ORDINANCE NO. ___

AN ORDINANCE TO AMEND THE ZONING ORDINANCE OF THE TOWNSHIP OF SOLON

[Data Centers and Digital Mining Uses]

THE TOWNSHIP OF SOLON ORDAINS:

Section 1. **Legislative Findings and Determinations.** The Township Board finds and determines as follows:

A. The Michigan Zoning Enabling Act authorizes the Township to provide for special land uses and to establish the requirements, standards, procedures, and supporting materials governing their review and approval. A decision approving, approving with conditions, or denying a special land use must be incorporated into a statement of findings and conclusions identifying the basis for the decision and any conditions imposed. MCL 125.3502.

B. Chapter 16 of the Solon Township Zoning Ordinance recognizes that certain uses, because of their unique characteristics, require special consideration in relation to the welfare of adjacent properties and the community as a whole. Chapter 16 is intended to provide reasonable latitude for applicants while protecting the health, safety, convenience, and general welfare of the Township.

C. Medium-scale and hyperscale data centers differ from many conventional commercial and industrial uses in the potential scale and intensity of their operations, including the extent of land and building area devoted to the use, electrical demand, utility infrastructure, cooling equipment, water demand, mechanical and low-frequency noise, backup generation, battery-storage systems, stormwater facilities, security measures, and long-term decommissioning obligations.

D. Depending upon their proposed location, scale, design, and operation, medium-scale and hyperscale data centers may impose demands upon public and private infrastructure and may affect neighboring properties, agricultural operations, groundwater and surface-water resources, roads, emergency services, the existing electrical system, the rural character of the Township, and the orderly development of land.

E. The potential impacts of a medium-scale or hyperscale data center are not determined solely by the footprint of an individual building or by parcel boundaries. Related buildings, parcels, phases, utility facilities, substations, access roads, cooling equipment, stormwater facilities, setbacks, buffers, and other

appurtenant improvements may function together as a single integrated project or campus.

F. The potential impacts of a data center may increase as its gross floor area, project area, electrical demand, water demand, mechanical equipment, operational intensity, or supporting infrastructure increases. The Township therefore has a legitimate land-use interest in evaluating the project as a whole, including reasonably foreseeable phases, expansions, affiliated facilities, and functionally integrated components.

G. Technical compliance with individual dimensional or performance standards does not necessarily establish that a proposed medium-scale or hyperscale data center is appropriate at a particular location. Special land use review requires consideration of the cumulative relationship between the proposed use, surrounding properties, available infrastructure, natural resources, the Township Master Plan, and the public health, safety, and general welfare.

H. Because medium-scale and hyperscale data centers may consume substantial land, infrastructure capacity, and community resources while providing varying levels of locally realized benefit, it is reasonable to require an applicant to identify the direct and substantial public benefits expected to result from the particular project.

I. A generalized assertion that a project will promote economic development, increase the tax base, create construction activity, or generate other benefits commonly associated with development does not, standing alone, provide a sufficient basis for determining whether the particular location, scale, and intensity of a proposed medium-scale or hyperscale data center are appropriate.

J. Relevant public benefits may include, without limitation and only to the extent supported by competent, material, and substantial evidence in the application record:

1. Permanent employment opportunities attributable to operation of the facility;
2. Infrastructure improvements that will provide a reasonably identified benefit beyond the boundaries of the project;
3. Remediation or productive redevelopment of contaminated, blighted, obsolete, or previously developed land;

4. Protection, restoration, or permanent preservation of natural resources, open space, or agricultural land beyond what is otherwise required by applicable law or this Ordinance;

5. Improvements to public roads, emergency-response capabilities, water or sewer facilities, or other public infrastructure that are proportionate to the project and provide an identified community benefit;

6. On-site energy-efficiency, water-conservation, heat-recovery, or resource-management measures that materially reduce the project's off-site impacts beyond minimum regulatory requirements;

7. Binding commitments that reduce or mitigate reasonably anticipated burdens upon Township residents, existing utility customers, surrounding property owners, agricultural operations, or public services; and

8. Other direct, substantial, enforceable, and project-specific benefits that further the goals of the Township Master Plan or protect the public health, safety, and general welfare.

K. A claimed public benefit should be considered only if the applicant demonstrates that the benefit is reasonably probable, attributable to the proposed project, capable of verification, and, where appropriate, secured by an enforceable condition, agreement, financial guarantee, or other legally permissible mechanism.

L. The public-benefit requirement is not intended to authorize approval through voluntary payments or unrelated private concessions, nor is it intended to require an applicant to purchase zoning approval. The requirement is intended to ensure that the Township evaluates the project-specific land-use benefits and burdens of a proposed medium-scale or hyperscale data center under objective standards related to the use of land and the protection of the public health, safety, and general welfare.

