DRAFT
Washtenaw County Environmental Council

Tuesday, May 27, 2025. 5:00PM - 6:30PM
Virtual Meeting
Link to join:
https://washtenawcounty.zoom.us/j/84042769611?pwd=V6X5wGGk5hvqKKFqbAIZg4aZxXjK0s.1

MAY MEETING AGENDA

I. Call to Order
II. Attendance
III. Land Acknowledgement
IV. Approval of the Agenda
V. Approval of the Minutes of the March 25, 2025 Meeting
VI. Public Comment/Citizen Participation: (up to 4 minutes per speaker)
    A. Council Responses to Citizen Participation
    B. Acknowledgement of written Citizen Participation
VII. Staff Reports
    A. Acknowledgement of written Staff Reports and Communications
    B. Beth Gibbons, Director, County Resiliency Office: *Washtenaw County Resiliency Office Report*
        1. Staffing Status
        2. Resiliency Office Updates and Events
        3. Other Updates
    C. Other Staff Reports
VIII. Chair's Report
    A. Committee updates
    B. June 24, 2025 Meeting
    C. Other
IX. Presentation: Michelle Martinez, Director, Tishman Center for Social Justice and Environment at the School for Environment and Sustainability (SEAS) at the University of Michigan and Gina Hsu, PhD Candidate, University of Michigan:
Data Centers and National, Great Lakes and Community Impacts

X. Council Discussion: Proposed Data Centers in Washtenaw County

XI. New Business

XII. Communications and Reports

A. Councilmembers

B. Committees and Committee Reports

XIII. Adjourn

Next Meetings

Tuesday, June 24, 2025

Tuesday, July 22, 2025

Washtenaw County Environmental Council

Tuesday, March 25, 2025. 5:00PM - 6:30PM
Virtual Meeting
Link to join:
https://washtenawcounty.zoom.us/j/84042769611?pwd=V6X5wGGk5hvqKKFqbAIZg4aZxXjK0s.1

MARCH DRAFT MEETING MINUTES

I. Call to Order
   A. 5:02 PM
II. Attendance
   A. Anne Brown, Mark Coryell, Michelle Deatrick, Andrea Pierce, Gay MacGregor, Kris Olsson, Tyler LaBerge, Liz Ratzloff, Alex Bryan, Lauren Sargent, Ben VanGessel, Brian Geiringer, Annie Somerville, Yousef Rabhi
   B. Not present: none
III. Land Acknowledgement
IV. Approval of the Agenda
   A. Amendment to Agenda
      1. GM: Add data Centers to new business
   B. Approval
      1. Moved: Liz Ratzloff
      2. Second: Gay MacGregor
      3. Approved by: Unanimous acclamation
V. Approval of the Minutes of the February 25, 2025 Meeting
   A. Approval
      1. Moved: Gay MacGregor
      2. Second: Liz Ratzloff
      3. Approved by: Unanimous acclamation
VI. Public Comment/Citizen Participation: (up to 4 minutes per speaker)
   A. Council Responses to Citizen Participation
      1. Jeff Alson, retired engineer EPA National Vehicle and Fuel Emissions Laboratory

a) GM supportive of comments made and idea of public roundtable
b) MD noting Resiliency Director is present to address comments later

B. Acknowledgement of written Citizen Participation
    1. No written comments made

VII. Staff Reports
A. Acknowledgement of written Staff Reports and Communications
    1. Welcoming Beatrice Miringu, Program Manager to Resiliency Office
B. Jason Fee, Director of Facilities Management
    1. Update on redeveloping and environmental remediation for Eastside Recreation Center site
C. Resiliency Office Updates
    a) Verbal report not given – full written report in agenda packet
D. Other Updates
E. Other Staff Reports

VIII. Chair's Report
A. Contact List & Member Interest Survey, Committee Appointments
    1. Reminder to fill out subcommittee survey
        a) AS: unable to participate in additional committees
        b) Tyler, Alex, Brian did not receive email yet
B. Request to Councilmembers to confirm participation at the May 27 meeting.
C. Other
    1. Introductions of members

IX. New Business
A. Resolution recommending amendment to Property Assessed Clean Energy (PACE) program to BOC originally adopted February 5, 2014
    1. Discussion
        a) YR: introducing resolution
        b) LS: Strongly supports
        c) MD: Comment on Resiliency Office involvement
    2. Approval
        a) Moved: Michelle Dietrick
        b) Second: Andrea Pierce

c) Approved by: Unanimous acclamation

B. Other new business

1. Outreach committee to plan event, reporting Resilient Washtenaw progress and impacts of federal actions on ability to achieve goals

a) Discussion

(1) GM: supportive of idea

(2) YR: supportive of idea

(3) LS: supportive of idea, highlight EPA vehicle lab initiatives

(4) KO: suggesting additional ideas

(a) Community focused events with Resiliency Office to share more local work/impacts, how local gov can help

