerk hayestownshipmi <clerkhayestownshipmi@gmail.com>
Cc: William Conklin <supervisorhayestownshipmi@gmail.com>, "Julie Collard (treasurerhayestownshipmi@gmail.com)" <treasurerhayestownshipmi@gmail.com>

Kristin,

The language about allowing a property owner to have a hearing on the issue if they felt that the moratorium deprived their property of all economic value is intended to avoid a unconstitutional takings claim. If a municipality through zoning deprives a property owner of all economic value, a very high burden to prove, then the zoning regulation will be deemed a taking and the municipality must pay fair value for the property taken. A number of municipalities that imposed moratoriums down state included this or similar language. I don't think it is absolutely necessary if the board wants to strip out that paragraph. The odds of someone being able to prove that a temporary moratorium has deprived their property of all economic value are slim. What it does is avoids someone simply going to court to file a lawsuit over the moratorium. They would have to seek relief from the Township Board before filing a lawsuit, giving the Township a heads up that there might be an issue. Like I said, I don't think that language is necessary but I liked it so included it. Feel fee to give me a call if you would like to discuss.

Todd

Todd W. Millar
Attorney

DIRECT 231.486.4519 EMAIL tmillar@parkerharvey.com

PARKER HARVEY PLC
901 S. Garfield Ave, Suite 200, Traverse City, MI 49686
MAIN 231.929.4878 FAX 231.929.4182 www.parkerharvey.com

From: clerk hayestownshipmi <clerkhayestownshipmi@gmail.com>
Sent: Sunday, February 8, 2026 12:05 PM
To: Todd Millar <tmillar@parkerharvey.com>
Subject: Fwd: WE NEED YOUR HELP TO STOP A DATA CENTER FROM COMING TO CHARLEVOIX COUNTY! PLEASE ATTEND A MEETING ON MONDAY IN PERSON OR BY ZOOM AND COMMENT IN WRITING OR VERBALLY

Todd,

The moratorium is on the Boards agenda for tomorrow. How do I address her remarks?

Sent from my iPhone

Begin forwarded message:

> **From:** kristin baranski <kbaranski9333@gmail.com>
> **Date:** February 8, 2026 at 12:03:13 PM EST
> **To:** hayestownshipmi clerk <clerkhayestownshipmi@gmail.com>
> **Subject: Fwd: WE NEED YOUR HELP TO STOP A DATA CENTER FROM COMING TO CHARLEVOIX COUNTY! PLEASE ATTEND A MEETING ON MONDAY IN PERSON OR BY ZOOM AND COMMENT IN WRITING OR VERBALLY**
>
> Sent from my iPhone
>
> Begin forwarded message:
>
> > **From:** Roy Griffitts <rwgriffitts3@verizon.net>
> > **Date:** February 8, 2026 at 10:45:28 AM EST
> > **To:** kristin baranski <kbaranski9333@gmail.com>, Julie Collard <julie.collard@att.net>
> > **Subject: Fwd: WE NEED YOUR HELP TO STOP A DATA CENTER FROM COMING TO CHARLEVOIX COUNTY! PLEASE ATTEND A MEETING ON MONDAY IN PERSON OR BY ZOOM AND COMMENT IN WRITING OR VERBALLY**
> >
> > FYI, I recommend that you share this with Todd and ask about the language issue raised by you know who.
> >
> > Begin forwarded message:
> >
> > **From:** [redacted]
> >
> > **Subject: Fwd: WE NEED YOUR HELP TO STOP A DATA CENTER FROM COMING TO CHARLEVOIX COUNTY! PLEASE ATTEND A MEETING ON MONDAY IN PERSON OR BY ZOOM AND COMMENT IN WRITING OR VERBALLY**
> >
> > **Date:** February 8, 2026 at 10:40:13 AM EST
> >
> > **To:** Roy Griffitts <rwgriffitts3@gmail.com>

Hi,

I'm forwarding to everyone I can think of the email below warning that it appears that a majority of Hayes Township (Charlevoix County) trustees are in favor of allowing a huge, electricity and water guzzling data center (that will only need a few permanent employees) to be built in Hayes Township, possibly at the site of the old Big Rock nuclear power plant. This will affect not just Hayes Township residents, not just Charlevoix County residents, but residents even further afield. Data centers are becoming a major problem across the country. The trustees need to hear from residents who are opposed to this idea. The Board of Trustees meets this Monday, February 9 at 7 pm. Please attend in person or by zoom (see information below).

I apologize if you get multiple emails. If you're wondering who I am, I don't know some of you, but I got your email address from emails sent by other activists. Please forward this email to everyone you think would be concerned about a local data center. And by the way, a data center is *only one of many major problems* with the master plan and zoning ordinance that Hayes Township is considering which would cause other types of environmental destruction as well.

Thanks for your help!

Winnie Boal

wlboal@gmail.com

231-547-6859

From: LuAnne Kozma [redacted]
Sent: Saturday, February 7, 2026 5:36 PM
To: Carol Umlor [redacted]; tim boyko [redacted]; JoEllen [redacted]; Jim Rudolph [redacted]; McMahon, Jim and Diane [redacted]; Melvin Czechowski [redacted]; Betty Henne [redacted]; Darcy Phelps [redacted]; Catherine Phelps [redacted]; Kevin Willis [redacted]; Shelly VanWart [redacted]; Deborah Narten [redacted]; Bill Henne [redacted]; Ellis Boal [redacted]; Winnie Boal [redacted]; Craig Williams [redacted]; Danelle Hutcheon [redacted]; Donald Gregory [redacted]
Subject: Fwd: ACTION ALERT: (a bad) data center moratorium proposed for Hayes Township

---------- Forwarded message ---------
From: **LuAnne Kozma** [redacted]
Date: Sat, Feb 7, 2026 at 5:13 PM
Subject: ACTION ALERT: (a bad) data center moratorium proposed for Hayes Township
To: [redacted]

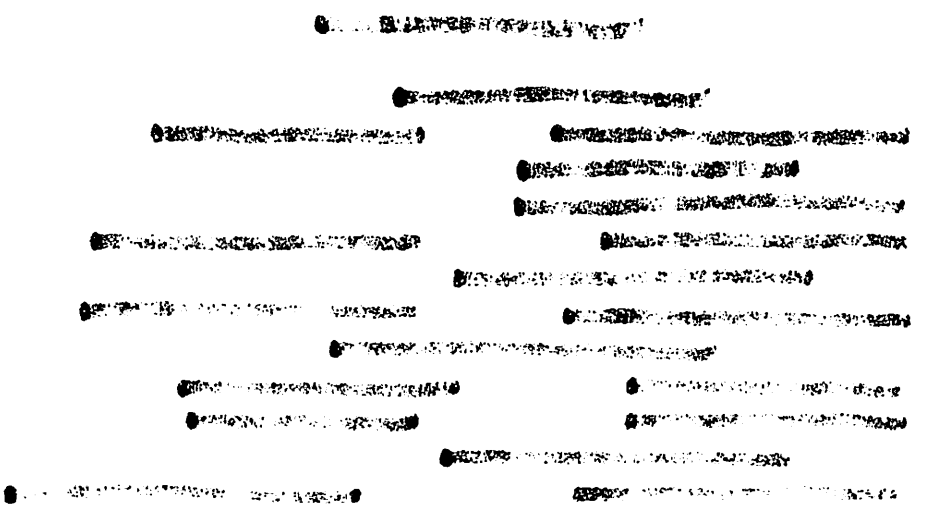
Dear Susan,

My cousin Winnie Boal urged us to write you, as chair of the Charlevoix County Women for Democracy, to put out an action alert to the people in your group.

Action Needed:

Public comment on Proposed Hayes Township Data Center Moratorium: It's the wrong moratorium, we need better language!

What: Hayes Township Board of Trustees will consider a proposed moratorium on



Data Centers

When: Monday, February 9, 2026 at 7 pm

How to Attend: In person or by Zoom.

Hayes Township Hall, 9195 Major Douglas Sloan Road, Charlevoix MI 49720

Board of Trustee Zoom link is at upper right under Meetings at

www.hayestownshipmi.gov

Public Comment periods are soon after 7 pm, and also at end of meeting. Speakers are allowed only 3 minutes. Those attending in person are called on first, followed by attendees by Zoom.

How to send in written comments prior to meeting:

Send to both clerk@hayestownshipmi.gov

and supervisor@hayestownshipmi.gov

Talking Points:

Yes we want a moratorium on data centers.

But NO, we don't want this one!

The moratorium language is terrible. It's written with a giant loophole, a process by which data centers that are "aggrieved" by the moratorium can apply for a fast-tracked hearing to allow them in. Hardly a moratorium.

6 months is not enough time. Other localities have done 12 months.

It should be a (non-zoning) Ordinance, not a resolution.

Urge the Board to not adopt this one, but come back with a better-written Ordinance that does not allow data centers a green-light, fast-tracked process to challenge the ordinance.

Hayes Township is critically located in Charlevoix County and a data center here, on Lake Michigan or anywhere in the township, will affect the region and the State.

The Big Rock Point former nuclear plant site is an exceptionally bad choice for a data center, since it has highly-radioactive wastes located there.

Attached is the proposed moratorium Hayes Township is considering.

Let me know if you have questions.

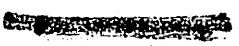
Thank you for helping us get the word out!

LuAnne Kozma

[redacted]

<Hayes Township proposed moratorium 2.9.2026.pdf>

<Big_Rock_Point flyer .pdf>



Gmail

Bill Conklin <supervisorhayestownshipmi@gmail.com>

NO DATA CENTER

1 message

Rochelle Martinez [redacted] Mon, Feb 9, 2026 at 10:19 AM
To: supervisor@hayestownshipmi.gov

As an area full-time resident,
I am opposed to a Data Center being built in Hayes Township.
From research, Data Centers have proven to be polluters, environmental risks with over use/abuse of water, taxing to the electrical grid, noise pollution and environmental hazard to people, wildlife and surrounding bio system. For this reason, I am asking you to STOP all forward movement for a Data Center in Hayes Township and do your job to protect the people and cherished area of Hayes Township. "

Thank you,
Rochelle D Martinez

Gmail Bill Conklin <supervisorhayestownshipmi@gmail.com>

Proposed moratorium on Data Centers

2 messages

Susan Vandeventer <[redacted]> Sun, Feb 8, 2026 at 4:20 PM
To: clerk@hayestownshipmi.gov, supervisor@hayestownshipmi.gov

Dear Mr. Conklin and Ms. Baranski

As a long-time resident of Northern Michigan, I was concerned to learn that there are plans for a data center in Charlevoix, and specifically on the site of the former Big Rock Point nuclear plant. Everything I have read about data centers leads me to believe they are not a good choice for MI. The environmental impacts alone would seem to be a risk for a state whose economy depends largely on tourism. The short term employment opportunities, high resource consumption and resulting increase in utility rates associated with data centers makes them an adverse investment and precedent for our area.

I ask that you please share my comments and the attached one-page document from the Gerald R. Ford School of Public Policy with the Hayes Twp Board of Trustees. I hope the Board will vote against the proposed 6 month moratorium in favor of more study and more time for improved outcomes for this evolving industry.

Respectfully,

Sue VanDeventer
Petoskey, MI

Data Centers - Gerald R. Ford School of Public Policy.pdf
34K

Bill Conklin <supervisorhayestownshipmi@gmail.com> Mon, Feb 9, 2026 at 3:23 PM
To: Susan Vandeventer <[redacted]>, Rochelle Martinez <[redacted]>,
Cc: clerk@hayestownshipmi.gov, LuAnne Kozma[redacted]n>, Jim Rudolph[redacted]>, Jim McMahon [redacted]>

Dear Susan, Rochelle and Winnie,

Thank you for your letters outlining your concerns about Data Centers. I share your concerns as well. The Data Center issue appears to have been generated since the Planning Commission included Data Centers in the Master Plan, as suggested by legal advice. Lawyers across the state are advising their municipal clients about "getting ready" or "prepare for" the possibility that a Data Center may apply for a Use Permit.

What will the Township Board do? We will undertake the preparation, review, study, research, fact gathering/information about current facilities, compile conditional safeguards, etc which will be recommended by the Planning Commission in a proposed Township Ordinance, after many public meetings, at some future date.

The Moratorium which we will be addressing and voting on tonight actually will give the Township a legal right to take 6 months to undertake the study and research necessary to recommend a certain Data Center Ordinance. We cannot exclude a use in the Township, as that would violate constitutional rights. Proper planning is wisdom.

I believe that a Township can require so many legal safeguards that a possible application may be thwarted because the cost of doing business in that Township would be prohibitive or implausible. That requires good planning and research and that is exactly what Hayes Township intends to do, if we pass the moratorium tonight. Yes, the moratorium can be extended for a reasonable period, if necessary, but not indefinitely. Case Law requires, "within reason".

I have been assured by every official and employee in Hayes Township that there have been no requests, no hints, no discussions about a possible Data Center in Hayes Township, except lawyers telling us to prepare and plan to adopt a Data Center Ordinance, because an application may appear on our doorstep some day in the future. WE must be prepared and we must plan accordingly. To do nothing is unacceptable and borders on misfeasance/nonfeasance.

I wanted to respond as quickly as possible. I was on Up North Live this afternoon as well and expressed the same sentiments, which I have shared with you.

Cordially,

Bill Conklin
[redacted]

[Quoted text hidden]

Gmail

Bill Conklin <supervisorhayestownshipmi@gmail.com>

Moratorium for data center

2 messages

Just Some Lady <[redacted]> Mon, Feb 9, 2026 at 4:23 PM
To: supervisor@hayestownshipmi.gov, clerk@hayestownshipmi.gov

Hello,
My name is Kate Haushalter and I am a resident of Saline, Mi. I urge you to please be careful when dealing with data center development projects. In my experience, they can be very predatory. Our board voted against one and they immediately sued our township.

Please protect your community with a proper 12 month moratorium. There are major problems with the one proposed.

Do not allow data centers that are "aggrieved " to apply for a fast-tracked hearing. They will use any loophole possible to bully their way in!

It should also not be a resolution, but a non-zoning ordinance.

Please do not carelessly pass this inadequate moratorium. The loopholes that allow fast-tracking and challenging your ordinance should be closed. Do not make yourselves an easy target.

Learn from Saline's grave mistakes and rewrite an airtight moratorium. I wish our board would have protected us better.

Sad in Saline,

KH

Bill Conklin <supervisorhayestownshipmi@gmail.com> Mon, Feb 9, 2026 at 4:35 PM
To: Just Some Lady [redacted]
Cc: clerk@hayestownshipmi.gov

Thank you Kate --- we will be preparing and planning and researching the issue of adopting a proposed Data Center Ordinance, with legal guidance.