M. A proposed public benefit shall not excuse noncompliance with any requirement of the Zoning Ordinance. Compliance with all applicable dimensional, operational, environmental, infrastructure, financial-security, and special land use standards is independently required.

N. The applicant bears the burden of producing sufficient evidence to demonstrate compliance with the special land use standards because the applicant possesses or controls the project-specific information concerning the proposed facility's design, operation, resource demands, infrastructure requirements, anticipated effects, and claimed benefits.

O. Requiring the Township to balance direct, substantial, and enforceable public benefits against reasonably anticipated adverse land-use impacts will assist the Township in determining whether the location, scale, intensity, and operation of the proposed use are compatible with surrounding land uses and consistent with the Township Master Plan and the public health, safety, and general welfare.

P. The public-benefit determination must be based upon competent, material, and substantial evidence in the record. The Planning Commission shall identify in its written findings the public benefits credited, the adverse impacts considered, the mitigation measures relied upon, and the basis for its conclusion.

Q. These findings are intended to establish clear land-use purposes for the additional special land use standards applicable to medium-scale and hyperscale data centers and to provide a principled basis for consistent, evidence-based decision-making.

Section 2. **Data Centers and Digital Mining Uses.** Chapter 3 of the Solon Township Zoning Ordinance (the "Zoning Ordinance") is amended by the addition of a new Section 3.39 regarding data centers and digital mining uses, which shall read in its entirety as follows:

SECTION 3.39 DATA CENTERS AND DIGITAL MINING USES.

A. Purpose. The purpose of this Section is to provide regulations for data centers within the Township in a manner that protects the property values and lifestyles of adjacent and nearby properties and also the health, safety, and general welfare of the Township and its residents.

B. Definitions.

1. Accessory Data Center. A data center that is ancillary to the principal use of a lot or parcel, which is typically used solely to store or otherwise support an individual business's data and information technology needs. A data center is not an accessory data center if it requires more than five megawatts (5 MW) of power to operate.

2. Artificial Intelligence. Artificial intelligence means a machine-based system that can make predictions, recommendations or decisions influencing real or virtual environments. Artificial intelligence systems use machine and human based inputs to perceive real and virtual environments and abstract such perceptions into models through analysis in an automated manner and use model inference to formulate options for information or action.

3. Closed-Loop Cooling System. A sealed system where coolant circulates continuously, absorbing heat from a source, and then transfers that heat to a heat exchanger for removal, without the coolant ever being exposed to the environment.

4. Colocation Data Center. A data center that is rented out by the owner to provide

space to other businesses for their servers and other computing hardware. In addition to providing physical space, colocation facilities may offer additional services including maintenance, backup power systems, and multiple network connections. A colocation data center may be a small-scale, medium-scale or hyperscale data center.

5. Data Center. A use involving a building or other structure that is primarily occupied by computers and/or telecommunications equipment and related equipment, including supporting equipment, where information is processed, transferred, or stored. Data center also includes infrastructure utilized to train, deploy, manage or store data, in support of generative artificial intelligence and machine learning algorithms. A data center use shall not include a digital mining use. A data center which includes on-site solar or wind energy generation facilities used or intended to be used to supply power to the data center shall comply with the requirements of the zoning ordinance and any other ordinances regulating those uses.

6. Digital Currency. Currency in a digital format that involves the use of encryption techniques to regulate the generation of units of the digital currency and verify the transfer of funds, operating independently from a central bank.

7. Digital Mining. The process whereby computers (also referred to as "nodes" or "mining rigs") validate blockchain transactions for a specific item of digital currency (commonly known as "bitcoin" or "cryptocurrency") for a financial benefit.

8. Digital Mining Use. A use involving a building or structure that is primarily occupied by computers used for digital currency mining purposes. Typical physical characteristics of a digital mining use include, but are not limited to, specialized computer hardware or data centers with a non-diverse electrical use for mining operations as well as equipment to cool the hardware and operating space. For the purposes of this Zoning Ordinance, the scale of a digital mining use is determined by the same power measurements provided in the definition of small-scale, medium scale, and hyperscale data centers in this Section 3.39.

9. Hyperscale Data Center. A data center or integrated campus of data center facilities operating as a single project that is designed and constructed to provide large-scale cloud computing, artificial intelligence, data processing, data storage, networking, or similar digital infrastructure services and that:

   a. contains 500,000 square feet or more of aggregate gross floor area, measured collectively across all principal and accessory buildings comprising the project; or

   b. has an aggregate projected electrical demand of 100 megawatts (MW) or greater.