(b) How can community get benefits of federal programs

(5) LR: supportive of idea, suggesting additional ideas

(a) Impacts of firing of federal workers on climate plans

(b) Grow participation through integrating climate topics into other topics (housing, transportation)

(6) LS: additional comment in support

b) Approval

(1) Moved: Kris Olsson

(2) Second: Lauren Sargent, Liz Ratzloff

(3) Approved by: Unanimous acclamation

X. Motion to Amend agenda to move up elections

A. Moved: Andrea Pierce

B. Second: Yousef Rabhi

C. Approved by: Unanimous acclamation

XI. Elections: Chair, Vice Chair, Second Vice Chair

A. The Council will be electing a Chairperson, Vice Chairperson, and Second Vice Chairperson

B. Chair

1. Yousef Rabhi nominates Michelle Deatrick

2. MD accepts nomination

3. No other nominations
4. Unanimous Voice Vote to approve Michelle Deatrick as Chair for March 2025 – March 2026

C. Vice Chair
1. Gay MacGregor nominates Anne Brown
2. AB accepts nomination
3. Unanimous Voice Vote to approve Anne Brown as Vice Chair for March 2025 – March 2026

D. Second Vice Chair
1. Liz Ratzloff nominates Gay MacGregor for Second Vice Chair
2. GM accepts nomination
3. Unanimous Voice Vote to approve Gay MacGregor as Second Vice Chair for March 2025 – March 2026

XII. Return to Other New Business

A. Data Centers coming to Ypsilanti Township
1. Discussion
   a) AP: introduce topic for discussion
   b) LR: offer to put together information for next meeting
   c) YR: clarification question and comment on state funding
   d) LS: comment on negative impacts
   e) AP: would like to put together something to show opposition
2. Motion for advisory & recommendations committee to investigate, put together briefing, and draft resolution to oppose data centers project
   a) Moved: Liz Ratzloff
   b) Second: Brian Geiringer
   c) Approved by: Unanimous acclamation
3. Additional discussion
   a) BG: comment in support and about urgency to make resolution
   b) AS: question about decision making ability
   c) YR: comment on clarifying questions for action or resolution
   d) A Bryan: comment on need to identify players, volunteering assistance on sub committee work on this

e) ABrown: comment in support of need to identify players

4. Motion for approval
    a) Moved: Brian Geiringer
    b) Seconded by: Andrea Pierce
    c) Approved by: Unanimous acclamation

XIII. Communications and Reports

A. Councilmembers

B. Staff

C. Committees and Committee Reports

XIV. Adjourn

A. 6:30 PM

1. Motion: Liz Ratzloff
2. Second by: Yousef Rabhi
3. Approved by: Unanimous acclamation

Next Meetings

Tuesday, April 22, 2025

Tuesday, May 27, 2025

Washtenaw County Environmental Council May 2025 Meeting
Resiliency Office Report
Beth Gibbons, County Resiliency Office Director

Report Summary

This report is developed based on specific requests from the Environmental Council made in advance of the May 2025 meeting. This report serves as a summary of ongoing actions of the Resiliency Office and anticipated upcoming actions. An attached document provides a summary of prioritized actions from the Resilient Washtenaw Plan and anticipated outputs and products from the Resiliency Office in the year ahead.

Metrics on emissions reductions/increases for County operations

- The Resiliency Office is updating its emissions inventory using Clear Path 2.0, a globally recognized standard for municipal emissions reporting. Updates to the County's Clear Path 2.0 account will complete in September 2025. At that time, we will be able to provide an updated decarbonization menu for achieving the 2035 County-wide decarbonization goal. Clear Path 2.0 does not currently model municipal operations. It will be available for modeling municipal operations in Q4 2025.
- The Resiliency Office is working SEMCOG on its emission inventory update, modeling 2024 data. This will be the first update since SEMCOG completed its initial inventory using 2019 data. The data will be available by municipality. SEMCOG is planning to use Clear Path 2.0 and going forward our reports will be transferrable between our respective accounts. SEMCOG anticipates beginning the 2024 inventory update in November 2025.
- Facilities Management is actively working on decarbonization of County operations. Plans for the installation of solar on 8 county facilities is moving forward. We anticipate 1 megawatt of power produced on Washtenaw County facilities by the end of 2025.
- We are completing a report to Michigan Green Communities Green Communities Challenge. Through this reporting we have evaluated our electric, gas, and water use in all facilities operated by Facilities Management and Parks and Recreation. ***Our calculations are still in draft form.*** Based on our initial calculations we anticipate reporting a significant decrease in use across all categories of electricity, gas, and water. Summary totals include:
    - 20.10% reduction in electric usage 2019 - 2024
    - 16.5% reduction in gas usage 2019 – 2024
    - 8.12% reduction in water usage 2019 - 2024