If we fail to have an Ordinance in place, we are at risk. IF we adopt an Ordinance and a Data Center applies, then we have the mechanism in place to cause them to abide by the conditions and safeguards which we believe are reasonable to advance the health, safety and general welfare of our Township. What a Data Center then chooses to do is up to them = at least we took the proper, legal steps to protect the residents and our natural resources, as best as we are able with the best legal advice along the way.

All the best,

William M. Conklin
Supervisor
[Quoted text hidden]

Gmail Bill Conklin <supervisorhayestownshipmi@gmail.com>

Additional Comments for the 2/9/26 Board of Trustees Meeting Re: a Temporary Moratorium on Approval of Data Centers

4 messages

[redacted] Mon, Feb 9, 2026 at 6:26 PM
To: supervisor@hayestownshipmi.gov, clerk@hayestownshipmi.gov

To the Hayes Township Board of Trustees:

I agree with the Hayes Township Board of Trustees, as stated in the proposed resolution, that it would be counterproductive for applications for data centers to move forward while amendments to the zoning ordinance are under consideration.

However, I do not think a moratorium of 180 days (6 months) is nearly sufficient for the Board or the planning commission to study all of the aspects of this very complex issue, especially since there are many other important zoning ordinance issues also under consideration, especially regarding environmental protection.

I urge you to vote no on this resolution as currently worded. As an alternative to the proposed resolution, I urge the Board to adopt an ordinance (not a resolution) stating that: 1) the data center moratorium shall be a minimum of 365 days to allow more time for a careful review of all relevant issues. I believe 365 days is perfectly reasonable given the complex issues and amount of research required to study this issue and also considering it is not the only item on the table. The trustees and commissioners have competing demands that will take time away from this review. I also urge that item 4 be deleted and that no hearing, and certainly no expedited hearing, by aggrieved parties shall be allowed during the moratorium. I don't think hearings should be allowed because of the Board's correct conclusion that careful consideration of all the issues is essential, and I don't think this could be done in less than 12 months (and very possibly, longer).

Sincerely,

Winnie Boal

[redacted]

[redacted]

Bill Conklin <supervisorhayestownshipmi@gmail.com> Tue, Feb 10, 2026 at 12:20 PM
To: [redacted]
Cc: clerk@hayestownshipmi.gov

Thanks Winnie for your ideas and suggestions.

I will be discussing the re-draft of the Moratorium with Mr. Millar, Twp Attorney this week and will communicate your ideas as well as those expressed at the meeting re: Moratorium - option for Resolution or Ordinance.

Yes, it is a very important step for our Township. Any Ordinance which intends to regulate Data Centers holds significant risks; therefore, the drafting demands precision and well-researched conditions and safeguards, which will be able to withstand a barrage of legal challenges or will allow us to uphold our conditions and safeguards to judicial scrutiny.

Cordially,

Bill Conklin
[redacted]
[Quoted text hidden]

---

wlboal@gmail.com <wlboal@gmail.com> Tue, Feb 10, 2026 at 1:08 PM
To: Bill Conklin <supervisorhayestownshipmi@gmail.com>
Cc: clerk@hayestownshipmi.gov

Thanks Bill.

Your comments that no company has contacted Hayes Twp and that local governments across Michigan have been advised by lawyers to be proactive helped explain the context.

I think someone else commented that it appears that Mr. Millar just copied a resolution from another township. If that is true, and he didn't actually look into this complex issue or identify better resolutions to be a starting point, I don't think he did his due diligence in protecting the township's interests. I think the trustees should expect more and better from their attorney. I haven't seen the Marshall resolution, but that sounds like an important, well written one to look at first.

I understand your concerns (especially as a lawyer yourself) about legal challenges, but I think it's important for township officials to look into whether this has actually been a problem. I don't think zoning ordinances have to protect every kind of business or industry. This is a fast moving area of law and experience, so I do think a minimum of a year is absolutely necessary to fully investigate the resolutions, ordinances, case law, effects on the environment and utility costs, health and safety concerns (I heard for the first time last night about some scary alleged effects) across the US and even (as far as environmental and health impacts), international experiences.

I'm very glad that for once all the trustees were in agreement and unanimously voted to amend the resolution. (I know residents have been distressed by the apparent lack of cooperation among all of the trustees since your election.) I hope the resolution adopted next month will be much stronger and give enough time to carefully consider everything.

Thanks.

Winnie Boal

[redacted]

[redacted]

[Quoted text hidden]

Bill Conklin <supervisorhayestownshipmi@gmail.com> Tue, Feb 10, 2026 at 2:11 PM
To: [redacted]m
Cc: clerk@hayestownshipmi.gov

Sure enough Winnie --- the one year makes sense from everything which I heard; but we risk the "within reason" argument that a property owner cannot sell their land to a prospective buyer because a decision as to "use" is held up by the Twp. That is why the suggestion that Mr. Millar research with more experienced lawyers who have been intricately involved in Data Center controversies. A good lawyer is not an island unto him/herself but seeks out the experts for advice and data to truly serve his/her client. When I scan the Marshall Ordinance, I will send it along -- oh I think April said that she will attach it to the packet today on the website. Let me know if it is not there and I will pass it along.

Except for Big Rock or Consumers Energy, I do not know where a Data Center could be accommodated in Hayes Township - no commercial or industrial site exceeds 40 acres that I know of. That will be part of the research that needs to be done, as you indicated as well. Thanks for being engaged and so helpful.

Bill

Gmail Bill Conklin <supervisorhayestownshipmi@gmail.com>

Concern about Data Center Misrepresentation

1 message

Hayes Treasurer <treasurerhayestownshipmi@gmail.com> Wed, Feb 11, 2026 at 10:01 PM
To: Hayes supervisor <supervisorhayestownshipmi@gmail.com>

Dear Bill,

Since our Board of Trustees meeting on Monday, I have been deeply concerned regarding how the data center issue was handled externally. Contrary to the claims being circulated, this matter was never ignored or disregarded by Hayes officials. Unfortunately, LuAnne Kozma has taken it upon herself to spread significant misinformation.

This behavior is dangerous for our community, as it unnecessarily creates fear among residents. I believe the moratorium we placed on the agenda was the appropriate action for the township at this time. Previously, Hayes was not on the radar for data center developers; we had received no inquiries or interest from agents. Now, due to these actions, we are appearing in news reports and search engines. This approach is harmful and does not help the township move forward.

I suggest we consider issuing a press release to clarify the facts. We received several calls at the office today from concerned residents who are unsure what to believe. It is important that we provide clear, accurate information to address these concerns.

Thank you for your prompt action on this issue.

Julie

Hayes Treasurer
--

Julie Collard--Hayes Township Treasurer

Darkness cannot drive out darkness: only light can do that. Hate cannot drive out hate: only love can do that. -Martin Luther King Jr.

Gmail **Bill Conklin <supervisorhayestownshipmi@gmail.com>**

(no subject)

1 message

Todd Millar <tmillar@parkerharvey.com> Thu, Feb 12, 2026 at 2:18 PM
To: William Conklin <supervisorhayestownshipmi@gmail.com>

Bill,

Very minor changed. I think this looks good.

Todd

Todd W. Millar
Parker Harvey PLC
901 S. Garfield Ave Ste 200
Traverse City, MI 49686
www.parkerharvey.com
tmillar@parkerharvey.com
Direct: 231-486-4519
Main: 231-929-4878
Fax: 231-929-4182

PSA_Hayes Township.docx
16K

PUBLIC SERVICE ANNOUNCEMENT

The Hayes Township Board of Trustees wants to assure the residents of Hayes Township that there has not been any inquiry or request for information, plans about or application for a Data Center in Hayes Township. The Planning Commission included in our Master Plan a reference to Data Centers, as suggested by the Charlevoix County Planning Commission. As a result, this prompted community members to fear that Hayes Township was considering some "unknown plan" for or about a Data Center. That fear was not well-founded; although planning to restrict or regulate a data center use is wisdom.

Township attorneys across the state have encouraged their clients to undertake steps to strategically study regulatory options BEFORE they are faced with an application for a data center development. We may not be able to exclude a data center use, but we can responsibly restrict or regulate such use, within legal precedents.

In response to this advice, the Township Board passed a Resolution on Monday authorizing a 6-month moratorium (a legal delay) involving a possible Data Center application. The resolution, which will be amended in March, gives the Township the legal right to delay any response to a data center use application, while we study and address our options. Our attorney will provide us with legal options. The Planning Commission will investigate the complexity of this issue and will recommend conditions and safeguards to protect our natural resources, infrastructure, emergency services, utilities, quality of life and rural character.

We want to be prepared and develop a plan. We will be able to study our options over the next 6 to 12 months, even if a data center use application is filed. We were elected to serve and protect our residents and our community, within the parameters of the law, and that is what we intend to do, i.e., by investigating every available option and studying every alternative. Thank you for your understanding.

William M. Conklin
Supervisor
2-12-2026

Gmail Bill Conklin <supervisorhayestownshipmi@gmail.com>

Public Service Announcement - Data Centers

4 messages

Bill Conklin <supervisorhayestownshipmi@gmail.com> Thu, Feb 12, 2026 at 1:57 PM
To: Todd Millar <tmillar@parkerharvey.com>
Cc: Kristin Baranski Clerk <clerk@hayestownshipmi.gov>, Julie Collard <treasurer@hayestownshipmi.gov>, Matthew Cunningham <trustee2@hayestownshipmi.gov>, Doug Kuebler <hayestrustee5@gmail.com>

Hello All -- I talked with Kristin in response to Julie's email last night and Roy's email yesterday.

We thought it best to draft a Letter or PSA to be posted on our website. Therefore, I drafted this PSA and ask that Todd review and recommend any changes. I attach it in Word and Adobe.

Also I ask that the Board members review and let Todd know if you want to modify it, as he can field any suggestions and respond under attorney-client privilege -

Please advise --- thank you.

Bill Conklin

2 attachments

PSA_Hayes Township.docx
16K

PSA_Hayes Township.pdf
103K

Todd Millar <tmillar@parkerharvey.com> Thu, Feb 12, 2026 at 2:19 PM
To: Bill Conklin <supervisorhayestownshipmi@gmail.com>
Cc: Kristin Baranski Clerk <clerk@hayestownshipmi.gov>, Julie Collard <treasurer@hayestownshipmi.gov>, Matthew Cunningham <trustee2@hayestownshipmi.gov>, Doug Kuebler <hayestrustee5@gmail.com>

Todd W. Millar
Parker Harvey PLC
901 S. Garfield Ave Ste 200
Traverse City, MI 49686
www.parkerharvey.com
tmillar@parkerharvey.com
Direct: 231-486-4519
Main: 231-929-4878
Fax: 231-929-4182

From: Bill Conklin <supervisorhayestownshipmi@gmail.com>
Sent: Thursday, February 12, 2026 1:57:19 PM
To: Todd Millar <tmillar@parkerharvey.com>
Cc: Kristin Baranski Clerk <clerk@hayestownshipmi.gov>; Julie Collard <treasurer@hayestownshipmi.gov>; Matthew Cunningham <trustee2@hayestownshipmi.gov>; Doug Kuebler <hayestrustee5@gmail.com>
Subject: Public Service Announcement - Data Centers

[Quoted text hidden]

PSA_Hayes Township.docx
16K

Todd Millar <tmillar@parkerharvey.com> Thu, Feb 12, 2026 at 2:22 PM
To: Bill Conklin <supervisorhayestownshipmi@gmail.com>
Cc: Kristin Baranski Clerk <clerk@hayestownshipmi.gov>, Julie Collard <treasurer@hayestownshipmi.gov>, Matthew Cunningham <trustee2@hayestownshipmi.gov>, Doug Kuebler <hayestrustee5@gmail.com>

I am out of the office at the moment working on my phone. I revieeed the proposed PSA and made a minor change to the wording in the paragraph discussing the moratorium. I was only able to figure out how to send it to Bill since I am on my phone. I think it looks good and would recommend that you post it.

Todd

Todd W. Millar
Parker Harvey PLC
901 S. Garfield Ave Ste 200
Traverse City, MI 49686
www.parkerharvey.com
tmillar@parkerharvey.com
Direct: 231-486-4519
Main: 231-929-4878
Fax: 231-929-4182

From: Bill Conklin <supervisorhayestownshipmi@gmail.com>
Sent: Thursday, February 12, 2026 1:57:19 PM
To: Todd Millar <tmillar@parkerharvey.com>
Cc: Kristin Baranski Clerk <clerk@hayestownshipmi.gov>; Julie Collard <treasurer@hayestownshipmi.gov>; Matthew Cunningham <trustee2@hayestownshipmi.gov>; Doug Kuebler <hayestrustee5@gmail.com>
Subject: Public Service Announcement - Data Centers

[Quoted text hidden]

Bill Conklin <supervisorhayestownshipmi@gmail.com> Thu, Feb 12, 2026 at 2:41 PM
To: Todd Millar <tmillar@parkerharvey.com>
Cc: Kristin Baranski Clerk <clerk@hayestownshipmi.gov>, Julie Collard <treasurer@hayestownshipmi.gov>, Matthew Cunningham <trustee2@hayestownshipmi.gov>, Doug Kuebler <hayestrustee5@gmail.com>

Kristin and Jule -

Thanks Todd for your response; I made the change - see attached for the revisions.

Please post when convenient for you.

Bill
[Quoted text hidden]

PSA_Hayes Township.pdf
103K

Gmail Bill Conklin <supervisorhayestownshipmi@gmail.com>

Your MLive news to know today, Feb. 6, 2026 - mlive.com

3 messages

Roy Griffitts <rwgriffitts3@gmail.com> Wed, Feb 11, 2026 at 10:34 AM
To: Hayes supervisor <supervisorhayestownshipmi@gmail.com>, Kristin Baranski <clerkhayestownshipmi@gmail.com>, Hayes Treasurer <treasurerhayestownshipmi@gmail.com>, Matt Cunningham <trustee2@hayestownshipmi.gov>, Doug Kuebler <trustee1@hayestownshipmi.gov>
Cc: Ron Van Zee <zoning@hayestownshipmi.gov>

Well the cat is out of the bag on Hayes township and data centers. Our friends have made sure of that. Resort township is actively developing an ordinance on data centers but has not yet enacted a moratorium. I think you did the right thing in enacting one since the the publicity stunt backfired and made it a more visible issue. Two articles that appeared in a statewide source and of course the Channel four reports out of TC.

https://www.mlive.com/news/2026/02/consumers-energy-eyeing-more-data-centers-and-4-other-major-stories.html

Former nuclear plant site draws data center concerns in Northern Michigan
mlive.com

Bill Conklin <supervisorhayestownshipmi@gmail.com> Thu, Feb 12, 2026 at 2:10 PM
To: Roy Griffitts <rwgriffitts3@gmail.com>

Thanks for the info Roy ---

here is a PSA which the Board asked me to draft in response to their 20+ phone calls or emails --- I sent it along to the Board for their review -- thought you may want to weigh in if something needs to be changed or modified, as you can call or email -- thanks
[Quoted text hidden]

PSA_Hayes Township.pdf
103K

Roy Griffitts <rwgriffitts3@gmail.com> Thu, Feb 12, 2026 at 5:11 PM
To: Bill Conklin <supervisorhayestownshipmi@gmail.com>

Hi Bill,

Couple of thoughts. Probably a good idea to put this out there. You/we were set up by the "friends" who had what might be a better moratorium in their hands long before the meeting and chose to drop it on you as a surprise.