   For purposes of this definition, gross floor area and electrical demand shall be calculated by combining all buildings, structures, parcels, phases, utility facilities,

substations, cooling equipment, battery energy storage systems, backup power systems, and other functionally integrated components that are part of a common development plan, ownership, operation, or campus.

10. Medium-Scale Data Center. A data center or integrated campus of data center facilities operating as a single project that is designed and constructed to provide cloud computing, artificial intelligence, data processing, data storage, networking, or similar digital infrastructure services and that:

    a. contains 50,000 square feet or more but less than 500,000 square feet of aggregate gross floor area, measured collectively across all principal and accessory buildings comprising the project; or

    b. has an aggregate projected electrical demand of 5 megawatts (MW) or more but less than 100 megawatts (MW);

    For purposes of this definition, gross floor area and electrical demand shall be calculated by combining all buildings, structures, parcels, phases, utility facilities, substations, cooling equipment, battery energy storage systems, backup power systems, and other functionally integrated components that are part of a common development plan, ownership, operation, or campus.

11. Megawatts (MW). A unit of power that is used for the measurement of bulk electricity, and is equal to one million watts.

12. Project Area. The total gross acreage of all parcels comprising or serving a Data Center. Project Area includes all buildings, structures, utility infrastructure, substations, cooling facilities, stormwater management facilities, internal roads and access drives, parking and loading areas, required setbacks and buffers, and any land otherwise used to support the construction, operation, or regulatory compliance of the Data Center.

13. Small-Scale Data Center. A data center or integrated campus of data center facilities operating as a single project that is designed and constructed to provide cloud computing, artificial intelligence, data processing, data storage, networking, or similar digital infrastructure services and that:

    a. contains less than 50,000 square feet of aggregate gross floor area, measured collectively across all principal and accessory buildings comprising the project; and

    b. has an aggregate projected electrical demand of less than 5 megawatts (MW).

    For purposes of this definition, gross floor area and electrical demand shall be calculated by combining all buildings, structures, parcels, phases, utility facilities, substations, cooling equipment, battery energy storage systems, backup power

systems, and other functionally integrated components that are part of a common development plan, ownership, operation, or campus.

C. Application. A site plan shall be submitted and reviewed prior to the approval of a data center or an expansion or change of use for a data center under the provisions of Chapter 14, except where special land use approval is required, in which case special land use approval under Chapter 16 shall be required. An application for a proposed data center or digital mining use shall include all of the information required for site plan review under Chapter 14, and the following additional information:

1. The site plan for the proposed use shall include the location of proposed buildings, structures and other improvements, floodplains, wetlands, any bodies of water, and the zoning districts for all adjacent properties and any existing dwellings within 1 mile of the proposed use.

2. Evidence of preliminary contact with the proposed electrical service provider regarding whether there is capacity for the proposed use and whether the existing infrastructure and facilities can accommodate the proposed use.

3. A noise mitigation plan shall be submitted, including, at a minimum, a detailed acoustic study showing the amount of noise in decibels (dBA) that would be produced by normal operations of the data center and strategies to minimize noise and achieve a neutral impact on adjacent and nearby properties.

4. The submittal shall contain a detailed narrative of the arrangements to be made for stormwater discharge, water supply and sewage disposal service, including approximate capacity, source of water supply, discharge points for sewage disposal, and description of storm water management facilities.

5. A project development timeline, including information regarding how and when the applicant will inform adjacent property owners and members of the community regarding the status of the project.

6. A decommissioning plan, which shall include details regarding the planned method of safe removal and recycling or disposal of server infrastructure, any hazardous materials, batteries, electronic waste and related products.

7. An agreement by the applicant to allow for periodic inspections by the Township and other regulatory authorities to ensure compliance with the applicable regulations.

D. Environmental and Impact Assessments. The Applicant shall also provide environmental and community impact assessments by third parties acceptable to the Township with the application materials. These assessments shall describe the effect and impact that the proposed data center or digital mining use will or may have upon or with respect to the following matters:

1. The lands involved and the adjacent and nearby lands; streams, rivers, wetlands,

and the quality and volume of surface and groundwater; wildlife and trees, and other significant vegetation; the effect, if any, on surrounding property values.

2. A traffic impact study by a third party that analyzes impacts of construction traffic and post-construction operation traffic.

3. Any additional costs to governmental units pertaining to police and fire protection; storm water drainage; water supply and sewage disposal, which shall be held in escrow.

4. Evidence that the disposal of wastewater and other materials will be accomplished in a manner that complies with local, state and federal regulations.