Partnerships established/developed with local governments, businesses, etc. to address achieving *Resilient Washtenaw* goals

Our goal is to build a broad coalition of partners from across local and regional municipalities and institutions and community organizations in Washtenaw County. Below are several highly productive partnerships we are engaged with this year:

- **The Ginsberg Center** is a community and civic engagement center with a mission to cultivate and steward equitable partnerships between communities and the University of Michigan to advance social change for the public good. As a community partner, the Resiliency Office is receiving funding for three summer internship positions. These interns are paid directly by the Ginsburg Center.

- **The University of Michigan Center for EmPowering Communities** to offer a unique opportunity for Washtenaw County municipalities and planners to join a tailored Renewable Energy Academy (REA) Workshop. These workshops provide local officials, planning commissioners, planning staff, and consultants with the information needed to prepare for renewable energy project siting at multiple scales and proactively plan for the energy siting rules (PA 233) that came into effect in November 2024.

- **ICLEI Membership** - RO will receive Technical Assistance, including access to a framework for designing integrated solutions that balance the patterns of human life and the built and natural environments. The County will be able to use the ClearPath reporting platforms for both municipal operations and community wide GHG emission tracking and analysis. This will be very helpful in standardizing data analysis with SEMCOG locally and with other local government communities externally.

Progress on any *Resilient Washtenaw* goals

- We have initiated action on 8/10 Resilient Washtenaw goals that had a defined evaluation metric for the first year of plan implementation. Inclusive of these actions, our office prioritizing 18 of 45 actions this year. A summary of those 18 prioritized actions is attached.

<u>Year 1 Priority Actions (From Resilient Washtenaw plan)</u>

1.01 Ongoing Climate Education and Public Engagement – In-Progress
- Create a climate education and outreach program
- Identify key community partners and organizations
- Host a resource library of model codes and policies to advance climate-smart policies across the County.

1.04 Prioritize Local Carbon Offsets- In-Progress
- Identify targeted high-vulnerability areas for tree plantings, solar installations, weatherization, and building electrification
- Identify potential methane capture opportunities and track the CCF of captured methane

2.02 County-wide Energy Concierge - In-Progress
- Create an interlocal agreement (MRSC - Local Government Contracting and Agreements for Non-Public Works Projects
- Develop outreach and marketing materials
- Develop a database of service providers, contractors, and product types - including information on whether these are union or non-union service providers or contractors, and whether the County's living wage is paid by non-union service providers or contractors.

2.03 Community Bulk Buy for Solar and Building Electrification – Not Started

- Sign the Interlocal

3.05 Update Energy Building Codes – Not Started

- Develop Training and Enforcement Programs to Ensure Compliance

3.03 Emissions Accounting Mechanism - In-Progress

- Create an emissions formula for new developments to calculate emissions to be used by the County and CVTs for evaluating the emissions of all new developments

4.07 Expand on Work from Home and Remote Service Access for County Operations - In-Progress

- Revise certain job descriptions to include work-from-home options.
- Determine the GHG cost of commuting for all County departments.
- Financial incentives for use of mass transit and nonmotorized community approaches, and carpools (two or more passengers per vehicle) for staff.
- Develop and provide GHG cost of commuting tracking tools to private.

6.01 Natural Area Preservation - In-Progress

- Create an inventory of all protected natural areas within the County.

6.02 Farmland Preservation - In-Progress

- Quantity/Inventory of active working agricultural lands.

7.01 Provide Comment on Infrastructure Agency Planning Projects - In-Progress

- Pass a board resolution to provide official comment on all infrastructure agency projects.
- Develop an evaluation model to identify the emissions impacts of projects and building materials.

Public events, conferences, etc, where the Resiliency Office staff were in attendance, tabling or speaking, as well as any that are upcoming (including any that WCEC might want to be attending/tabling at, and otherwise)

Date	Event Type	Training/ Event	Location	Organization
4/22/2023	Conference	MI Healthy Climate Conference	Detroit	EGLE
4/10/2025	Workshop	Renewable Energy Planning in Washtenaw County (I)	Virtual	RO/UM Center for Empowering Communities
4/29/2025	Workshop	Washtenaw County Resilience Network	Cobblestone Farm	WRO/ANN ARBOR Sustainability and Innovation
5/1/2025	Webinar	Renewable Energy Planning in Washtenaw County	**Virtual**	Association of State Floodplain Managers
5/4/2025	Conference	A2 Climate Teach-in	**Ann Arbor**	
5/13/2025	Webinar	2025 Implementing A2 Zero Series	Ann Arbor	City of Ann Arbor
6/2/2025	In-person	Renewable Energy Academy Workshop (II)	Ann Arbor	Resiliency Office
6/26/2025	In-person	Washtenaw 2030 District Annual Meeting	Ann Arbor	Washtenaw 2030 Distrct