The PSA is well written as I would expect from a lawyer but it may be too erudite for the average township citizen. To that end I took the liberty of suggesting some simpler language that might work. I made the changes on the attached word

doc. I don't do .pdfs sorry.

As this is coming from you feel free to ignore anything I said. I know you want to try to calm peoples nerves and we don't want any misunderstandings by the public. As PT Barnum once said "No man ever went broke overestimating the ignorance of the American public". I quote this is not to insult our people but to remind us that not everyone we meet possess the vocabulary that we might.

Feel free to call if you have any questions. Just my $.02

Roy

[Quoted text hidden]

021226 draft edits PUBLIC SERVICE ANNOUNCEMENT.docx
14K

Gmail Bill Conklin <supervisorhayestownshipmi@gmail.com>

Slight Modifications to PSA by Roy -

5 messages

Bill Conklin <supervisorhayestownshipmi@gmail.com> Thu, Feb 12, 2026 at 6:48 PM
To: Kristin Baranski Clerk <clerk@hayestownshipmi.gov>, Julie Collard <treasurer@hayestownshipmi.gov>

Hello Kristin and Julie --

Roy sent me some minor modifications to the PSA - to simplify the wording and to make it a bit easier to read for the residents.

I incorporated his suggestions into this draft attached. Use your discretion as both are fine with me --

Bill

PSA_Hayes Township_Roy.pdf
104K

Bill Conklin <supervisorhayestownshipmi@gmail.com> Thu, Feb 12, 2026 at 6:53 PM
To: Roy Griffitts <rwgriffitts3@gmail.com>

Thanks Roy --- many hands make light work aka best to put two heads together....changes attached.

---------- Forwarded message ---------
From: **Bill Conklin** <supervisorhayestownshipmi@gmail.com>
Date: Thu, Feb 12, 2026 at 6:48 PM
Subject: Slight Modifications to PSA by Roy -
To: Kristin Baranski Clerk <clerk@hayestownshipmi.gov>, Julie Collard <treasurer@hayestownshipmi.gov>

Hello Kristin and Julie --

Roy sent me some minor modifications to the PSA - to simplify the wording and to make it a bit easier to read for the residents.

I incorporated his suggestions into this draft attached. Use your discretion as this may read better --

Bill

PSA_Hayes Township_Roy.pdf
104K

Hayes Treasurer <treasurerhayestownshipmi@gmail.com> Thu, Feb 12, 2026 at 8:07 PM
To: Bill Conklin <supervisorhayestownshipmi@gmail.com>

Edited draft posted.
Thank you for putting this together.

Julie Collard
Hayes Township Treasurer
[Quoted text hidden]

---

clerk hayestownshipmi <clerkhayestownshipmi@gmail.com> Thu, Feb 12, 2026 at 8:14 PM
To: Bill Conklin <supervisorhayestownshipmi@gmail.com>

Bill,

Looks good to me. Ill get with Julie
Sent from my iPhone

> On Feb 12, 2026, at 6:48 PM, Bill Conklin <supervisorhayestownshipmi@gmail.com> wrote:
>
>
[Quoted text hidden]
> <PSA_Hayes Township_Roy.pdf>

Bill Conklin <supervisorhayestownshipmi@gmail.com> Thu, Feb 12, 2026 at 11:26 PM
To: Hayes Treasurer <treasurerhayestownshipmi@gmail.com>

You are welcome and thanks for your email last night -- thanks for posting.
[Quoted text hidden]

Gmail Bill Conklin <supervisorhayestownshipmi@gmail.com>

Moratorium for Data Center - Hayes Twp

3 messages

Bill Conklin <supervisorhayestownshipmi@gmail.com> Thu, Feb 12, 2026 at 3:44 PM
To: [redacted]
Cc: Jim Baumann [redacted]

Hello Sheri --

Thank you for the article (Boyne Citizen and MLive) outlining the steps taken by Hayes Township.

Just a correction that we passed the Resolution for a Moratorium giving us 6 months to respond to any application for a data center land use.

You are correct that we may amend that Resolution at our Board meeting on March 9 perhaps by authorizing a 12 month delay, depending upon the recommendation of our attorney and thoughts of the Board members.

Please see the attached Moratorium which was passed on Feb 9.

We also posted the attached PSA on our Website to diminish/address the concerns of our residents.

Bill Conklin
[redacted]

2 attachments

Hayes Twp Moratorium_Resolution.pdf
486K

PSA_Hayes Township.pdf
103K

Sheri McWhirter <[redacted]> Fri, Feb 13, 2026 at 9:13 AM
To: Bill Conklin <supervisorhayestownshipmi@gmail.com>
Cc: Jim Baumann [redacted]

Hi Bill,

Thanks so much for writing to me. I was listening online and thought I understood the moratorium to be a 30-day duration by the end of the long conversation. The board discussed a lot of options, so you have my apologies for misunderstanding the time period.

I'll jump into the online article and make the needed change. Thanks again for reaching out.

Take care,

Sheri McWhirter

[Quoted text hidden]

Bill Conklin <supervisorhayestownshipmi@gmail.com> Fri, Feb 13, 2026 at 9:53 AM
To: Sheri McWhirter <[redacted]>

Hello Sheri,
You are welcome as the article was well done, just wanted to assist --- that was just a detail.

Have a nice weekend.

Bill

[Quoted text hidden]

Gmail Bill Conklin <supervisorhayestownshipmi@gmail.com>

Zoning it Out? – Applying Michigan's Statutory Exclusionary Zoning Provision - FSBR

2 messages

Roy Griffitts <rwgriffitts3@gmail.com> Mon, Feb 16, 2026 at 9:14 AM
To: Alexander Curley <acurley.pc@gmail.com>, Hayes Treasurer <treasurerhayestownshipmi@gmail.com>, Hayes supervisor <supervisorhayestownshipmi@gmail.com>, CT Martin [redacted]

Good Morning All,

As you will be part of the leadership of the workgroups on short term rentals and data centers, Just as a reminder/refresher I am passing along a brief summary the key points on exclusionary zoning that you will need to keep in mind during your work.

Many thanks for agreeing to help with these issues.

Roy

https://fsbrlaw.com/2023/10/31/zoning-it-out-applying-michigans-statutory-exclusionary-zoning-provision/

Zoning it Out? – Applying Michigan's Statutory Exclusionary Zoning Provision

Many townships often want to know the limits of Michigan law with respect to the standards applicable to zoning to avoid excluding certain land uses within their borders. Case law suggests that some communities may find it necessary to strictly regulate the location of uses and structures through their Zoning Ordinance, including billboards, renewable energy projects (wind and solar), land uses related to waste, gravel pits, and mobile home communities. These discussions relate to exclusionary zoning challenges.

The Michigan Zoning Enabling Act in MCL 125.3207 includes statutory language that generally prohibits township zoning ordinances from totally prohibiting land uses subject to limited exceptions related to the demonstrated need for the land use, the appropriateness of location for the land use, or the lawfulness of the land use. This E-Letter provides: (1) a non-exhaustive summary of how Michigan courts have applied the statutory exclusionary zoning test and (2) tips on how your township can avoid challenges of statutory exclusionary zoning.

Michigan's Statutory Exclusionary Zoning Prohibition

In townships with zoning, all zoning ordinances are subject to provisions and requirements of the Michigan Zoning Enabling Act. In summary, zoning ordinances provide for local control over the location of land uses and are intended to facilitate the orderly development of a township by ensuring, among other things, the compatibility of land uses to promote the public health, safety, and welfare.

See e.g., MCL 125.3201. Michigan courts presume zoning ordinances are valid. *Landon Holdings, Inc v Grattan Twp*, 257 Mich App 154, 174; 667 NW2d 93 (2003).

Sometimes townships have to make difficult policy decisions when determining appropriate locations for certain land uses that may be, for various reasons, unpopular with residents without sufficient conditions and siting constraints to avoid nuisance factors such as noise, odor, glare, among other things. Because certain land uses may be either unpopular with residents or can potentially cause compatibility issues with neighboring or adjacent land uses, this may lead to a township finding that a land use is only appropriate in certain land use districts of the township. When that situation occurs, landowners who may want to site such a land use may challenge a township's zoning regulations under an "exclusionary zoning" theory.

MCL 125.3207 is the Michigan Zoning Enabling Act's statutory provision addressing "exclusionary zoning." It provides:

A zoning ordinance or zoning decision ***shall not have the effect*** of ***totally prohibiting*** the establishment of a land use within a local unit of government in the presence of a ***demonstrated need for that land use within either that local unit of government or the surrounding area within the state***, unless a ***location within the local unit of government does not exist where the use may be appropriately located or the use is unlawful.***

In Michigan, courts interpret statutes according to their plain and ordinary language. See *Warren's Station, Inc v City of Bronson*, 241 Mich App 384, 388; 615 NW2d 769 (2000). A variety of courts have reviewed the provision above and have made various findings and conclusions. Below are some examples of how courts have applied the statute above in list form for convenience.

1. Not every land use is per se appropriate for every community due to unique circumstances across the townships. For example, industrial land uses are likely not appropriate for Mackinac Island. *Hendee v Putnam Twp*, 486 Mich 556, 576-77; 786 NW2d 521 (2010).
2. Generally speaking, all land uses will be subject to this standard under the Michigan Zoning Enabling Act, unless there are special zoning preemption provisions such as those for electrical transmission lines, adult foster care facilities and similar land uses, oil and gas wells, among other land uses. *Kyser v Kasson Twp*, 486 Mich 514, 542; 786 NW2d 543 (2010).
3. A "desire" (economic, self-serving want) for a land use is not the same as a demonstrated need for the land use. *Int'l Outdoor v City of Livonia*, unpublished per curiam opinion of the Court of Appeals, issued June 14, 2016 (Docket No. 325243), pp *28-29. Demonstrated need generally relates to a public need for the land use.
4. The burden to "prove" exclusionary zoning includes the obligation to prove a zoning ordinance totally prohibits the proposed land use. *Houdek v Centerville Twp*, 276 Mich App 568, 578; 741 NW2d 587 (2007).
5. A challenge under a statutory exclusionary zoning claim is likely not "ripe" or appropriate if a developer has not sought out all potential requests it can make to site the land use (e.g., variances) *Putnam Twp*, 486 Mich 556 at 573 (2010).

Key takeaways from the statutory provision above in addition to the findings from various courts under MCL 125.3207 are: (1) the provision only governs when a land use is totally prohibited; (2) there must be a "demonstrated need" for the land use within a township or surrounding community unless the land use may not be appropriately located (including being unlawful).

Tips to Guard Against Excluding an Appropriate Zoning Use

Understanding the framework for the statutory prohibition on exclusionary zoning, townships should consider several concepts when assessing their master plans, adopting new zoning ordinances, or amending their current zoning ordinances. Below is a list of considerations that townships should consider when assessing their master plan, and drafting, amending, and applying their zoning ordinances to avoid a statutory exclusionary zoning challenge.

1. ***Generally, do not prohibit land uses.*** The statutory prohibition on exclusionary zoning does not apply if a township does not totally prohibit land use in its zoning ordinance. For land uses that cause compatibility issues, consider allowing them in specific zoning districts and subjecting them to special land use permit review where conditions can mitigate against the impacts from the use.
2. ***If a new land use is being proposed or limitations are being imposed that might effectively ban a use, think about the "need" for it.*** If a township is considering a request regarding a new land use or limitations being imposed for a current use that effectively bans that use within its boundaries, the first prong of MCL 125.3207 will be met and there may be a higher probability of facing challenges under exclusionary zoning. If a zoning ordinance prohibits a land use intentionally, a township must be prepared to have evidence and/or sufficient reasoning of why the land use is not needed in the township or in the region. This will be particularly difficult to satisfy for those uses with a public need in the area or region.
3. ***Use the master planning process as a tool.*** Points #1 and #2 involve considering the appropriateness of land uses in a township and whether land uses are needed in a township or region. These are great items to address in a master plan regarding future land use development. Points in a master plan about these issues could be relied on related to application of MCL 125.3207.
4. ***Study land uses that may be unfamiliar.*** Zoning ordinances will not perfectly anticipate all land uses that may become more prevalent over the years. For example, the rapid development of utility-scale solar energy projects is something that many may have not anticipated decades ago when many zoning ordinances were written. To avoid potential statutory exclusionary zoning challenges, consider studying new land uses and temporarily pause consideration of such land uses rather than just pointing to a zoning ordinance and informing a developer that the land use is prohibited. Information about imposing moratoriums is available in a separate e-letter here: https://fsbrlaw.com/2023/03/31/pressing-pause-answers-to-seven-frequently-asked-questions-about-moratoriums/.
5. ***Understand the risk.*** Quite simply, more restrictive zoning regulations will create more opportunities for challenges from developers based on statutory exclusionary zoning theories,

among other legal theories. Although not the topic of this E-letter, developers may challenge restrictive zoning ordinances on theories very similar to MCL 125.3207 such as older common law and constitutional theories. See e.g., *Int'l Outdoor v City of Livonia*, unpublished per curiam opinion of the Court of Appeals, issued June 14, 2016 (Docket No. 325243), n 1.

We hope the above helped outline how the Michigan Zoning Enabling Act's exclusionary zoning language works and how courts have applied the test. Do not hesitate to contact us if your township needs help applying the statutory test above or otherwise needs guidance on how other challenges may apply to your zoning ordinance provisions.