5. Noise, vibration, dust and dirt, litter, smoke, odor, light, and glare.

6. A community impact analysis of benefits and burdens on the community to be prepared by a third party.

7. An analysis by a third party of the nature and effect on any private utility systems, including septic tanks and drain fields, storm water control and retention facilities, and water supply and distribution systems. This analysis shall include any impact on private utility systems located on adjacent or nearby properties up to 1 mile away from the proposed data center.

8. The environmental impact assessment shall include statements or comments from the following public agencies or officials concerning those aspects of the proposed data center within their respective responsibilities and jurisdictions: Kent County Health Department; Kent County Road Commission, Kent County Drain Commissioner, Michigan Department of Environment, Great Lakes, and Energy, local school district(s); Kent County Sheriff's Department, the Township Fire Department, electricity providers, and the surrounding public water and sewer authorities and providers if applicable, along with other appropriate agencies.

9. Such other matters as the Planning Commission may request to be included.

E. Reports. The Township shall have the right to require supplemental or amended reports related to matters including but not limited to impacts of the proposed development, prior to any zoning approval.

F. Staff Review. The Zoning Administrator and Township Engineer shall prepare a report on the proposed site plan for the Planning Commission. The Township may also contract with other consultants to provide reports necessary to evaluate the proposed data center and its potential impacts.

G. Fees. The applicant shall pay all fees and charges required by the Township including the required escrow deposit set by the Township Board for site plan review and special land use approval, if applicable. In addition, the Township reserves the right to require the applicant to deposit an increased or additional escrow deposit for the Township to review the application and related materials, including escrows necessary to pay third parties or

contractors to assist the Township with consideration of the site plan, special land use approval, or continuing operation of the data center or digital mining use.

H. General Regulations. The following general requirements apply to all data centers and digital mining uses within the Township.

1. Noise. Noise emanating from the use, operation, or maintenance of a data center or a digital mining use shall not exceed forty-five (45) A-weighted decibels dB(A)) Leq (1-hour) and sixty (60) C-weighted decibels (dB(C)) Leq (1-hour) measured from any property line of the data center or digital mining use. In addition, to control low-frequency noise, the difference between the measured C-weighted sound level and the measured A-weighted sound level (dB(C) minus dB(A)) at any property line shall not exceed fifteen (15) decibels.

   a. The maximum noise levels provided above shall not apply to emergency alerts or emergency alarms.

   b. The Planning Commission may reduce the maximum noise levels established herein, including the dB(A) limit, the dB(C) limit, and the allowable dB(C)-dB(A) differential, if necessary to protect adjacent residents and property owners, including but not limited to situations involving audible pure tones, humming, droning, whining, screeching, infrasound, or other low-frequency noise associated with the operation of a data center or digital mining use.

   c. As part of a special land use approval, the Planning Commission may authorize other or different noise regulations if justified by the circumstances and if the standards for special land use approval would nevertheless be satisfied.

   d. Prior to special land use approval, the applicant shall provide a baseline sound study prepared by a qualified acoustical professional documenting existing ambient A-weighted and C-weighted sound levels at representative locations surrounding the proposed facility.

   e. Upon receipt of a reasonable noise complaint, the Township may require additional sound testing by a qualified acoustical professional selected by the Township at the owner's expense. Such testing shall include measurements of dB(A), dB(C), and the dB(C)-dB(A) differential. If testing demonstrates noncompliance with this Section, the owner or operator shall promptly implement corrective measures and submit verification of compliance.

2. Mechanical Equipment. To reduce the impact of additional noise on surrounding properties, any equipment necessary for cooling, ventilating, or otherwise related to operations of the data center or digital mining use, including power generators or other power supply equipment, shall be located within an enclosed building or

structure. The Planning Commission may waive or alter this requirement for specified equipment if it finds that it is not mechanically feasible to fully enclose such equipment. If it does so, the specified equipment that has been approved to be located outside of an enclosed building or structure shall be screened by a wall or similar barrier.

3. Setbacks.

a. *Small Data Centers.* Any principal building or structure (including mechanical and utility equipment) used for a Small Data Center shall be located not less than two hundred fifty (250) feet from any property line adjoining a residential zoning district and not less than one hundred (100) feet from any property line adjoining a nonresidential zoning district.

b. *Medium Data Centers.* Any principal building or structure used for a Medium Data Center shall be located not less than five hundred (500) feet from any property line adjoining a residential zoning district and not less than two hundred fifty (250) feet from any property line adjoining a nonresidential zoning district.

c. *Hyperscale Data Centers.* Any principal building or structure used for a Hyperscale Data Center shall be located not less than five hundred (500) feet from any property line.