10/5/2025	In-person	Scio Township Sustainability Fair	Scio Township	Scio Township
10/20-22/2025	In-person	Midwest Resilience Conference	Milwaukee	The University of Minnesota Climate Adaptation Partnership
4/14-15/2025	In-person	Office of Rural Prosperity Summit	Summit	Office of Rural Prosperity
6/16-18/2025	In-person	Managed Retreat Summit	Columbia University	Columbia University
6/1-7/2025	In-person	A2Zero Week	Ann Arbor	Ann Arbor OSI
6/9-13/ 2025	In-person	Accelerated System Risk Assessment Meeting	Les Fontaines, France	United Nations
9/27/25-10/5/2025	In-person	U-Mich Climate Week	Ann Arbor	SEAS U-Mich
Sep-25	In-person	Huron River Days	Ypsilanti	Ypsilanti Parks Committee

Impact of losing Kim Heumann/does this elevate the need to advocate for a third permanent staff person for the Office?

- The termination of the AmeriCorps programs impacted the Resiliency Office due to the staff capacity loss (30% of our team was eliminated without prior notice) and due to the time that has been dedicated to understanding how we could support Kim and other MHC Corps members through this abrupt and illegal program termination. The Resiliency Office rehired Kim as a temporary employee. She began in her role with the County on Monday, May 19. She will continue with the County as a temporary employee through November 2025 (which is aligned to the original timing of her service).
- The elimination of the AmeriCorps program and the limiting of capacity building and technical assistance programs does reinforce the need a third position to be funded within the Resiliency Office. A request for funding of another position will be part of the Resiliency Office's budget request for 2026.

All expenditures that have been made from the WCEC line item to date.

Date	Item	Cost
	A2 Climate Teach-in split sponsorship with RO	$100
	3 Participant Registrations for the MI Health Climate Conference ($225 per registrant)	$675
		$775

Washtenaw County Resiliency Office 2025 Projects & Priorities

Resilient Washtenaw 2025 Prioritized Action Areas

Implementation	Climate Education and Public Engagement Create a Regional Resilience Authority Carbon Pricing in Decision Making
Energy Transition	Create Countywide Energy Concierge ○ Lead Partner: 2030 District, City of Ann Arbor Expand Weatherization Programs ○ Lead Partner: OCED 100% Renewable Energy and Energy Efficiency Upgrades for All County Operations ○ Lead Partner: Facilities 100% Electric and Renewable Buildings and Fleet Policy ○ Lead Partner: Facilities Electrify County Fleet ○ Lead Partner: Facilities
Housing	Model Zoning ○ Partners: Students/Interns, EXP Emissions Accounting Mechanism ○ Lead Partner: SEMCOG, Ann Arbor, University of Michigan
Mobility and Access	Track and Report VMTs by Sector ○ Lead Partner: SEMCOG Improve MPG and MPGE throughout Community-wide Fleet ○ Lead Partner: Facilities
Health	Strengthen Climate and Health Partnerships ○ Lead Partner: MDHHS/MSU Develop Climate Adaptation Programs for Public Health ○ Lead Partner: Public Health Department Support Resilience in Vulnerable Communities ○ Lead Partner: OCED, Public Health Department, Water Resources Commission
Preserve Natural and Working Lands	Increase Support for Farmland and Working Lands Preservation ○ Lead Partner: Washtenaw County Conservation District
Infrastructure	Prioritize Public Projects that Reduce Fossil Fuel Use and Prepare for More Extreme Weather ○ Lead Partners: Budget, Purchasing, Emergency Management Provide Comment on Infrastructure Agency Planning Projects
Circular Economy	Develop and Promote Countywide Composting Programs ○ Lead Partner: WRC, OCED

Resiliency Office Projects & Activities

Climate Mitigation and Energy Activities

Establish Washtenaw County's emissions inventory and reporting policy	Complete the decarbonization plan for County Facilities	Publish a prioritized strategy and project list to reach 2030 and 2035 goals	Create project development plans for 3 county owned facilities/sites (beyond 2025 plans)
Publication of the Washtenaw County Resilient Buildings Handbook	Launch the Shared Energy Futures Initiative	Develop model codes and templates for renewable energy systems	Fundraise to expand Solarize and Apply to Solar for All