Bill Conklin <supervisorhayestownshipmi@gmail.com> Mon, Feb 16, 2026 at 11:54 AM
To: Roy Griffitts <rwgriffitts3@gmail.com>

Thanks Roy --- I called CT on Saturday, he was still fishing in FL (nice) so we will connect when he gets back -- Matt Berg asked to be included on the STR Committee (he will be back in the area end of Feb) - sending an Application to see his experience -

[Quoted text hidden]

Gmail **Bill Conklin <supervisorhayestownshipmi@gmail.com>**

Fwd: Data Centers: For Bill Conklin

2 messages

clerk hayestownshipmi <clerkhayestownshipmi@gmail.com> Tue, Feb 17, 2026 at 11:57 AM
Reply-To: clerk@hayestownshipmi.gov
To: HAYES TOWNSHIP SUPERVISOR <supervisor@hayestownshipmi.gov>

---------- Forwarded message ---------
From: **Donald Gregory** <[redacted]>
Date: Tue, Feb 17, 2026 at 10:49 AM
Subject: Data Centers: For Bill Conklin
To: clerk hayestownshipmi <clerkhayestownshipmi@gmail.com>

Hi Kristin, Please print or forward the attached for Bill Conklin. Cuidate
--
Donald Gregory
[redacted]

On two occasions I have been asked by members of Parliament, 'Pray, Mr. Babbage, if you put into the machine wrong figures, will the right answers come out?' I am not able rightly to apprehend the kind of confusion of ideas that could provoke such a question. - Charles Babbage

--
Kristin Baranski
Hayes Township Clerk
9195 Major Douglas Sloan Road
Charlevoix, Michigan 49720
231.547.6961

LocalGovernance_DataCenters.pdf
228K

Bill Conklin <supervisorhayestownshipmi@gmail.com> Tue, Feb 17, 2026 at 12:46 PM
To: Donald Gregory <[redacted]>

Thank you Mr. Gregory for sending this information about Data Centers --- I will review it and retain it as a Resource.

Bill Conklin
[redacted]
[Quoted text hidden]

Data Centers

In **2024** Michigan joined some 35 other states passing **bipartisan legislation exempting large data centers,** investments of $250 million or more, from the **state's 6% sales and use tax.** [15] Many Michigan township zoning ordinances were unprepared for the electric and water demands and noise abatement requirements entailed by data center projects and have imposed moratoriums on these proposals until they understand them. [16]

How should Michigan townships approach writing data center zoning ordinances? *Wait until you understand what they are and the experiences of other municipalities, in or out of the state, in dealing with corporations wanting to build them. Modify the Marshall Township Data Center Moratorium Resolution and Ordinance to fit your township specific needs and pass at your next meeting of the Board of Trustees.* The Marshall *Resolution and Ordinance are on pages three thru eight of the Marshall Township Planning Commission Packet.*

We have perused the Data Center Moratoriums of Marshall, Sylvan, Howell, Pittsfield Charter, and Springfield Charter Townships and believe the **Marshall ordinance** to be the **strongest and best written.** All township moratoriums mentioned here are linked in the addendum below so you can do your own comparisons. The **major issue** with the moratorium Resolution and/or Ordinance of **Howell, Pittsfield Charter, and Springfield Charter Townships** is the **Waiver** provision which gives organizations wanting to build a data center a "back door" to getting around the moratorium before the Township has finished work on zoning policies.

The sections below elaborate somewhat on what data centers are and why strong, well written, zoning ordinances need to be put into place to manage them. Terms of Engagement at the end of each section are general guidelines for building protections into local and state planning for data centers.

What is a data center?

"A data center is **a specialized facility designed to house and manage an organization's IT infrastructure,** including servers, storage systems, networking equipment, and other hardware essential for processing, storing, and distributing vast amounts of data. These facilities serve as the **backbone of modern digital services**, enabling everything from cloud computing and online transactions to streaming platforms and artificial intelligence (AI) applications. Data center designs incorporate advanced cooling systems, backup power, and in-house cybersecurity measures to ensure efficiency, reliability, and security. As data centers continue to grow in scale and complexity, their energy use and environmental footprint are also expanding." [05]

Data centers require five things: Land, water, power, high speed communication links, and compliant governing policy. Data centers should be thought of as **both infrastructure and industry**. As infrastructure data centers are a necessary part of our information technology world. As industry data centers consume enormous amounts of resources in the form of power and water in the production of information services. As with almost any other infrastructure or industry, data centers **need to be regulated for the public welfare**.

Terms of Engagement [05]

No rate hikes

Data centers must pay for their own energy demand — costs cannot be passed onto ratepayers.

Community transparency

Communities must have a meaningful say in project approvals and community benefits packages.

Energy reliability guarantees

Energy reliability cannot worsen because of data center projects. Projects must include enforceable commitments from utilities to improve energy reliability, funded by data center revenues.

Jobs guarantee

Data centers must create the local jobs they promise, or face penalties, and must be built by Michigan contractors with DOL registered apprenticeship programs.

Water protection

Data centers must commit to closed-loop cooling systems to avoid stressing or polluting local water resources.

Community benefits agreements

Projects should include binding agreements that deliver real benefits, including local infrastructure investments, improvements to the electrical grid, burying power lines, and upgrading water treatment facilities and piping.

No clean-energy loopholes

Utilities cannot use data center projects to weaken or sidestep clean energy laws.

Enforceability

All agreements must be enforceable through actionable penalties.

How much land do data centers require?

"Data centers vary significantly in size and function. Hyperscale facilities require large land parcels and robust infrastructure. Colocation centers may be in suburban business parks, while edge or micro data centers can be housed in retrofitted retail spaces or near telecom hubs." [12]

Examples of the "large land parcels" mentioned above range from the 173 acre Lyon Township, Michigan, data center to the 1,050 acre Saline Township hyperscale facility. Farmland is often selected as it's already cleared.

Terms of Engagement

Community transparency
Communities must have a meaningful say in project approvals and community benefits packages.

Do data centers create jobs?

The short answer, not really. [15] At least not in the way they are typically sold to governments. **Corporations** such as Amazon, Google, Microsoft, and others, interested in building data centers claim the projects are safe and good for the public welfare. They claim data centers generate good paying jobs, tax revenues, and are a boost to local business. These **claims are dubious at best** and often simply made to provide local and state governments with talking points for public consumption.

Data center jobs follow a "boom" and "bust" cycle with job creation typically front-loaded in the construction phase. Once construction is complete, however, there is little need for the onsite presence of people. [05] Data center computers and equipment can be, and are, monitored and controlled remotely. What onsite maintenance is needed can be contracted out with the occasional visit. The experience of Gaines Township, Michigan, is instructive.

Gaines Township, MI, Learns the Hard Way: Data Centers Don't Create a Lot of Jobs
"In **2015**, Nevada-based **Switch promised to create 1,000 jobs** and investment totaling $5 billion by building a data center in the 663,671-square-foot former Steelcase furniture company building in **Gaines Township** [south of Grand Rapids, MI]. Instead, Switch had made only **26 jobs by a 2022 deadline**." - *2024-Jun-19, Bridge Michigan* [01,05]

Terms of Engagement

Jobs guarantee
Data centers must create the local jobs they promise, or face penalties, and must be built by Michigan contractors with DOL registered apprenticeship programs. [08]

Do data centers consume a lot of electricity?

The short answer, yes. In **2024** data centers accounted for **more than 4%, some 183 TWh, of all U.S. electrical consumption.** [03] On their current electrical consumption trajectory data centers are expected to account for more than 8%, or 426 terawatt-hours, of total U.S. electrical consumption by 2030. In February, 2026, to feed the AI venture

the U.S. is pumping more than $175 million into coal fired power plants. [14] "Fossil fuel-fired power plant development is roaring back to life in the US". [13]

Because the U.S. power grid is integrated with power companies buying energy from each other to meet local demands, what happens in one part of the country can affect rate payers elsewhere. The **Pennsylvania-New Jersey-Maryland (PJM) grid** serves as a good example. PJM services all or part of the electric needs for thirteen states from Illinois to the Atlantic. The PJM **2024/25 capacity futures market** cleared at **$28.92/megawatt-day**; the **2025/26 market cleared at $269.92/MW-day**; and the **2026/27 market cleared at $329.17/MW-day - a more than 1000% increase in just three years**. Companies such as Amazon, Google, and Microsoft, to name just a few, who are creating this increase in demand are extremely profitable but **rate payers are footing the bill** with a **63% rate increase** in the **2025/26 market.** [04,05]

In **February, 2023, Consumers Energy**, Michigan's second largest investor-owned electric utility, announced over **$17 billion in capital spending over the next five years**. What's driving that spending? "Consumers will need all that generation and more to serve **new industrial and data center loads**", says its CEO Garrick Rochow. The utility is close to finalizing a 1-GW data center contract with an unnamed hyperscaler. In the last month, two more data center proposals have been floated joining two industrial loads already in the pipeline. "Everything is headed in the right direction here," according to Rochow. [07] Coming to your local electric bill soon, rate hikes. The data center market has become a speculative AI venture which must be contained by tying all risks of expansion directly to the companies and investment firms fueling that speculation.

The experience of **Memphis, Tennessee** is instructive. **"They essentially set up a power plant without getting a permit." - *Amanda Garcia, senior attorney, Southern Environmental Law Center***
$25 million a year in property taxes, a new wastewater treatment plant, a cooperative business with deep pockets. Big incentives for the Greater Memphis Chamber of Commerce and Boxtown, TN, mayor's office to work with xAI in building the world's biggest data center about a half-mile from the Mississippi River on an industrial zoned lot southwest of Memphis, Tennessee. A lot vacated in 2019 by a former Electrolux plant after promises of good paying jobs and some $188 million in municipal subsidies.

Memphis Gas Light and Water (MGLW) agreed to deliver 50 MW of power which was about a third of what the 230K Nvidia GPUs in the Colossus 1 data center would need to train and run *Grok* so **35 "temporary" methane gas powered turbines** were brought in. Turbines that have the potential to **emit between 1,200 and 2,000 tons of smog-forming nitrogen oxides (NOx) a year**, more emissions than the Memphis airport. By **September, 2024, Colossus 1** was **online.** A few miles away in Whitehaven **Colossus 2**, the first GW (gigawatt) data center ever built, **went online in January, 2026**, with some 550K Nvidia GPUs. By April, 2026, power requirements for Colossus 2 are expected to be 1.5 GW. Requirements that exceed the peak demand of San Francisco. The power is supplied, in part, by another 66 natural gas powered turbines. **xAIs goal? 50 million Nvidia GPUs in five years. A more than 5,000 percent increase from what is already in place.** [19]

Terms of Engagement

No rate hikes

Data centers must pay for their own energy demand — costs cannot be passed onto ratepayers.

Energy reliability guarantees

Energy reliability cannot worsen because of data center projects. Projects must include enforceable commitments from utilities to improve energy reliability, funded by data center revenues.

No clean-energy loopholes

Utilities cannot use data center projects to weaken or sidestep clean energy laws.

Do data centers consume a lot of water?

The short answer is, almost always yes. It should not be surprising that Michigan is one of the more attractive data center locations due to its abundant supply of water. A November, 2025, Cornell University study estimated that **annual U.S. data center water consumption**, depending on how fast AI demand is brought online, could reach the equivalent of **10 million persons by 2030.** [11]

Water is typically the primary cooling agent for data center equipment. Pollution effects depend on how the heat is dissipated. From a cost perspective pumping into and out of the local water table is an attractive option. Energy consumption is lower but higher water table temperatures can change the biology of the aquifer. Closed systems, where water is recycled use less water but require more power for cooling. Water usage can be reduced with the use of refrigerants, but refrigerants must be disposed of.

Every data center must cool the equipment within its walls. Local governments should understand the cooling lifecycle of a proposed data center, including disposal of any refrigerants if those are being used.

Terms of Engagement

Water protection

Data centers must commit to closed-loop cooling systems to avoid stressing or polluting local water resources.

No clean-energy loopholes

Utilities cannot use data center projects to weaken or sidestep clean energy laws.

What do data centers do?

The short answer, more than answering Google questions or managing social interactions. Traditional data centers served business or academic computing needs that could be traced directly to business and academic products and services, they were cost centers. Land, water, electrical, and business computing needs were on a par with other industrial uses. **Cloud computing**, however, opened the door for data center virtualization and monetization. With cloud computing a business didn't have to build a physical data center. A business could rent virtual servers in a physical data center built and maintained to provide computing services to hundreds or thousands of customers. These are the capabilities systems like Amazon Web Services (AWS) or Microsoft Azure provide. **Artificial Intelligence (AI)**

didn't change the cloud computing model but it did bring a capability to marshall massive amounts of data for a specific purpose at the cost of enormous storage and computing resources. The purposes to which AI systems can be applied go far beyond answering our Google questions about life, the universe, and just about anything else. So a legitimate question emerges: To what end are these enormous storage and computing requirements of AI being placed in service of?

An April, 2024, news report describing AI enabled warfare is revealing. The report describes a variety of systems that work together delivering AI enabled warfare. *Lavender*, is one such system responsible for perusing "massive amounts of surveillance data—metadata, phone records, social networks, behavioral patterns, and unverified associations—to generate a 'kill score'" between 1 and 100. [06.1] The kill score is used by another AI system called *Where's Daddy* which is responsible for tracking the persons of interest, the persons identified by *Lavender*, and determining where they should be killed, this is usually at home with their families where the kill rate is maximized. Hence the name, *Where's Daddy*. *Lavender* determines *who* and *Where's Daddy* determines *when* a person is killed. A third AI system, *The Gospel*, is responsible for analyzing associations between persons of interest and mapping those associations into aggregates which can be used to target multiple individuals in one strike - preferably in a civil structure such as a hospital or school, thus minimizing ordinance expenditures and maximizing infrastructure destruction as well as kill rates.

Together, these and other AI systems such as *Gospel Plus* and *Fire Factory* have accelerated target generation from 50 a year to 100 a day and massively increased the killing and destructive power of any given strike. Gaza and the West Bank are proving grounds for these capabilities which are marketed to the rest of the world at arms shows as being "battle tested". Theoretically, human oversight is supposed to temper the AI decisions. In practice, however, when AI generates the target and calls for the strike, Israeli Defense Forces (IDF) drop the bombs, fire the artillery, send in the drones, or whatever else the AI systems have determined is needed to accomplish the AI objective. [06.1] Many of these AI systems are hosted in Amazon, Google, Microsoft or other cloud based services here in the U.S.

Aside from profiting off warfare, what does all that have to do with the United States? As the saying goes, injustice anywhere is a threat to justice everywhere. Surveillance systems of the sort described above are running on U.S. soil and profits are being plowed back into building, well, data centers. When an ICE or Border Patrol agent, for example, is holding their phone to someone's face they are using an AI facial recognition system called *Mobile Fortify*, produced by NEC, to match the person in front of them with more than 200 million government-held photos in federal databases, i.e., data centers. [17] Agents are told *Mobile Fortify* is more accurate than a person's identification documents. That is not true.

One of the biggest "players" in AI surveillance is Palantir with 2024 revenues of $2,9 billion, 55% of which is from government contracts. What does Palantire do?