d. *Mechanical and Utility Equipment Setbacks.* Cooling equipment, cooling towers, chillers, HVAC equipment, transformers, substations, battery energy storage systems, backup generators, fuel storage facilities, switchgear, and other mechanical, electrical, or utility infrastructure associated with a Medium Data Center or Hyperscale Data Center shall comply with the applicable principal building setback requirements and, in no event, shall be located closer than five hundred (500) feet from any property line adjoining a residential zoning district.

e. *Water Resource Setbacks.* No principal building, cooling equipment, battery energy storage system, generator, transformer yard, substation, fuel storage area, stormwater management facility, or other above-ground operational infrastructure associated with a Small Data Center, Medium Data Center, or Hyperscale Data Center shall be located within five hundred (500) feet of the ordinary high-water mark of any lake, pond, river, stream, regulated wetland, or any county drain, drainage easement, or open watercourse.

The Planning Commission may require greater setbacks where necessary to protect groundwater resources, floodplains, environmentally sensitive areas, surface waters, or adjacent properties.

f. *Environmental Buffer.* A minimum five hundred (500) foot buffer shall be maintained between any Small Data Center, Medium Data Center, or

Hyperscale Data Center and any regulated wetland, lake, river, stream, or other surface water body. Existing vegetation within the buffer shall be preserved to the maximum extent practicable. Additional landscaping may be required as part of site plan approval.

g. *Accessory Data Centers*. An Accessory Data Center shall comply with all setback requirements otherwise applicable to the principal use and zoning district in which the Accessory Data Center is located.

4. Outdoor Storage. Outdoor storage of materials, equipment, and supplies shall be prohibited.

5. Hazardous Materials. Due to the nature of a data center or digital mining use, hazardous waste and storage of hazardous materials is anticipated. If the proposed data center or digital mining use includes storage or disposal of hazardous materials or waste, the following is required:

   a. The applicant shall describe the nature of the storage and processing of hazardous materials and waste as part of the application for site plan review. This shall include proposed safety measures and protocols to prevent the spread of hazardous materials outside of designated containment areas and procedures in the event that hazardous materials or waste are released and have the potential to damage persons, property or the environment. This information shall be provided to the Township with notice that hazardous materials or waste are present to coordinate in the event that hazardous materials or waste is released, and to inform public safety officials.

   b. All storage and/or processing of hazardous materials and waste shall comply in all respects with state and federal law and regulations and the requirements of the Michigan Department of Environment, Great Lakes and Energy and any other applicable agency. Storage and/or processing of hazardous materials and waste shall not commence until all necessary permits have been obtained and copies of such permits have been provided to the Township.

   c. Storage and/or processing of hazardous materials and waste shall not occur within 500 feet of any lot line, unless a larger setback is required by the Planning Commission as part of site plan or special land use approval.

   d. If storage and/or processing is proposed outside of a building or structure, those activities shall be screened from view of adjacent public or private rights-of-way and any property that is zoned in a residential district.

6. Air Quality and Water Quality. The equipment, including but not limited to any power generators, used in the operation of the data center or digital mining use shall minimize air pollutant emissions and water pollutant discharges and meet or exceed applicable state and federal laws regarding emissions and discharges. An owner or operator or applicant for a data center shall provide affirmative proof of EGLE

approval and EPA approval to the extent required by either agency.

7. Storm Water Management. A Township storm water permit is required for a proposed data center or digital mining use. Measures for control of storm water drainage shall be provided under the terms of the Township Storm Water Ordinance and any other applicable ordinances, regulations or statues.

8. Cooling Methods. To reduce the potential impact on nearby potable water resources, any data center or digital mining use that proposes to use water cooling must use a closed-loop cooling system or recycled water system. Any water or other cooling fluid shall not be discharged to the surface water or groundwaters in the Township and shall be hauled away to a treatment facility for proper treatment and discharge.

9. Power. Before the issuance of any building permits, the applicant shall provide written verification from the applicable energy service provider that states the following:

   a. There is adequate capacity available on the applicable supply lines and substation for the data center or digital mining use and to ensure that there is sufficient capacity available to serve the needs of other customers within the service area, consistent with the normal projected load growth envisioned by the provider;

   b. The utility supply equipment and related electrical infrastructure are sufficiently sized and can safely accommodate the proposed data center or digital mining use during the power provider's peak consumption hours; and

   c. The use will not cause electrical interference or fluctuations in the line voltage on and off the operating premises.