Climate Adaptation & Disaster Response Activities

Hazard Mitigation Plan	Establish Resilience Metrics based on community values, expertise, and needs	Co-lead WC wide Resilience Hub Network	Establish guidance for County owned relief centers across the County
Convene the Regional Resilience Network/ County Collaborative	Develop an adaptation plan and site-specific interventions for flood prone neighborhoods	Apply SEMCOG Resilience Data to planning by WRC, RC, and PW	Work with SEMCOG to make data applicable to decision making at the County level
Support the design of energy and demographic plans for CVTs across the county	Serve as connector to developers to facilitate the establishment of projects aligned to the vision	Support county activities including: -WCDC Climate Smart Farms -Materials Master Plan	Future Initiatives: - 10,000 Trees across the County - ICLEI/GLISA Flood-Ready Communities Cohort

Implementation Strategy Actions – Engagement, Communication, Integration

Formation of a Resource Library	Development of templates, including zoning codes and ordinances for commercial renewable energy projects	Publication of the Washtenaw County Resilient Buildings Handbook	Amplification of existing resources for climate action at the local level
Establish Resilient Washtenaw website	Publish bi-monthly newsletter and Resilient in Washtenaw Podcast	Establish templates for internal and external communications	Sponsor, attend, and participate in events, as invited
Establish the Washtenaw Resilience Authority/Regional Climate Network	Initiate plans for a resilience funding authority	Integrate RW goals into Priority Setting and Budget Decision	Working with individual departments to align RW actions and office priorities

Data Centers Great Lakes and Climate

SCHOOL FOR ENVIRONMENT AND SUSTAINABILITY
TISHMAN CENTER FOR SOCIAL JUSTICE AND THE ENVIRONMENT
UNIVERSITY OF MICHIGAN

Michelle Martinez, Gina Hsu and Tamanna Sengupta

Washtenaw County Environmental Council (WCEC)

May 27, 2025

Overview

AGENDA

What are data centers?

What do we know about the impacts on water, energy or land?

What questions might prompt due diligence and to whom?

Q & A

Disclaimer

I am not a lawyer, or an engineer, or a policy maker. Please consult your legal team and technical experts on all matters regarding your rights as Commission advisors.

Data Centers: What are they?

01

Data Centers are the material infrastructure for the digital world; cloud computing, data storage, artificial intelligence, crypto currencies all rely on DC's

02

There are different scales of data centers ranging from hyperscale, to retail, and industry specific sites (crypto for example) and range from small <100MW >500MW.

03

DCs have a dramatic range of technology, efficiency that can affect their size, capacity, and consumption patterns of water or energy and are not standardized.