> "Integrates surveillance data, financial transactions, communications intercepts, travel records, criminal databases into one unified platform. Used by CIA, Pentagon, ICE, and local police (predictive policing)." [18]

How is this surveillance data used? *Maven* is a Palantir AI system used by the Pentagon and capable of target identification, i.e., identifying "persons of interest", and tracking. Note the similarity to the IDF *Lavender* AI system. *TITAN* is the Army's next-generation AI targeting system. Current capabilities use satellite or drone sensory data for target identification and targeting coordinates which a soldier then uses for engagement, i.e., kill, decisions. Note the similarity to the IDF AI systems described above. Local police surveillance capabilities are delivered by Palantir's *Gotham* AI system which delivers "predictive policing". That is flagging individuals as "potential" criminals before any crime has occurred.

In summary, local governments zoning for data center projects might be well advised to require transparency as to what is running inside the data center. In his farewell address to the nation President Eisenhower warned us about the military-industrial complex. AI and cloud computing have become integral parts of that complex.

References

01) Data centers create few jobs. Michigan wants to give them big tax breaks (BridgeMI)

02) Do data centers create few permanent jobs? (The Nevada Independent)

03) What we know about energy use at U.S. data centers amid the AI boom (Pew Research Center)

04) Projected data center growth spurs PJM capacity prices by factor of 10 (IEEFA)

05) What Happens When Data Centers Come To Town? (UofM)

06) Lavender & Where's Daddy: How Israel Used AI to Form Kill Lists & Bomb Palestinians in Their Homes (Democracy Now!)

06.1) Where's Daddy? Israel's AI Kill-Chain (MK Sensei)

07) Consumers Energy plans over $17B in capital spending in next 5 years (Utility Dive)

08) Terms of Engagement for Data Centers

11) U.S. Data Centers Could Consume as Much Water as 10 Million Americans by Decade's End (Yale Environment 360)

12) Zoning and Land Use Considerations for Data Centers (Data Center Knowledge)

13) AI datacenter boom triples US gas power builds, filling the air with more CO2 (The Register)

14) Trump directs Energy Department to issue funds to keep coal plants online (Reuters)

15) Data centers eyed in at least 10 Michigan towns. How they might change state (Bridge Michigan)

16) Local governments pass moratoriums to slow down data center frenzy (The Midwesterner)

17) Here's the Company That Sold DHS ICE's Notorious Face Recognition App (Wired)

18) Palantir: The $2.9 Billion Surveillance Company Behind ICE, Pentagon, and Your Local Police (State of Surveillance)

19) 'We Are the Last of the Forgotten:' Inside the Memphis Community Battling Elon Musk's xAI (Time)

Appendix I: Township Data Center Moratoriums

Moratorium Without Deferral Option

Marshall Township Planning Commission (PC), 2026-Feb-03: Resolution and Ordinance to Enact a Temporary Moratorium on Data Centers and Battery Energy Storage Systems

Sylvan Township, County of Washtenaw, State of Michigan, Ordinance No. 26-01, 2026-Jan-28: AN ORDINANCE TO ENACT A TEMPORARY MORATORIUM ON DATA CENTERS

Moratorium With Deferral Option

It appears from the wording of the Springfield Charter Township Data Center Moratorium Resolution #5, i.e., omission of "economic" in the third phrase of "viable use", that the Hayes moratorium was taken from Springfield Charter Township or from a source that provided the moratorium for Springfield Charter Township.

Howell Township, Township Board, 2025-Nov-20: Data Center Moratorium - It's unclear whether this ordinance passed or not. The waiver (deferral) in this ordinance rests solely with the Township Board.

Pittsfield Charter Township, Board of Trustees, 2025-Nov-20: RESOLUTION INSTITUTING A TEMPORARY MORATORIUM ON APPROVAL OF DATA CENTERS

Springfield Charter Township, Township Board, 2025-Dec-11: Resolution Instituting a Temporary Moratorium On Approval of Data Centers

Gmail Bill Conklin <supervisorhayestownshipmi@gmail.com>

Data Centers

2 messages

Carey Cuddeback <clcuddebackpc@gmail.com> Wed, Feb 18, 2026 at 1:23 PM
To: Roy Griffitts <rwgriffitts3@gmail.com>, Bill Conklin <supervisorhayestownshipmi@gmail.com>

I'm guessing that both of you attended today's Webinar with the MTA on data centers. Lots of good info. I clicked onto a link provided during the webinar to get the attached document from U of M. Very interesting and helpful. Thought I'd send in case you missed it. It wasn't noted unless you went into the chat section of the zoom.

Thanks!

Carey Cuddeback
[redacted]

Data-Center-Guidebook-2026-02-06.pdf
5030K

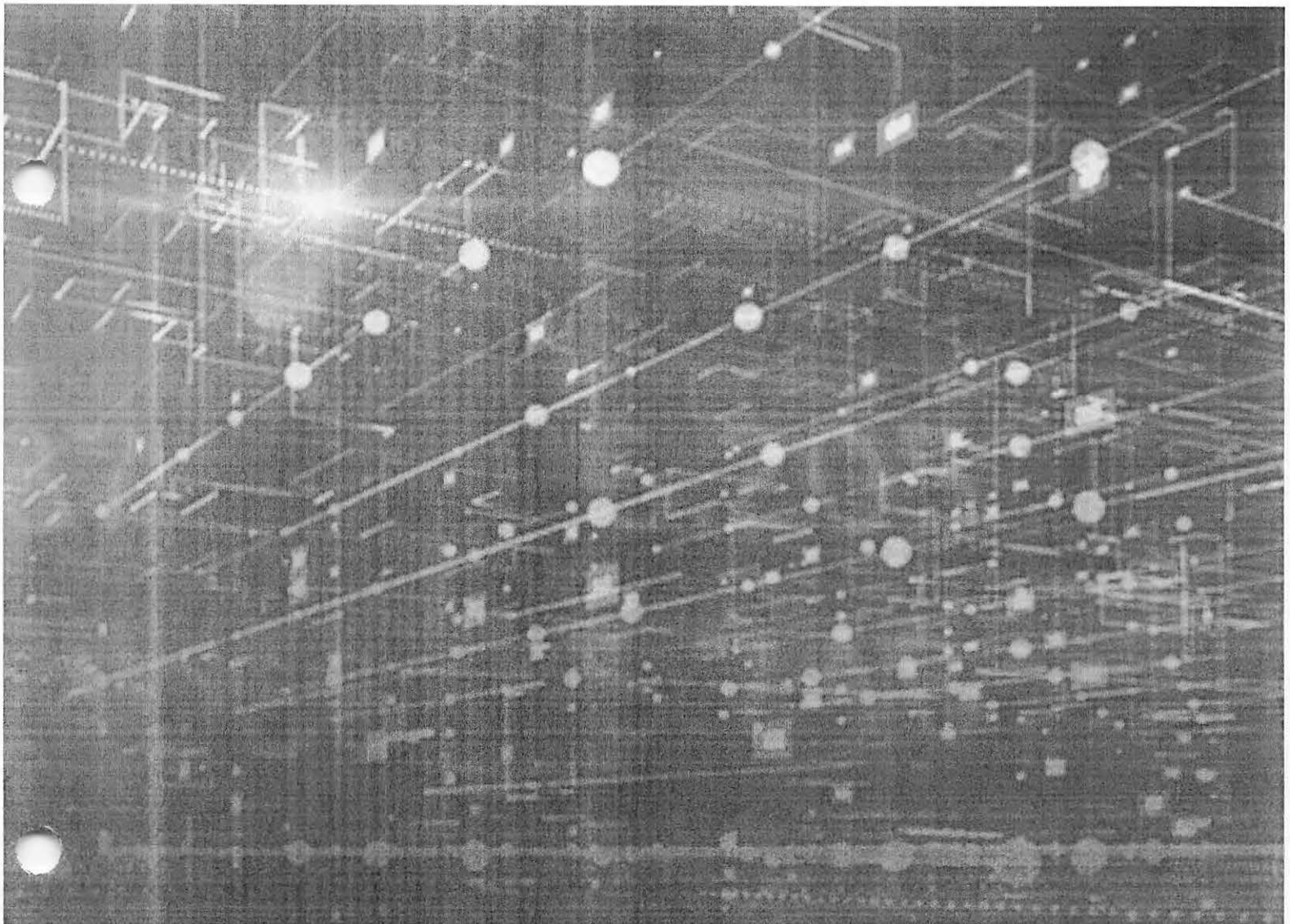
Bill Conklin <supervisorhayestownshipmi@gmail.com> Wed, Feb 18, 2026 at 5:49 PM
To: Carey Cuddeback <clcuddebackpc@gmail.com>
Cc: Roy Griffitts <rwgriffitts3@gmail.com>

Thanks Carey --- I was unable to attend but Kristin will be forwarding the link to me tomorrow.....this will assist in comprehending the complexities, Excellent resource.

Bill.

On Wed, Feb 18, 2026 at 1:23 PM Carey Cuddeback <clcuddebackpc@gmail.com> wrote:

> I'm guessing that both of you attended today's Webinar with the MTA on data centers. Lots of good info. I clicked onto a link provided during the webinar to get the attached document from U of M. Very interesting and helpful. Thought I'd send in case you missed it. It wasn't noted unless you went into the chat section of the zoom.
>
> Thanks!
>
> Carey Cuddeback
> [redacted]



WHAT MICHIGAN LOCAL GOVERNMENTS SHOULD KNOW ABOUT DATA CENTERS

February 2026

GRAHAM SUSTAINABILITY INSTITUTE
CENTER FOR EMPOWERING COMMUNITIES
UNIVERSITY OF MICHIGAN

Table of Contents

Background & Purpose

While data centers have operated in Michigan for some time,[1] they have largely existed without debate or public scrutiny. With the growth of AI and cloud computing, however, demand for larger, more resource-intensive data center facilities has surged. Following the recent expansion of state-level tax incentives for data centers, developers have begun looking to Michigan to identify new siting opportunities for significantly larger facilities.

Much has been written about the opportunities and risks that AI and data centers pose to society at large.[2] **This guide is not intended to resolve or mediate this society-wide debate; instead, it focuses on local-level considerations.** Like all land uses, data centers bring both positive and negative local impacts to the communities that host them. These impacts can vary depending on the specific technology used within a data center, the state regulations that shape its development, and its location within the host community. For example, there is a trade-off between the amount of water and energy a data center consumes, which depends heavily on the cooling technology used. State and local policy can also shape data center impacts on water and energy, as well as the direct economic impacts on the host community, including property taxes and job creation.

This guide is intended to provide Michigan local government officials and planners, particularly those with zoning authority, with the information they need to effectively participate in data center siting conversations. The first section of this guide provides a basic introduction to the environmental and economic impacts of data centers and links them to the current Michigan policy context. In the second section, we offer planning and zoning recommendations applicable not just to data centers but to a range of industrial land uses. Wherever possible, we draw on lessons from data center development in other states and from other industrial development, including our own expertise with large-scale renewable energy projects. **Since policies, technologies, and best practices for data center siting are rapidly evolving, readers should treat this guide as a working document. We plan to revise it or add supplementary guides as we learn more.**

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[1] Estimates range on the number of data centers currently in Michigan, likely due to the broad definition of what constitutes a data center. The U.S. Department of Energy's Office of Scientific and Technical Information's Data Center Atlas lists nine data centers in Michigan. Recent local reporting has noted approximately 44 data centers in the state. Mongird, K., Thurber, T., Vernon, C., Burleyson, C., Akdemir, K. Z., & Rice, J. (2025). *lm3 open source data center atlas*. Pacific Northwest National Lab (United States). https://doi.org/10.57931/2550666; *Your guide to Michigan's data center boom—And the growing backlash*. (2025, November 18). WKAR Public Media. https://www.wkar.org/wkar-news/2025-11-17/your-guide-to-michigans-data-center-boom-and-the-growing-backlash

[2] *Data centers are amazing. Everyone hates them.* (n.d.). MIT Technology Review. Retrieved February 5, 2026, from https://www.technologyreview.com/2026/01/14/1131253/data-centers-are-amazing-everyone-hates-them/; Copley, M. (2025, October 14). Data centers are booming. But there are big energy and environmental risks. *NPR*. https://www.npr.org/2025/10/14/nx-s1-5565147/google-ai-data-centers-growth-environment-electricity

Data Center Basics

A data center is any physical room or facility that houses information technology infrastructure. Many data centers provide computing services that keep websites running, enable video streaming, and support the software used by banks, hospitals, and human resources departments. With the rise of technologies such as cloud-based services and the Internet of Things (e.g., "smart" appliances, building systems, and other equipment that send data and can be controlled via the internet), we have seen the construction of newer, larger data centers to accommodate these increasingly popular technologies.[3] In particular, the advent of generative artificial intelligence (genAI) and large language models (LLMs) has driven the development of very large data centers.

A data center's infrastructure includes not just the servers (i.e., computers) that store and process information, but also networking equipment to get information to and from the internet, power supply equipment to protect the computers against fluctuations in electricity, and environmental control equipment to cool and maintain humidity.[4] The graphic on the next page includes a useful depiction of the components of a data center.

While a data center supporting a small business's operations, for example, may be as small as a closet, most of the current attention – and the rest of this guide – focuses on large, "hyperscale" data centers. Hyperscale data centers house over 5,000 servers, and have a footprint ranging in size from 10,000 to millions of square feet.[5] Generally, the digital services enabled by hyperscale data centers benefit a national or multi-region customer base rather than just the community or business property where the facility is located.

Data center companies choose sites for new development based on a variety of factors. In addition to needing to find a site with enough land to house the data center, they also require sites near an electric transmission line with sufficient capacity to provide power to the facility and high-capacity, low-latency fiber-optic cable to connect to the internet.[6] [7] If the data center plans to use water for cooling, it must also be sited near an adequate water source. From a financial perspective, developers are also more likely to build new facilities in localities that offer tax exemptions or other financial incentives.