10. Electric Utilities.

   a. Integration of renewable energy to power data centers is encouraged, if feasible. Data centers that are required to obtain power from renewable sources as part of eligibility for the sales and use tax exemptions under Public Act 181 of 2024, as amended, and Public Act 207 of 2024, as amended, shall comply with state laws and regulations. The applicant shall provide proof of compliance with this Section.

   b. To the extent feasible, electrical utilities shall be located underground.

   c. The Applicant shall provide proof that the data center or digital mining use will not cause an increase in electricity costs or decreased availability to current or future users.

   d. Prior to the issuance of a certificate of occupancy, the applicant shall

provide the Township with written verification that the electrical work has passed a third-party final inspection.

e. On-site power generation from nuclear sources is prohibited.

11. Lighting. Any proposed outdoor lighting, including any lighting used for or during construction, for a data center or digital mining use shall comply with the requirements of Section 3.21. In addition to the requirements of Section 3.21, all lighting shall be within a color temperature range of 2700K to 3500K.

12. Fencing. Fencing may be required for a data center or digital mining use if necessary for safety or security purposes. The Planning Commission shall have discretion to approve the height, location and type of fencing.

13. Parking. Data centers and digital mining uses shall provide a minimum of one (1) off-street parking space for each employee on the maximum shift of the data center, and an additional three (3) visitor parking spaces.

14. Safety.

a. A detailed emergency response plan shall be submitted with the zoning application, showing at a minimum that the data center or digital mining use has a plan in effect to address emergencies resulting from flood, fire, explosion and catastrophic weather events. The emergency response plan is subject to review and requirements by the Township, including the Township Fire Chief, and may also be subject to review of the Kent County Sheriff's Department or other applicable law enforcement agency.

b. The equipment used in any data center or digital mining use shall be housed in a metered, electrically grounded, and metal-encased structure with a fire rating designed to resist an internal electrical fire for at least thirty (30) minutes. The containment space for the equipment shall contain baffles that automatically close in the event of fire, independent of a possible electrical system failure.

c. Any data center or digital mining use that is proposed to include battery storage or any other device or group of devices capable of storing energy in order to supply electrical energy at a later time shall demonstrate compliance with the National Fire Protection Association (NFPA) Standard 855, Installation of Stationary Energy Storage Systems, or more restrictive standards and must include fire suppression systems specifically designed for battery storage.

d. The proposed data center or digital mining use shall include a fire suppression system that complies with the Michigan Construction Code, as amended, and any other applicable local, state or federal laws, rules or regulations. Compliance with all requirements of the Township Fire Chief

related to fire suppression shall be required.

15. Emergency Contact Information. Each data center or digital mining use shall provide 24-hour emergency contact signage visible at each access entrance. The signs shall include the company name (if applicable), the owner or representative's name, the telephone number for the emergency contact person and a list of backup persons, and the local power company's name and telephone number.

16. Nuisance Prohibited. The data center or digital mining use shall be designed, constructed and operated at all times in manner that does not create a nuisance by reason of heat, glare, fumes, dust, noise, vibration or odor beyond the property on which the data center or digital mining is located.

17. Modular Data Centers Prohibited. Except during the construction phase, pre-fabricated or "modular" data centers and shipping containers and similar prefab structures are prohibited. All data center uses shall be within site-built buildings.

18. Compliance with Other Laws. The design, construction, operation, use, and decommissioning of a data center or digital mining use shall comply with all other applicable local, state or federal laws or regulations, including but not limited to laws or regulations regarding the environment, pollution, and mitigation of potential impacts on threatened or endangered species.

19. Expansion of Data Centers. A data center or digital mining use approved under this Ordinance shall not be expanded or modified in a manner that materially increases the intensity or impacts of the use without obtaining all required Township approvals. A material expansion or modification includes, but is not limited to:

    a. an increase in building floor area;

    b. an increase in Project Area;

    c. an increase in electrical demand or service capacity;

    d. an increase in water consumption or wastewater generation;

    e. an increase in cooling capacity or a change in cooling technology;

    f. the addition or expansion of backup power generation;

    g. the addition or expansion of battery energy storage systems; or

    h. any other change that may materially increase impacts on neighboring properties, public infrastructure, or natural resources; or

    i. where a proposed expansion would result in a change in classification from a small-scale data center to a medium-scale or hyperscale data center.

I. Decommissioning Requirements. In addition to any special land use approval requirements, all data centers and digital mining uses must be fully decommissioned and the land reclaimed to its original condition or an approved condition as follows:

1. The application shall include a decommissioning and land reclamation plan that describes the anticipated life of the data center or digital mining facility and the manner in which the project will be decommissioned, actions that will be taken to restore the site, the removal of the data center, including all structures and equipment, the estimated cost of the decommissioning process, and the method for ensuring that the owner and/or operator will have sufficient funds available for decommissioning and restoration including but not limited to the posting of an appropriate bond, letter of credit, escrow, or other security.