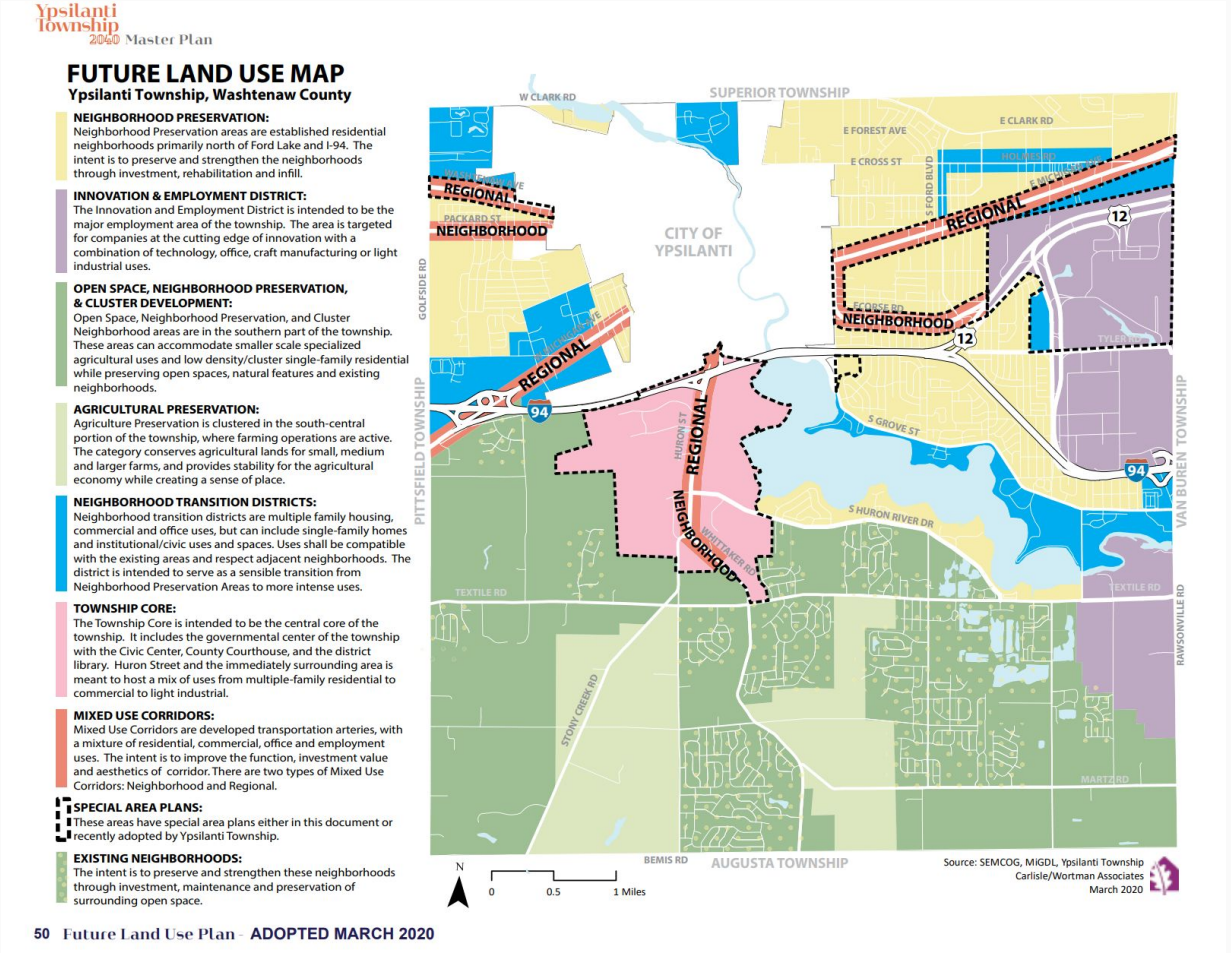
Ypsilanti UM-LANL Data Center

01

UM-LANL proposed to build two advanced computing facilities in Ypsi. A 100 MW High-Performance Computing will be dedicated for LANL, and the other 10 MW for UM's non-classified use. [Appendix A]

02

According to the UM-LANL $100M SSRP Request memo, Ypsi Community Utility Authority confirmed the water supply and treatment capacity for the project. DTE will also build a substation nearby to support the energy needs.



Data Centers are presenting major challenges to local communities around the world

Energy Consumption

Direct and indirect energy consumption associated with high energy consumers like DC can put a strain on existing infrastructure leading to prices hikes, overload, resource prioritization issues, and increased emissions from downstream power sourcing

Water Flows

Both the intake of water, and the outflow of water is managed in a wide variety of ways based on the system, cooling needs, efficiency and demand leading to unregulated issues on consumption, pollution, or run-off

Land Management

Tax incentivisation structures are proliferating, and in some cases leading to the erosion of local resources. Land fragmentation, nuisance, site pollution are all risk exposures that have been seen across the US.

Data Centers are presenting major challenges to local communities

Energy Consumption

Rapid growth in direct and indirect energy consumption associated with high energy consumers like DC can put a strain on existing infrastructure leading to prices hikes, overload, resource prioritization issues, and increased emissions from downstream power sourcing

The increase in total energy consumption is measured at 4%-12% by 2030. Some estimate as high as 25% The range accounts for the variety of efficiency measured through PUE and demand growth. This is equivalent to a new New York City on the US Grid (1) posing major climate risks.

The utility sector is not prepared for the exponential growth in energy provisioning, do not have methods of standardizing energy modeling for DCs for the grid, and at many energy providers admit that peak load, with DCs, exceed demand capacity, forcing questions about demand prioritization. (2)

Costs of infrastructure build-out are expected to increase cost for energy across all consumer classes, with a major threat of increasing energy burden on low-income people with a high risk of stranded assets (3). Estimates range from utility bills ballooning 15-40% in the next five years. MPSC hearing cases now; See Oregon POWER Act which would mandate data centers to pay their fair share of utility costs. New Jersey also.

Renewable energy, though desirable, is bringing skepticism to investors who insist round-the-clock energy demand would outpace solar or wind energy capacity, pushing us into methane-gas build out or nuclear; or risk consuming large land tracts. In some cases, utilities and states are abandoning carbon targets all together building out gas. (4)

