

Realities of Communities & Data Centers

A Case Study of Reducing Community Impact



Van Buren Township has
the only Data Center
implemented without
court order

Planning For the future

- 2018 Master Plan update
- Data centers identified as missing
- Public Workshops
- 800+ survey responses
- No data center objections
- I hate Zoning Law



Existing JP Morgan Chase Data Center
9000 Haggerty Rd



**NO DAILY
TRUCK
TRAFFIC**

What does a **data center** look like?

- Has operated in VBT for years
- Quiet operation



Communities are Bound by State Law

≡ 🔍 **CRAIN'S DETROIT BUSINESS** 👤 ↗

Last year, the township's board denied rezoning for the 1,000-acre project in a gambit to force the developer, Related Digital, to abandon its data center plan. Instead, the farmland's owners took the township to court with the backing of Related over exclusionary zoning.

- Zoning laws give rights to property owners
- Industrial property owners have rights, just as residential property owners have rights
- Data centers are a right by use in industrial property

Saline Denied and just said "No to the Data Center"

Learning from Saline Twp

- Saline challenged the project and Lost
- Courts took control of the project – Courts made the decisions not the Public
- Saline lost negotiating power and planning restrictions to reduce impact
- Van Buren went through the process and was able to negotiate protections



Maximize local protections. Minimize litigation risk

"We could have lost hundreds of millions, if not billions, of dollars in a lawsuit."



VBT begins Research

- FAQ developed
- Township officials visited New Albany, Ohio
- An affluent, fast-growing community
- National leader in data center development
- Lessons applied in Van Buren Township

Understanding Tax Incentives



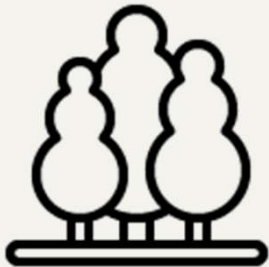
- State law already provides for these tax abatements
- The township can either participate or step aside
- Participating allows the township to negotiate additional benefits
- The agreement generated greater local revenue for the community
- **Allows the township to control ongoing operations**

Resident protections **negotiated**

Residents' protections are guaranteed by the tax incentives

Landscaping and Screening

- Berms
- Trees
- Wildlife corridors
- **\$30 million landscaping investment**



Neighborhood Protections

- **Noise & light standards (continuous monitoring)**
- Generator restrictions (150 to 24)
- Building height limit



Traffic & Infrastructure

- **Service drive access only**
- Power lines rerouted
- Sidewalks
- Road improvements



Environmental Protection

- **No groundwater use**
- Enclosed lagoons
- Sanitary sewer discharge
- Stormwater controls



Property's Tax Base

- Property currently pays less than \$13,000 in total taxes
- \$1,564 township operations
- \$11,200 Public Safety
- Taxes \$1.7 Million per year

*Estimated over 13 years

Community benefits

Economic Investment

- \$15M investment in Van Buren Township
- \$10M Michigan Energy Impact Fund
- Guarantees VBT will remain the lowest tax rate in the region
- Guarantees no Data Center caused increase in water rates

Employment

- 1,500 construction jobs
- 50+ permanent full-time jobs
- Local hiring prioritized
- Construction guarantees over \$100 million to local Van Buren companies

Community Investment

- Public infrastructure improvements
- School & educational improvements
- Recreation & capital projects

Long-term Tax Base

- 4th largest taxpayer in Wayne County
- \$23M estimated township tax revenue*
- \$37M estimated school tax revenue; does not include new sinking bond tax revenue*

Aerotropolis Enterprise Zone

- 11.3 mils on all new industrial properties for roads, water, and sewer
- Data center alone projected \$24M

*Estimated over 13 years

Common Misconceptions

Water

- **No groundwater use**
- Uses Great Lakes Authority water
- Discharged through the sanitary sewer system
- Agreement guarantees Google will pay for any water increases to residents, if any
- Minimal VBT infrastructure upgrades

Power

- Separate electrical infrastructure
- Utility upgrades funded by the project





Questions?

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