2. If a data center or digital mining use is not completed or is not operational for a continuous one-year period, or if substantial action on the project is discontinued for a period of one year, the project shall be deemed abandoned and must be repurposed for a use permitted under the zoning ordinance and permits obtained from the Township or decommissioned. The owner, operator, permit holder and/or their successor(s) in interest shall have one year to obtain new permits or complete decommissioning of the facility or the Township is authorized to enter onto the property and complete the decommissioning and reclamation at the owner's and operator's expense. The Township may grant an extension for an additional year to complete decommissioning provided the Township determines that the owner has proceeded in good faith to decommission the facility. The decommissioning shall be in compliance with the approved decommissioning plan, and the owner, operator, permit holder and/or their successor(s) in interest shall notify the Township when the project has been decommissioned.

J. Colocation Data Centers. Colocation data centers shall be permitted. The owner(s) and/or operator(s) of colocation data centers shall be responsible for ensuring that lessees and users of the data center or digital mining use facilities comply with the terms of this section and other applicable provisions of the Zoning Ordinance and other applicable local, state and federal laws, rules and regulations. The owner(s) and/or operator(s) of colocation data centers shall provide information regarding their plan to ensure that all of the lessees and users of the proposed data center or digital mining use will remain in compliance.

K. Total Maximum Within Township. A total maximum of 800 acres of Project Area for all data centers and digital mining uses may be permitted in the Township without regard to the number of installations. The total maximum acreage does not include Accessory Data Centers.

L. Aggregation of Related Facilities. For purposes of determining compliance with this Section, including Project Area limitations, multiple data centers, digital mining uses, or related facilities may be treated as a single project when one or more of the following circumstances exist:

1. common ownership or control;

2. development pursuant to a common development plan;

3. shared utility, electrical, cooling, water, stormwater, transportation, or other supporting infrastructure;

4. phased development or coordinated approvals; or

5. operation as an integrated campus or coordinated enterprise.

M. Accessory Data Centers.

1. An accessory data center is permitted only in those zoning districts where an accessory data center is a permitted accessory use.

2. Accessory data centers must be located on the same lot or parcel as the principal use.

3. All equipment necessary for the operation of the accessory data center, including any equipment necessary for cooling, ventilating, or otherwise related to operations of the data center or digital mining use, including power generators or other power supply equipment, shall be located within an enclosed building or structure.

N. Digital Mining Uses. Digital mining uses are only permitted as Accessory or Small-Scale uses. Medium-Scale and Hyperscale digital mining uses are not permitted. Where a digital mining use is allowed as a permitted use in a zoning district, the following additional requirements apply:

1. All activities related to the digital mining use must be conducted within an enclosed building.

2. The applicant must provide evidence to the Township, certified by a professional engineer approved by the Township Engineer, that the proposed use will not have an adverse effect on electrical or digital internet services in the Township.

3. All digital mining operations shall be designed, erected, and installed in accordance with all applicable local, state or federal laws, codes, rules and regulations.

4. Digital mining shall not occur in any accessory building or temporary structure. The use of ISO shipping containers or other similar containers for digital mining shall be prohibited.

5. Digital mining operations shall only be permitted between the hours of 9:00 a.m. and 5:00 p.m., Monday through Friday. The Planning Commission may authorize additional hours if appropriate noise, light, screening and other protective measures are included.

Section 3. **Amendment of Section 9.02(B)(1).** Section 9.02 of the Zoning Ordinance

is amended by the amendment of Section 9.02(B)(1) to clarify that the "data processing" uses included in business services uses permitted in the NC Neighborhood Commercial District do not include data centers and/or digital mining uses, as defined in Section 3.39, to read in its entirety as follows:

B. Business services including:

1. Advertising agencies, adjustment and collection services, credit reporting services, direct mail services, photocopying and duplicating services, commercial art and graphic design, secretarial and court reporting, disinfecting and pest control services, building maintenance services, employment agencies, computer programming services, data processing (but not including data centers and/or digital mining uses as defined in Section 3.39), messenger/telegraph-service stations and parcel-delivery stations.