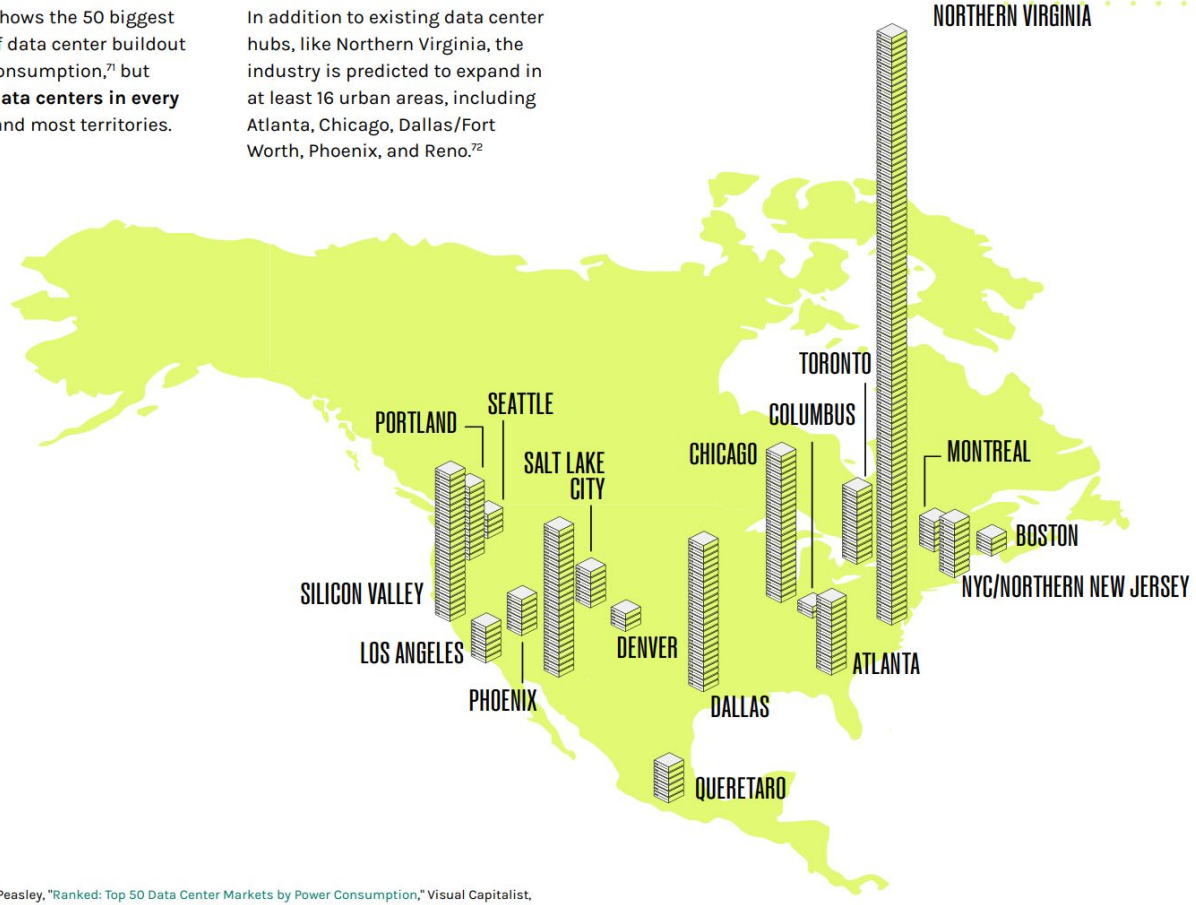
Kairos Report on Data Centers

Rapid expansion of data centers across the United States (and globally) is gaining speed due to the ***projected*** rising demand of cloud computing and AI technology.

BIGGEST DATA CENTER REGIONS BY POWER CONSUMPTION IN NORTH AMERICA, 2023

This map shows the 50 biggest hotspots of data center buildout by power consumption,[71] but **there are data centers in every U.S. state** and most territories.

In addition to existing data center hubs, like Northern Virginia, the industry is predicted to expand in at least 16 urban areas, including Atlanta, Chicago, Dallas/Fort Worth, Phoenix, and Reno.[72]



Source: Julie R. Peasley, "Ranked: Top 50 Data Center Markets by Power Consumption," Visual Capitalist, January 10, 2024. Data is from Cushman & Wakefield, DataCenterHawk.

Data Centers are presenting major challenges to local communities

Water flows

Both the intake of water, and the outflow of water is managed in a wide variety of ways based on the system, cooling needs, efficiency and demand leading to unregulated issues on consumption, pollution, or run-off

The efficient use of water for data centers is a growing concern. Less than 30% of data centers nationwide report the water usage of the DC [5] Many data centers rely on water to cool processing centers and servers as a central function; DCs are projected to consume 4.2-6.6 B cubic meters of water in 2027 globally

Not all DCs are made the same: There are a variety of ways to measure the water consumption of the site, and multiple technologies, including "waterless" methods which could demand more energy, and/or rely on cool ambient temperatures [6]

Industry advocates are recommending that DC operators be required to publish the Water Use Effectiveness (WUE) measurements as a transparency effort and metric for data center water consumption. It measures on-site water consumption or usage, and expand that measurement to account for the annual source energy water use (off-site). [7]