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[3] Center for Sustainable Systems, University of Michigan. 2025. "Artificial Intelligence Factsheet." Pub No. CSS25-22. https://css.umich.edu/publications/factsheets/built-environment/artificial-intelligence-factsheet

[4] *What is a data center? | ibm.*

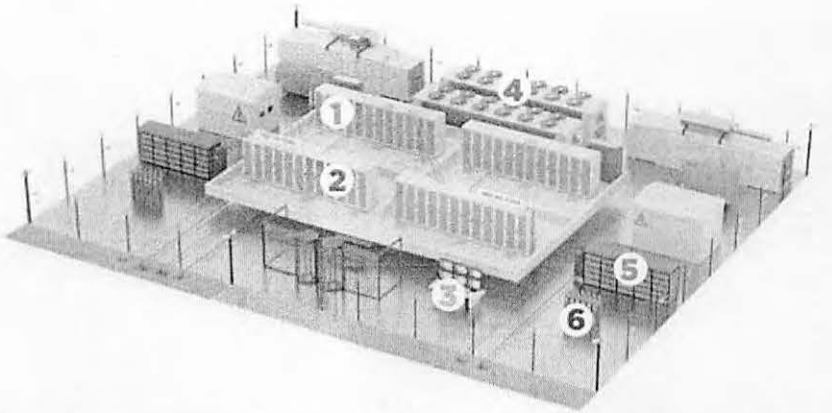
[5] *What is a hyperscale data center? | IBM.* (2024, March 21). https://www.ibm.com/think/topics/hyperscale-data-center

[6] CallisonRTKL, R. B., Vice President and Director, Mission Critical Group. (2015, January 19). *Parameters to consider in the data center location decision.* Area Development. https://www.areadevelopment.com/data-centers/data-centers-q1-2015/data-center-location-decision-parameters-46734866.shtml

[7] A recent trend in hyperscale data center development is for hyperscalers to build their own privately-owned, low-latency fiber networks if their preferred site lacks reasonable access to backbone fiber. Datacenters.com. (2025, September 3). *Who's Building the Next 200MW Colocation Campuses—And Why?* . https://www.datacenters.com/news/who-s-building-the-next-200mw-colocation-campuses-and-why

Components of Data Centers

Data centers consist of several critical components that ensure efficient operation and reliability.



Source: https://datacenter.uni-trier.de/de/what-is-a-data-center To view this interactive graphic visit the Data Center University website

1 Servers
The backbone of data processing and storage, servers are computers connected together to run applications and computing tasks.

2 Storage Systems
Data centers house vast amounts of digital information, stored on solid-state drives or hard disk drives.

3 Networking Equipment
Includes routers, switches and firewalls that manage data traffic and security.

4 Cooling Systems
Prevent overheating by using air or liquid cooling methods to maintain optimal operating temperatures for computers.

5 Power Infrastructure
Includes backup generators and uninterruptible power supplies to ensure continuous operation.

6 Security Systems
Physical and cyber security measures such as biometric access controls, surveillance cameras and fire suppression systems.

Source: National League of Cities

Environmental Impacts and Michigan Policies

This section details a summary of key environmental impacts; generally, the most environmentally-friendly data centers are those that:

- Use water- and energy-efficient equipment and practices within the data center
- Are powered by electricity sources that have low water use and reduced emissions[8]
- Have thoughtful site selection that avoids important habitats and sensitive lands
- Commit to decommissioning - removing infrastructure at the end of the facility's useful life

Energy and Water Consumption

Questions about water and energy consumption frequently arise in data center discussions. Because the numbers associated with data center resource consumption are so large, it may be helpful to put them in context. Some of the most water-intensive hyperscale data centers, for example, can require up to five million gallons of water per day.[9] Putting this into perspective within Michigan's context, the Great Lakes Water Authority's five freshwater treatment plants have maximum rated capacities between 240 and 540 million gallons per day, and currently have an estimated combined maximum demand of 1 billion gallons per day.[10] Using an example within the context of Michigan's energy consumption, the proposed data center in Saline Township would require 1,400 megawatts of power capacity. By comparison, the state's total generation capacity in 2024 was just over 32,000 megawatts.[11]

Energy and water consumption are presented here together because they are linked. While there is currently a gap in publicly available data on energy and water use by specific computing and cooling technologies,[12] we do know that there is typically a trade-off between energy and water use. Technologies like evaporative cooling are more energy-efficient but more water-intensive. Meanwhile, air-cooled or closed-loop chillers use minimal to no water, but are energy-intensive.[13] Both types of cooling systems are common, and often the developer may choose between them based on availability of water and cost; the water-efficient closed-loop systems are currently more costly than open-loop evaporative cooling.[14] As noted in this document's state-level tax abatement section, the sales and use tax exemptions for "enterprise" data centers, which were

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[8] Xiao, T., Nerini, F.F., Matthews, H.D. *et al.* Environmental impact and net-zero pathways for sustainable artificial intelligence servers in the USA. *Nat Sustain* 8, 1541–1553 (2025). https://doi.org/10.1038/s41893-025-01681-y

[9] Wroth, K. (2025, October 17). *Data drain: The land and water impacts of the ai boom.* Lincoln Institute of Land Policy. https://www.lincolninst.edu/publications/land-lines-magazine/articles/land-water-impacts-data-centers/

[10] GLWA 2022—2026 CIP Appendix D: System Background Information. (n.d.). Great Lakes Water Authority. https://www.glwater.org/wp-content/uploads/2020/12/GLWA-2022-2026-CIP_AppendixD.pdf

[11] https://www.eia.gov/electricity/state/michigan/

[12] Shehabi, A., Smith, S.J., Hubbard, A., Newkirk, A., Lei, N., Siddik, M.A.B., Holecek, B., Koomey, J., Masanet, E., Sartor, D. 2024. 2024 United States Data Center Energy Usage Report. Lawrence Berkeley National Laboratory, Berkeley, California. LBNL-2001637. https://escholarship.org/content/qt32d6m0d1/qt32d6m0d1.pdf

[13] *Google's Water Risk Framework Assessing watershed health in data center communities.* (2023, December).

[14] *Chilling out: Data centers find new ways to reduce cooling costs | news & insights.* (n.d.). Gray. Retrieved February 4, 2026, from https://www.gray.com/insights/chilling-out-data-centers-find-new-ways-to-reduce-cooling-costs/

signed last year, include requirements related to water and energy. However, these same provisions are not required for the "qualified" data center exemption category, which has been available since 2015.

When thinking about a data center's sustainability, something to note is that even in data centers that have minimal *direct* use of water for cooling, there may still be *indirect* use of water. That is because most U.S. power plants are thermoelectric[15] and require significant amounts of water to operate.[16] This indirect water impact is no different from that of other high-demand electricity users, and can be minimized when data centers are located in electricity grids that have less reliance on thermoelectric power plants or when the data centers themselves are powered by electricity sources that do not require water for operations (e.g., wind and solar power). Consequently, this water use is rarely in the community hosting the data center, but rather in communities that host power plants that supply electricity to the grid. While Michigan's electricity fleet has been reducing its reliance on thermoelectric power plants as it adds renewables to the grid, in 2024, Michigan's electric power plants withdrew roughly 5.4 billion gallons of water per day for power plant cooling.[17]

Like the federal government, Michigan does not have policies specifically governing data center energy use.[18] However, the Michigan Public Service Commission (MPSC, also known as the Commission) regulates several policies relevant to data centers. Primarily, the MPSC regulates both the investor-owned utilities that charge data centers for electricity and natural gas and the terms of service under which those utilities operate. The Commission also requires all entities that provide electricity to customers in Michigan, including investor-owned utilities, cooperatives, municipal utilities, and alternative electric suppliers, to prove each year that they have adequate resources planned four years ahead to meet their customers' electricity needs.[19] Furthermore, the Commission has the power to require additional customer protections in special contract requests submitted by investor-owned utilities seeking to work with data centers, and to attach conditions to any approval it grants. However, the Commission cannot control where data centers are built, approve their construction, or issue permits related to their water consumption.[20]

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[15] A thermoelectric power plant uses an energy source (e.g., coal, natural gas, or nuclear) to heat water to create high-power steam which is then used to spin a turbine to generate electricity.

[16] In 2023, data centers directly consumed approximately 17 billion gallons of water in their operations and indirectly consumed 211 billion gallons through their energy use. Sadasivam, N. (2025, November 24). *How to make data centers less thirsty*. Grist. https://grist.org/energy/how-to-make-data-centers-less-thirsty/

[17] Annual Report of the Great Lakes Regional Water Use Database. (2024). Great Lakes Commission. https://cms.waterusedata.glc.org/media/2024-Water-Use-Report-FINAL.pdf

[18] There is currently federal guidance (not requirements) on data centers used by the federal government. Offutt, M., & Zhu, L. (2025). *Data Centers and Their Energy Consumption: Frequently Asked Questions*. Library of Congress. https://www.congress.gov/crs-product/R48646#fn59

[19] *Resource planning*. (n.d.). Retrieved January 4, 2026, from https://www.michigan.gov/mpsc/regulatory/electricity/resource-planning

[20] *Issue Brief:Case No. U-21990, DTE Electric's Application for Approval of Special Contracts*. (2025, December 18). Michigan Public Service Commission. https://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/consumer/info/briefs/Issue_Brief_U_21990_DTE_12_18_25-(002).pdf

The MPSC also manages the implementation of Michigan's clean energy standard, legislation that shapes the types of power plants that provide electricity to Michigan utilities.[21] This law requires utilities to obtain 15% of their power from renewable energy resources each year through 2029, and then 50% in 2030. In 2035, an 80% clean energy standard will take effect, with a target of 100% in 2040. During this transitional period, the MPSC is responsible for reviewing each utility's renewable energy plan to ensure compliance with the standard and for approving cost-recovery mechanisms for regulated utilities. The Commission also has the ability to grant a utility an extension for compliance under certain circumstances.[22]

While the MPSC has jurisdiction over the state's utility rates and customer protections, the Department of Environment, Great Lakes, and Energy (EGLE) regulates water withdrawals. Within EGLE, the Geologic Resources Management Division (GRMD) oversees Michigan's regulation of large quantity water withdrawals, with the goal of protecting the state's environment from significant impacts caused by large-volume water consumers. Specifically, Michigan landowners, such as a data center using traditional evaporative cooling, must obtain prior approval before operating pumps capable of withdrawing at least 70 gallons per minute.[23] The permitting process relies on GRMD's Water Withdrawal Assessment Tool (WWAT) for wells or surface water intakes from streams, rivers, or ponds with less than five acres of surface area. GRMD grants approval when no Adverse Resource Impact (ARI) on nearby streams and rivers is determined, resulting in a Water Withdrawal Registration that becomes void if the withdrawal isn't operational within 18 months.[24] Further permitting is required in sensitive areas or when large-quantity withdrawal owners seek new or increased withdrawals exceeding 2,000,000 gallons per day (pumps with flow rates of 1,389 gallons per minute or more).[25] These regulations apply to any on-site water producers in the state, from agriculture to public water supplies, and would apply whether a data center seeks to withdraw water via a well or if its increased demand would prompt a public water supply to increase its water withdrawals.

In the case of a data center seeking supply through a public water utility, Michigan's Safe Drinking Water Act requires these facilities maintain adequate capacity and reliability for existing customers.[26] Further, EGLE will reject water treatment plant construction permits if capacity assessments reveal a proposed expansion or alteration will leave a system with inadequate technical, financial, or managerial capacity to meet requirements.[27]

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[21] *Clean energy standard.* (n.d.). Retrieved January 4, 2026, from https://www.michigan.gov/mpsc/commission/workgroups/2023-energy-legislation/clean-energy-standard
[22] MCL 460.1032 (2). https://legislature.mi.gov/documents/mcl/pdf/MCL-ACT-295-OF-2008.pdf
[23] *Wwat.* (n.d.). Retrieved October 7, 2025, from https://www.egle.state.mi.us/wwat/home
[24] *Wwat.* (n.d.). Retrieved October 7, 2025, from https://www.egle.state.mi.us/wwat/home
[25] *Wwat.* (n.d.). Retrieved October 7, 2025, from https://www.egle.state.mi.us/wwat/home
[26] Safe Drinking Water Act, Mich. Comp. Laws § 325.1005(1)(e) (1976).
[27] Safe Drinking Water Act § 325.1004(2), (7).

Wastewater

Data center cooling systems influence not only water consumption but also the overall quality and volume of wastewater produced. Some cooling systems, like evaporative cooling, can generate wastewater with altered pH, and high concentrations of conditioning chemicals and biocides that are used to reduce the growth of bacteria such as *legionella*.[28] While these chemicals are important for minimizing
public health risks, they could strain local treatment plants that are not equipped to handle them. Other next-generation data center designs, such as closed-loop and dry cooling, are moving toward minimal or near-zero wastewater discharge.

EGLE's Water Resources Division (WRD) regulates waste or wastewater discharging into the waters of the state. Waters of the state are defined in law as groundwaters, lakes, rivers, and streams, along with all other watercourses and waters, including the Great Lakes. The regulations applicable to wastewater discharges can be divided into three permitting categories: discharges directly into surface water, discharges directly onto the ground or subsurface into the groundwater, and indirect discharges into nearby municipal wastewater treatment systems.

The first category applies to anyone discharging, or proposing to discharge, waste or wastewater into the state's surface waters. This type of permit is required by law under the National Pollution Discharge Elimination System (NPDES) program. This applies to any type of wastewater, including commercial, industrial, and sanitary sewage. The NPDES program is intended to control direct discharge into the surface waters of the state by imposing effluent limitations and other conditions to meet state and federal requirements.

The second category applies to anyone discharging, or proposing to discharge, waste or wastewater directly onto the ground or into groundwater. This type of discharge would require a Groundwater Discharge Permit or an exemption. A groundwater discharge permit imposes effluent limitations and/or groundwater limits set to protect the groundwater for the intended purposes. The intended purposes include protecting nearby drinking water wells, along with groundwater seeping into nearby surface water, to ensure the groundwater is safe for all who use it. This permit type applies to any wastewater, including commercial, industrial, and sanitary sewage. There are other regulating authorities, such as the Local Health Departments, that may become involved through the issuance of construction permits for discharges containing only sanitary sewage generating less than 10,000 gallons per day.

The third category applies to any indirect discharges (those who discharge to a municipal wastewater treatment facility via a sanitary sewer) and does not require an NPDES or groundwater discharge permit. Discharge to a separate storm sewer (i.e., does not go to a municipal wastewater treatment facility) is considered a direct discharge and may require either

[28] CDC. (2024, May 8). *Strategies for identifying cooling towers*. Investigating Legionnaires' Disease. https://www.cdc.gov/investigate-legionella/php/public-heaMichiganlth-strategy/identifying-cooling-towers.html

an NPDES or a groundwater discharge permit. Discharge to a municipal wastewater treatment facility may require a permit from the municipality under the Industrial Pretreatment Program.