Clean drinking water, pollution and evaporation are critical concerns. DC use prioritizes human grade consumption. [See Taprundry.com]

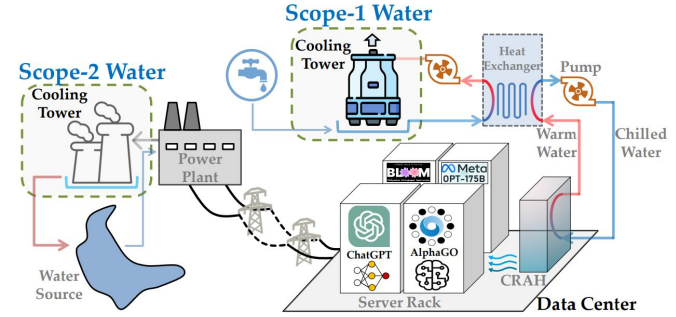


Figure 1: An example of data center's operational water usage: on-site scope-1 water usage for data center cooling (via cooling towers in the example), and off-site scope-2 water usage for electricity generation. The icons for AI models are only for illustration purposes.

Data Centers are presenting major challenges to local communities

Land Management

Tax incentivisation structures are proliferating, and in some cases leading to the erosion of local resources. Land fragmentation, nuisance, site pollution are all risk exposures that have been seen across the US.

The State of Michigan Legislature passed two bills which exempt DCs from paying use tax or sales tax in hopes to incentivize DCs costing local governments about $90m until 2050, and 2065 for Brownfields [8]

Local governments are struggling to understand proper zoning amidst DC proliferation– like in Louden County, VA where they have eliminated "by-right" data centers location with a new zoning ordinance for assessment and approval [9]

After issues of noise, characterized as an "eerie hum", emerged in many data centers impacting quality of life, Virginia is now considering a "Noise Profiling" bill that would require data centers to meet certain standards for decibels next to sensitive sites. [10]

Complaints of increased particulate matter, ambient air pollution, specifically from on-site generators are increasing. Washington State issues local air quality permits to data centers for their diesel emissions [11]

Congress's Big Beautiful Bill currently includes a ten year moratorium on state level legislation which may restrict Data Centers[12].

Key Questions: Struggle for Answers

Questions	Forum
What will be the impact on the grid (additional outages?) and how will this impact residential consumers rates? Is there an ability for data centers to pay their fair share?	MPSC Intervention, State Legislature, Community Action Agency
How will this impact local infrastructure– roads, waterways, and regional ambient air quality (generators)? How will it be regulated, monitored and enforced?	EGLE, SEMCOG, Drain Commissioner, GLWA/DWSD, IJC
What are the long-term impacts of property, sales or use tax exemptions? How will this erode the potential for income locally? What will the local quality of life issues do to local property tax base?	Economic development, Housing Department
How will this create nuisance for residents? Noise, light pollution, water quality, decreased quality of life, mental health issues?	Community Health, Housing, Zoning Commission, Legal
How can Ypsilanti Township ensure water quality and efficient usage [monitoring and regulation]? What data on water usage, inflow and outflow, are available currently? What will be the cost structure to support long-term sustainability of clean water to residents and ecosystems?	Ypsilanti Community Utility Authority, Ypsilanti Township

SOURCES

1) S&P Global, 2024. https://www.spglobal.com/ratings/en/research/articles/241030-data-centers-rapid-growth-creates-opportunities-and-issues-13307638
2) Utility Experiences and Trends Regarding Data Centers: 2024 Survey. EPRI, Palo Alto, CA: 2024. 3002030643.
(3) Virginia increases in cost associated with energy infrastructure build out; along with Ohio Moratorium on DCs with relative policies on off-ramps. See Council of State Governments, Big data centers, big rewards for states? As the number of these centers grows, states are offering new or enhanced tax incentives, but questions also are being raised about the demands on water resources and electricity. Davis, Jon (2024); Oregon POWER Act, https://www.opb.org/article/2025/03/06/power-act-data-centers-electricity-use-oregon-lawmakers-energy-google-utilities/ ; New Jersey, https://newjerseymonitor.com/2025/05/22/senate-panel-backs-bills-targeting-new-jersey-data-centers/?utm_campaign=Newsletter&utm_medium=email&_hsenc=p2ANqtz-9ZBOshtYBCsr2_mEWwPZMnNFZhisVDjOWzivaIQSCYLR-mSVtLgZa1LmRCuvpf5HIAq9px-5Bfj0qomxKcJWPmdx7M1Q&_hsmi=362948997&utm_content=362948997&utm_source=hs_email
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Appendix A: Michigan Strategic Fund, Board Meeting Agenda, 10 Dec 2024, p. 53