Air Quality

The main air quality impact of data centers stems from emissions associated with electricity production, specifically nitrogen oxides and fine particulate matter (PM2.5).[29] Data centers typically draw most of their power from the grid, so the majority of these emissions are generated off-site in the communities hosting the power plants serving the power grid at large. Thus, when data centers are built in regions with cleaner power plants, these air emissions are lower. This impact can be furthered through the adoption of flexible operational strategies, such as load shifting, dynamic scheduling, and participation in virtual power plant (VPP) programs, which can help reduce emissions during peak demand periods. While these strategies are not yet widespread, research indicates that they most effectively reduce emissions when utilized in regions where renewables are already abundant and cost-competitive.[30]

Even when connected to the grid, data centers have on-site back-up generators, typically fueled by natural gas or diesel, to maintain operations during outages.[31] Actual emissions at the data center will depend on the number of generators, their size, and permitted runtime hours, and will vary based on individual data center operational standards. In Michigan, EGLE's Air Quality Division (AQD) requires air use and installation permits for equipment emitting air contaminants unless exempted explicitly under Part 2 of the air quality rules (Rules 277-291). While Rule 285(g) exempts the sort of small internal combustion engines that might be used in emergency back-up generators, data centers must also comply with Rule 278, which prohibits using exemptions when total project emissions exceed significance thresholds (e.g., 40 tons/year of nitrogen oxides, 100 tons/year of carbon monoxide, or 10 tons/year of particulate matter 2.5 micrometers or smaller). If aggregate emissions from all back-up generators exceed these thresholds, individual engine exemptions become invalid, and the site must obtain a permit for the entire fleet of generators on-site and any other air-emitting equipment.[32]

Land

As with other land uses, the environmental impact of a data center on its site largely depends on site characteristics, the land management practices used during construction, and what happens to the site at the end of the facility's lifespan.

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[29] Mitigating the public health impacts of ai data centers. (2025, November 5). *Harvard Business Review.* https://hbr.org/2025/11/mitigating-the-public-health-impacts-of-ai-data-centers

[30] Tran, T. (2025, October 29). Flexible data centers and the grid: Lower costs, higher emissions? -. *CEEPR.* https://ceepr.mit.edu/flexible-data-centers-and-the-grid-lower-costs-higher-emissions/

[31] *A primer for local governments: Understanding data centers.* (2025, April). National League of Cities. https://www.nlc.org/wp-content/uploads/2025/04/Data-Centers-Fact-Sheet.pdf

[32] Insights from Liesl Clark, Director of Climate Action Engagement at the University of Michigan

Data centers may cause environmental harm if sited in areas with sensitive natural features, such as steep slopes, wetlands, floodplains, and unique habitats. Construction activities, such as grading or heavy equipment use, can lead to soil compaction, topsoil removal, and changes in natural water flow, which can hinder the site's future plant growth and water-holding capacity.[33] Furthermore, if infrastructure is abandoned at the end of the project's life, it may result in the creation of a brownfield or make future redevelopment challenging. Such impacts, however, are not unique to data center development, and there are already state and local policies in place to address these common concerns with other industrial developments.

Sometimes there is a concern about whether data centers will impact other land uses, for example, by converting agricultural land. Even if many data centers are constructed, at the national- or state-level, they are only expected to be a minuscule fraction of total land area.[34] At the local level, however, there could be noticeable impacts if multiple large data centers are built in close proximity, or if data center development is combined with land-use changes from other sectors (e.g., housing development, energy infrastructure).

Quality of Life

In addition to direct impacts on land, data centers can raise several quality-of-life concerns for neighboring properties. Drawing on lessons from data centers in both Loudoun County, Virginia's "Data Center Alley," and Linn County, Iowa, we have learned that many of these issues can be mitigated through attentive siting.

Many quality-of-life concerns arise from other similar types of industrial development. Construction activities, for example, often have exceptionally high levels of disruption for neighbors, with heavy truck traffic, construction-related noise, and dust.[35] When foundations are being constructed, the developers may need to dewater, raising concerns of temporary impacts on local water tables or soil erosion.[36] As with other construction activities, soil erosion permits issued by the county or municipality would be required for "any earth change activity that disturbs one or more acres of land or which is within 500 feet of a lake or stream."[37] Similarly, when data centers or other industrial activities are developed on previously undeveloped sites,

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[33] Augst, T., Fierke-Gmazel, H., Gould, M. C., Krol, M., Mills, S., Neumann, B., Reilly, M., & Stoetzer, O. (2025). Planning and Zoning for Solar Energy Systems: A Guide for Michigan Local Governments (Updated ed.). Michigan State University Extension, Michigan State University School of Planning, Design and Construction, and University of Michigan Center for EmPowering Communities.

[34] Power Play: The Emerging Powered Land Opportunity (n.d.) Hines. Retrieved January 5, 2026,https://www.hines.com/powered-land/power-play-full-report

[35] *Data Centers in Virginia.* (2024). [Report to the Governor and the General Assembly of Virginia]. Joint Legislative Audit and Review Commission. https://jlarc.virginia.gov/pdfs/reports/Rpt598.pdf

[36] *$750m iowa data center's unpermitted wells draw $20k fine against dewatering contractor | engineering news-record.* (n.d.). Retrieved February 4, 2026, from https://www.enr.com/articles/61162-750m-iowa-data-centers-unpermitted-wells-draw-20k-fine-against-dewatering-contractor

[37] Soil Erosion and Sedimentation Control Program (SESC). (n.d.). Retrieved February 6, 2026 from https://www.michigan.gov/egle/about/organization/water-resources/soil-erosion/sesc-overview

there is a visual change to the landscape. This is apparent not just during the day, but also at night when parking lot and security lighting may create a notable change to the nighttime character of the property.

Other impacts, though, are more unique to data centers. One of the primary complaints of existing data centers in Loudoun County, for example, is the associated noise.[38] Unlike many industrial facilities with variable operational patterns, data centers operate continuously, producing consistent noise that can be problematically disruptive for neighboring residents. In particular, Loudon County found that inaudible low-frequency sounds were a nuisance to some data center neighbors.[39]

[38] *Data Centers in Virginia.* (2024)
[39] *Data Centers in Virginia.* (2024).

Economic Impacts and Michigan Policies

The primary draw of data centers as a land use, at both the state and local levels, is the economic activity they generate. There are, however, concerns about whether data centers will increase electricity costs for consumers. Here, we outline the potential economic impacts of data centers and the policies in Michigan that shape them.

State-level Tax Abatements to Attract Industry

Data centers, like other industries, drive economic activity in the states and communities where they are located. This includes, notably, the direct economic impacts of the surge in construction activity and the initial investment in data center equipment. But it also includes indirect economic benefits to the suppliers of the equipment and other materials that go into data centers, as well as induced effects when data center workers spend their wages on goods and services.[40] While new economic activity in a state expands the tax base and can fund state and local government services, states often reduce certain taxes to attract industry. Today, 36 states have laws approving state tax incentives for new data center development.[41]

For the past decade, the state of Michigan has offered a state-level sales and use tax exemption for "qualified" data centers, with new legislation adopted in 2024 aimed primarily at attracting hyperscale or "enterprise" data centers. The policies governing the sales and use tax exemption are from three key pairs of laws:

- Effective December 23, 2015, **PA 251 and 252 of 2015** added Michigan Compiled Law (MCL) 205.54ee and MCL 205.94cc to Michigan's General Sales Tax Act and Use Tax Act to create sales and use tax exemptions through December 31, 2035, for the sale, use, or consumption of data center equipment for qualified data centers. Under these Acts, a "qualified data center" is "facilities of one or more buildings located in Michigan that are owned or operated by an entity whose primary business is operating a data center for itself and colocated businesses; the entity must also receive 75% or more of its revenue from unaffiliated colocated businesses." The Acts required the creation of 400 new data center-related jobs by January 1, 2022, and 1,000 by January 1, 2026. Data center-related jobs include "jobs created at qualified data centers, by colocated businesses, and by contractors making improvements to realty that constitute a qualified data center."[42]

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[40] *DataCenters-JoyceFoundation_2026-01-13_Final.pdf | Powered by Box.* (n.d.). Retrieved February 4, 2026, from https://virginia.app.box.com/s/8qq2ggbdgwhf4atrorghtrcqsq64wd74

[41] *An overview of state data center-related tax incentives | naiop | commercial real estate development association.* (n.d.). Retrieved January 12, 2026, from https://www.naiop.org/research-and-publications/magazine/2024/Winter-2024-2025/development-ownership/an-overview-of-state-data-center-related-tax-incentives/

[42] *Notice Regarding Data Center Exemption.* (2016, March 14). State of Michigan Department of Treasury. https://www.michigan.gov/treasury/-/media/Project/Websites/taxes/Notices/Data_center_exemption_notice.pdf?rev=e6f7d971f9bd4eccba3f208b3fe9d862&hash=DF4CBADC90F299058E7F2F3358A823A2

- Effective February 13, 2020, **PA 29 and 30 of 2020** amended MCL 205.54ee and MCL 205.94cc to establish reporting obligations for sales and use tax exemption claims regarding the sale or purchase of data center equipment.[43] Under these Acts, persons seeking exemptions in a particular calendar year must file Form 5726 by January 31 of the following year. Form 5726 requires information on the sales or purchase price of all exempt equipment, and any information needed by the Department of Treasury to calculate School Aid Fund revenue loss as a result of tax exemption claims.
- Effective April 2025, **PA 181 and 207 of 2024** amended MCL 205.54ee and MCL 205.94cc to extend the original tax exemption period from 2035 to 2050 (and to 2065 for data centers built on brownfields), and to establish a new "enterprise data center" facility type that must meet more stringent requirements compared to "qualified data centers" to receive tax exemptions.[44] In August 2025, the Michigan Strategic Fund (MSF) published formal implementation guidelines for the new amendments, including related to clean energy, water, and green building standards.[45] Since then, several organizations have submitted comments to the MSF Board requesting changes, particularly related to the interpretation of the clean energy requirements, asking for that standard to be applied from the outset of the data center's operations rather than a future date.[46, 47]

Table 1 summarizes key features of these incentives. While both incentive categories have job-creation requirements, their other requirements vary considerably. While smaller, non-hyperscale data centers may only meet the definition of a "qualified" data center, many of the current larger data center development proposals may meet both definitions. Notably, while "enterprise" data centers have many more requirements than "qualified" data centers, the certification process provides greater certainty for developers because the certificate is granted by MSF before they purchase the equipment. By contrast, the "qualified" data center incentive is provided by the retailer at the point of sale, but subject to a Treasury audit which introduces some risk that the exemptions may have been invalid. It is difficult to determine which of the two exemptions data center developers will seek.

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[43] *Notice: Report for qualified data center exemptions - form 5726.* (n.d.). Retrieved from https://www.michigan.gov/treasury/reference/taxpayer-notices/notice-report-for-qualified-data-center-exemptions-form-5726

[44] *Enterprise Data Center Sales & Use Tax Exemption.* (2025, August 26). Michigan Economic Development Corporation. https://www.michiganbusiness.org/globalassets/documents/data-center/enterprise_data_center_information.pdf

[45] *Enterprise Data Center Sales & Use Tax Exemption.* (n.d.). Michigan Economic Development Corporation. https://www.michiganbusiness.org/services/data-centerreitissuegulate/

[46] *2025-11-13 letter to msf re data center tax exemption guidelines.* (n.d.). Retrieved from https://www.documentcloud.org/documents/26285411-20.25-11-13-letter-to-msf-re-data-center-tax-exemption-guidelines/

[47] Lyijynen, N. (2025, December 11). *Comments on data center generation » mieibc.* MIEIBC. https://www.mieibc.org/comments-on-data-center-generation/

Table 1. Summary of Sales and Use Tax Exemptions for Qualified and Enterprise Data Centers

	Qualified Data Center	**Enterprise Data Center**
Key definitional feature	Must receive 75% or more of revenue from colocated businesses that are not affiliates of the owner/operator	Must have a minimum of $250M equipment investment
Job Requirements	400-1,000 aggregate statewide	30 per facility at 150% median prosperity wage
Clean Energy	No requirements	90% of usage (interpretation unclear, see below)
Green Building Standards	No requirements	One or more certified standards within 3 years
Water Source	No requirements	Municipal
Property Tax	No requirements	Cannot receive sunset, state, or local property tax benefits without local approval
Certification Requirements/Details	To claim the exemption when purchasing eligible data center equipment, the purchaser must provide a completed Michigan Sales and Use Tax Certificate of Exemption (Form 3372) to its seller. Must also file Form 5726	Must receive Michigan Strategic Fund certification before making purchases that are qualified for the exemption. No new certifications after December 31, 2029.
Revocation	No requirements	If certification is revoked, repayment of all related tax exemptions is required (if the revocation occurs 10 years after certification, 50% of the tax exemptions must be repaid).

Local Taxes and Employment

Job creation is a primary focus of state-level tax incentives. While state-level estimates of Michigan-specific job creation suggest there will be significant employment opportunities,[48] it is unclear how many direct or indirect data center jobs could be filled by residents of the host community. The vast majority of direct data center jobs are temporary construction positions. Once completed, there would be on-site operational and security positions, but estimates of how many range from dozens[49] to hundreds.

The more significant economic incentive for the host community would likely be the property taxes paid by the data center developer and operator. Because data center equipment is costly, data centers can significantly increase the property tax base. However, these increases may shift year-to-year.

The State Tax Commission lists data centers as a commercial use,[50] and the equipment within the data center would be taxed as commercial personal property. Most of the equipment, including servers and networking equipment, would likely be reported in Section F of the Personal Property Statement, which has a relatively fast depreciation.[51] The 2026 multipliers for Section F assess true cash value at 60% of the installed cost of that equipment in year 1, but just 8% of the true cash value when that equipment is 7 years old. As older equipment in the data center is replaced with newer equipment, that new equipment would again start out at a 60% multiplier, but–as is the case with many classes of personal property–there may be years when the taxable value of the personal property is less than the previous year. If there is a large increase in the real property on the site (for example, from new buildings or significant site improvements), these swings in tax revenue may be more muted. Regardless, local governments may need to think strategically about how to utilize these new personal property tax revenues. Lessons might be gleaned from our recent guide on renewable energy revenue streams.[52]

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[48] Group, T. B. (n.d.). *Michigan data center jobs 2026: Openai stargate hiring update*. Retrieved February 4, 2026, from https://thebirmgroup.com/michigan-data-center-jobs-2026-stargate-project-brings-thousands-of-opportunities-to-washtenaw-county/; *Gov. Whitmer submits public comment in support of stargate project, creating thousands of jobs, meeting strong environmental standards.* (n.d.). Retrieved February 4, 2026, from https://www.michigan.gov/whitmer/news/press-releases/2025/12/03/whitmer-submits-public-comment-in-support-of-stargate-project-creating-thousands-of-jobs

[49] Chung, W. (2025, October 6). *Data center staffing levels: How many people does a facility need?* Broadstaff. https://broadstaffglobal.com/data-center-staffing-levels-how-many-people-does-a-facility-need

[50] Michigan State Tax Commission Property Classification MCL 211.34c. (2018) https://www.michigan.gov/treasury/-/media/Project/Websites/treasury/MISC_4/ClassificationRealProperty.pdf?rev=efb8cc4963494e1393d2675b4fab9092&hash=B7240AE93E5ABE808D0CDC7FD8AB38BE

[51] 2026 Personal Property Statement (Form L-4175), https://www.michigan.gov/taxes/-/media/Project/Websites/taxes/Forms/Property-Tax/632/632_ty2026.pdf?rev=9bd5f68f4fda4d828cc4306ea6ba749b&hash=F72987A0B2EC0E2795E0C065E33E265D

[52] Stoetzer, O., Krol, M., & Mills, S. (2025). Strategies for Renewable Energy Revenue: A Guide for Michigan Local Governments. University of Michigan Center for EmPowering Communities. https://graham.umich.edu/project/renewable-energy-revenue

Local governments do have discretion to offer data center property tax incentives, including via PA 198 agreements.[53] In certain situations, data centers may also be eligible for property tax exemptions via the Michigan Renaissance Zone Act, which are not approved at the local level but instead approved by the Michigan Strategic Fund.[54] In order to qualify for the "enterprise" data center sales and use tax exemption, however, any local property tax incentive must be approved by each local unit of government affected by the incentive. This is not a provision to qualify for the "qualified" data center sales and use tax exemption.

Impacts on Electricity Rates

Another common data center question is whether they will increase electricity costs, given the reports on electricity rate increases in some states like Virginia and Ohio that have undergone significant data center development.[55, 56] There is also, however, nationwide data finding the opposite impact: that looking across all states, those that had increased electricity load typically saw decreases in electricity rates compared to the others.[57]

There are multiple reasons that conflicting observations can be true at the same time. One key point is that it is challenging to assess what would have happened to electricity rates in the absence of data center load growth. Across the country, U.S. average retail electricity prices have been rising faster than inflation for residential consumers due to costs associated with grid maintenance and capacity expansion.[58] On the one hand, the load growth that data centers bring can help spread these fixed grid-related costs over more kilowatt-hours of electricity consumed, thereby reducing increases or the rates themselves for residential customers. On the other hand, if grid expansion is only needed to bring data center load online, data centers may be contributing to cost increases.

In Michigan, customer utility rates and ratemaking policy are set by the MPSC. By statute, Michigan abides by cost-of-service ratemaking, which means that utility rates assign "costs to customer classes based on usage patterns."[59] Additionally, Michigan's recent legislation on enterprise data center use and sales tax exemptions dictates that these data centers can only qualify if they use an electric service rate that prevents residential customers from subsidizing

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[53] 1974 PA 198, MCL 207.551 to 207.572

[54] 1996 PA 376, MCL 125.2681 to 125.2696

[55] As data centers for AI strain the power grid, bills rise for everyday customers. (n.d.). Washington Post. https://www.washingtonpost.com/business/2024/11/01/ai-data-centers-electricity-bills-google-amazon/

[56] Saul, J. Nicoletti, L. Pogkas, D. Bass, D. and Malik, N. (2025, September 29) AI data centers are sending power bills soaring. Bloomberg Technology. https://www.bloomberg.com/graphics/2025-ai-data-centers-electricity-prices/

[57] Wiser, R., O'Shaughnessy, E, Barbose, G., Cappers, P., & Gorman, W. (2025) Factors influencing recent trends in retail electricity prices in the United States. The Electricity Journal. https://www.sciencedirect.com/science/article/pii/S1040619025000612#sec0020

[58] New Berkeley Lab report summarizes trends in retail electricity prices and price drivers. (2025, January 6). Energy Markets & Planning Berkeley Lab; Lawrence Berkeley National Laboratory. https://emp.lbl.gov/news/new-berkeley-lab-report-summarizes-trends-retail-electricity-prices-and-price-drivers

[59] Putnam, C. (n.d.). Cost of Service Ratemaking. Michigan Public Service Commission Department of Licensing and Regulatory Affairs. https://pubs.naruc.org/pub.cfm?id=53889A44-2354-D714-5158-979D43EA47CF

their facilities' electric costs.[60] Some of the Commission's recent decisions were designed to ensure that large-load customers, such as data centers, contribute significantly to the new and embedded costs associated with expanding Michigan's electric grid.

[60]Enterprise Data Center Sales and Use Tax Exemption Guidelines. (2025).

Considerations for Local Government Policy-Making

The primary tool that local governments have to shape data center development is zoning. The Michigan Zoning Enabling Act (MZEA) sets out the minimum procedures that local governments must follow when making amendments.[61] It, along with past state and federal court cases, also sets parameters for zoning authority. For example, the MZEA states that local zoning ordinances "shall not have the effect of totally prohibiting the establishment of a land use," with only a few rare exceptions.[62] While local governments have broad latitude to direct land uses to particular districts and set development standards or conditions on land uses, those standards and conditions must be reasonable and should be based on facts.[63]

Furthermore, while there is much attention to the significant community benefits that a data center may be able to bring (e.g., financial contributions to park or open-space funds, fire departments, or other community priorities), there are limitations to making these agreements required as part of zoning approval, or enforcing them if the developer decides not to make-good on the agreement.[64] Agreements with developers for community benefits are more solidly enforceable if entered into in exchange for a public subsidy of the project, such as a local property tax abatement or some other publicly-funded improvement that will benefit the project.[65] As a result, we also briefly discuss property tax abatements below. Enforceable community benefits may also result from settling a lawsuit with the data center developer, but that path comes along with additional legal fees for the local government.[66]

We offer the following considerations for local governments, but advise municipal officials to consult their local planner and municipal attorney before making any changes to their plans or zoning ordinances.

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[61] Michigan Zoning Enabling Act, MCL 125.3101 to 125.3702 (2006). https://www.legislature.mi.gov/documents/mcl/pdf/mcl-Act-110-of-2006.pdf

[62] MCL § 125.3207

[63] MCL § 125.3504

[64] Review, T. R., & Elia, E. (2024, July 18). *Legislative exactions | the regulatory review.* https://www.theregreview.org/2024/07/18/elia-legislative-exactions/

[65] Community Benefit Planning and Agreements: A Summary Overview. (2024). Michigan State University Center for Community and Economic Development. https://ced.msu.edu/upload/community%20benefits/Community%20Benefits%20Brief_FinalVersion.pdf

[66] Consent Judgment, RD Michigan Property Owner I LLC v. Saline Township, No. 2025-001577-CZ (Washtenaw County Circuit Court Oct. 15, 2025). https://salinetownship.org/uploads/notices/SalineDataCenterConsentJudgmentFinalExecutionCopy492124804975v1.pdf

#1: Consider whether your industrial zone is appropriate for data centers

The footprint of a data center and the state regulations that apply to this land use are not significantly different from those of other large industrial activities, so it may be logical for local governments to use their approach to industrial development as a starting point for data center policymaking. However, given limited greenfield industrial development in Michigan over the last three decades and the comparatively large footprint of data centers relative to other light industrial uses, we recognize that few Michigan communities have had robust conversations about their industrial zones. Now is the time for such a conversation.

The first step should be to review the spatial footprint of your industrial district(s) and the infrastructure capacity to serve them. Many industrial uses–not just data centers–require electricity infrastructure and access to water (even if only a well). Your community's master plan (sometimes called a comprehensive plan) may have already considered where infrastructure is most suitable for industrial development, and so you should compare the spatial extent of your current industrial zoning with what is suggested in the Master Plan. This will help you determine whether it is appropriate to expand your industrial district.

In addition to dictating where industrial uses may be permitted in your community, zoning also lays out which processes developers must follow if they wish to develop their properties. It is very common to allow industrial development "by-right" in industrial zones - that is, with limited discretion by the planning commission or Township board / City Council, so long as the developer meets all of the standards in the zoning ordinance (see Consideration #2). Given the increased scale of industrial developments, it may be appropriate to treat larger industrial uses (e.g., those greater than 15,000 square feet, or whatever has been typical in your community) as special land uses, which affords the Planning Commission and board the opportunity to give proposals additional review and apply conditions to their approval.

#2: Include quality-of-life impacts in industrial zoning regulation

Historically, industrial uses have been concentrated near other industrial uses to minimize impacts on surrounding land uses from emissions, noise, and light pollution. Industrial districts were commonly buffered from residential districts either through public infrastructure, such as roads or waterways, or through less sensitive uses, such as office or commercial zones. But in communities that have seen limited industrial activity, or in those where existing industrial zones are not large enough to accommodate new industrial activity like data centers, there may not be ample space to buffer from other land uses. As a result, a community might consider updating the standards in industrial zones to ensure that any new industrial activity–data centers included–is protecting quality-of-life in neighboring districts. Your community's most important quality-of-life

impacts to regulate may be informed by your comprehensive plan. Common considerations might include:

- Visual screening: While it is common to require vegetative screening in some districts, this requirement may not apply in industrial districts, particularly if your zoning ordinance did not anticipate that an industrial district would expand to abut residential areas.
- Sound: Some communities have community-wide sound standards that exist outside of zoning codes. These often apply to all noise emitters and may differentiate sound levels by time of day or day of the week (with a higher expectation of quiet on weekends). This approach sets a constant expectation for all land uses, not just industrial uses. If this is not practical, it is also possible to include sound standards for specific land uses or land-use classes. Standards that apply to large-scale renewable energy projects may be a useful starting point, as sound standards are common in the regulation of these facilities.[67]
- Light: Another common concern about industrial activities, particularly in rural areas, is the light pollution they may cause, especially when they are developed in areas without streetlights. Some communities, including Emmet County,[68] have dark-sky ordinances that limit light pollution from all land uses. These same concepts can be applied specifically to industrial uses if that is the concern. Another option is to require dark-sky-compliant light fixtures for all proposed site plans.
- Decommissioning: Many industrial facilities have specialized designs with limited opportunities for reuse at the end of their life. From our brownfield experience, when a company is no longer in business or decommissioning the facility is too costly, these facilities are sometimes abandoned, creating an eyesore and public health hazard in the community and increasing redevelopment costs. As a result, it is increasingly common that industrial facilities enter into a decommissioning agreement that includes a financial guarantee that the facility, and any infrastructure that no longer has a useful purpose, will be removed at the end of its life. Again, it may be instructive to look to large-scale renewable energy projects for sample language.

These regulations would be in addition to the setbacks, height, lot-area coverage, and parking standards that are common in most zoning ordinances. While it is possible to use these more customary regulations to help buffer or minimize the impacts of industrial uses, there may be unintended consequences (e.g., industrial uses actually requiring more land to comply with large setback requirements) and so you may wish consider directly addressing the quality-of-life concern (e.g., sound, visual impact, light), rather than using setbacks as a proxy for those concerns.

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[67] Krol, M., and Mills, S. (2024). Planning & Zoning for Battery Energy Storage Systems: A Guide for Michigan Local Governments. University of Michigan Center for EmPowering Communities. https://graham.umich.edu/project/bess-guide; Augst, T., Fierke-Gmazel, H., Gould, M. C., Krol, M., Mills, S., Neumann, B., Reilly, M., & Stoetzer, O. (2025). Planning and Zoning for Solar Energy Systems: A Guide for Michigan Local Governments (Updated ed.).

[68] Emmet County. (2023). *Emmet County zoning ordinance* (Ordinance No. 15-1, updated through April 28, 2023). https://www.emmetcounty.org/UserFiles/Servers/Server_3942756/File/Ordinances,%20Bylaws%20&%20Rules/Zoning%20Ordinance/Emmet-County-Zoning-Ordinance-4_28_2023.pdf

#3: Get commitments in writing

While it is ideal to use your zoning ordinance to set clear standards and thresholds that apply to data centers or industrial districts, you may be able to get some commitments or added specificity on particular impacts in writing. For example, if your community wants on-site generators to only run during power outages or for weekly testing, it may be beneficial to obtain that commitment in writing and specify permitted operating hours to minimize noise impacts on residents. If there are other commitments that matter to your community, such as delivery truck routes or transparency on water or energy usage, etc., consider getting them in writing as well.

The appropriate mechanism to secure written commitments for your community will depend on the specific agreement at hand and whether it is tied to zoning (for example, special land-use conditions or willingly offered terms by the developer as part of a conditional rezoning), a development agreement, or a discretionary property tax incentive. A municipal attorney can help identify the most appropriate mechanism, though guidance from the Michigan Municipal League is instructive for municipalities seeking community benefits commitments.[69]

#4: Request a Property Tax Guarantee

A primary community-wide benefit of hosting a data center is the increase in the property tax base that accompanies the project. It is not uncommon, however, for the personal property tax tables to change over the life of an industrial project such as a data center, which can prompt disputes between the local government and the taxpayer over the property tax valuation. Having a written commitment that the developer will pay the property tax revenues they discuss during the permitting process may help reassure the community that these benefits will materialize.

This approach has proven successful in Dickinson County, which accepted a Property Tax Guarantee from the developers of the Groveland Mine Solar project.[70] In the guarantee, the developer committed to a floor for property tax payments to the local governments. If the tax tables change in a way that reduces their required payments, they will still pay the committed amount. If, however, the tax tables change in favor of the local government, the developer is still responsible for paying the higher taxes.

#5: Explore data center integration with other industrial infrastructure

While a data center developer likely views the heat generated by their facility as a waste stream, other industries see it as an input and invest in generating it. Thus, there may be local

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[69] *Handbook for General Law Village Officials* (p. 71). (2024). Michigan Municipal League . https://mml.org/wp-content/uploads/2024/07/CH-14-Planning-and-Zoning.pdf

[70] Stoetzer, O., Krol, M., & Mills, S. (2025). Strategies for Renewable Energy Revenue: A Guide for Michigan Local Governments.

opportunities for the data center to create a circular economy and put at least some of that heat to beneficial use. Opportunities include greenhouses, other industrial processes, and district heating systems, as is being proposed in Lansing.[71] Your local government can encourage the use of this waste stream by proactively identifying existing land uses in your community that require heat and sharing those with potential data center developers.

Similarly, local governments can explore with the data center developer the possibility of co-locating data centers with electricity infrastructure, like solar or battery energy storage. While a data center is unlikely to be able to fully power itself with on-site energy generation due to a mismatch between the footprints of large-scale renewables and data center technologies, siting some infrastructure on-site at the data center can reduce the need to build power plants elsewhere. Furthermore, this electricity infrastructure might boost the local property tax base.

[71]Kaplan, L. V. (2025, November 5). *Proposed downtown data center focused on sustainability.* City Pulse. https://www.lansingcitypulse.com/stories/proposed-downtown-data-center-focused-on-sustainability,164052