Section 4. **Amendment of Section 11.02**. Section 11.02 of the Zoning Ordinance is amended by the addition of a new Section 11.02(Q) and a new Section 11.02(R) to allow accessory data centers and/or digital mining uses as a permitted accessory use, and to allow small-scale data centers and/or digital mining uses as a permitted use in the LI – Light Industrial District, to read in its entirety as follows:

Q. Data centers and/or digital mining uses as accessory uses, as regulated under Section 3.39.

R. Small-scale data centers and/or digital mining uses, as regulated by Section 3.39.

Section 5. **Amendment of Section 11.03**. Section 11.03 of the Zoning Ordinance is amended by the addition of a new Section 11.03(G) to allow medium-scale and hyperscale data centers as a special land use in the LI – Light Industrial District, to read in its entirety as follows:

G. Medium-scale and hyperscale data centers, as regulated by Section 3.39 and Section 16.04(MM).

Section 6. **Data Centers as a Special Land Use**. Chapter 16 of the Zoning Ordinance is amended by the addition of a new Section 16.04(MM) regarding special land use specific requirements for data centers, which shall read in its entirety as follows:

SECTION 16.04 SPECIAL LAND USE SPECIFIC REQUIREMENTS

***

MM. **Data Centers**. Medium-scale and hyperscale data centers may be permitted by the Planning Commission as a special land use upon compliance with each of the following requirements:

1. Definitions. The definitions provided for data centers in Section 3.39 shall apply.

2. Compliance with Section 3.39. Proposed medium-scale or hyperscale data centers must comply with the requirements for all data centers under Section 3.39 in addition to the requirements of this section and the Zoning Ordinance.

3. Application. In addition to the application materials and environmental impact study required for data centers under Section 3.39(C) and 3.39(D), applications for medium-scale or hyperscale data centers shall include the following:

   a. A separate noise impact study which includes information on the noise levels to be generated by the construction, use and operation of the data center, measured in dB(A), and which includes all information requested by the Planning Commission and which has been prepared by a third party acceptable to the Township.

   b. A description of the proposed plan to obtain water required for the data center, including whether the water would be taken from groundwater or surface water, whether private or public utilities are proposed, and indicating the quantity of water required. The description shall specify if any non-potable or recycled water is proposed to be used.

   c. A separate analysis prepared by a third party acceptable to the Township of the impact on the use of the required water for the data center on the capacity of water available from public utilities or from groundwater or surface water sources. If the water for cooling is proposed to be from the required public water connection, the applicant must demonstrate that the public source has the capacity to provide water for the proposed data center or if infrastructure or facilities improvements would be required.

   d. Copies of required approvals from the applicable public water system and public sewer system. Any infrastructure or facilities improvements that are required to the public water system and/or public sewer system to accommodate the proposed data center must be paid solely by the applicant.

   e. The applicant shall also provide a water feasibility study prepared by a third party acceptable to the Township regarding the use of public water and any use of nonpublic sources of water which provides proof that the water usage is safe and ecologically sustainable. Private wells shall not be used for general cooling or processing purposes. The water feasibility study shall

include the following:

(1) Calculations of the projected water needs of the data center during normal operations and at peak operations.

(2) A hydrogeological map of the area with a radius of at least one mile from the property.

(3) The location of all existing and proposed wells within 1 mile of the site, with a notation of the capacity of all high-yield wells.

(4) The location of all rivers, streams and lakes within 1 mile of the site.

(5) A determination of the long-term safe yield of groundwater based on the geologic formation(s) underlying the site.

(6) A determination of the effects of the proposed water supply system and water discharge system on the quantity and quality of water in nearby wells and bodies of water.

(7) A report of baseline testing of all wells where testing by the property owner is permitted for PFAS and other toxic substances.

(8) A statement of the qualifications and the signature(s) of the person(s) preparing the study.

(9) A detailed report on the method of retaining and disposing of all cooling system flushing and any dirty water produced by the data center based on EGLE and EPA requirements.

f. The applicant shall provide an analysis of the impact of stormwater discharged from the proposed data center and the impact on groundwater, surface water or other water sources. The Township may require monitoring wells be installed to measure any impacts on water sources during construction and operation of the data center.

g. The applicant shall also provide copies of any preliminary review of the Michigan Department of Environment, Great Lakes and Energy.

h. The applicant shall provide information regarding discussions with the electric service provider indicating that capacity is available to serve the proposed data center. All costs associated with electrical-service upgrades necessary to serve the proposed data center shall be paid by the applicant.

i. The applicant shall provide proof of compliance with all FAA and other aviation requirements.

j. The Planning Commission may require independent third parties to provide

any reports or studies required by the Planning Commission.

4. Construction Requirements. The construction of medium-scale and hyperscale data centers are subject to special construction restrictions. The construction must be conducted in phases and only during such days of the week and hours as may be specifically approved by the Planning Commission as part of special land use approval, but shall not occur before 7 am or later than 8 pm. The construction shall not take place in a way which allows for unreasonable noise, dust or other negative impacts on nearby or adjoining properties or lands or water. The Planning Commission may impose specific restrictions or conditions. In addition, although the construction is not subject to the operational noise restrictions for data centers, the Planning Commission may place special noise restrictions on each phase of the construction.

5. Special Escrows. In addition to all of the escrows provided herein, the owner and operator of any medium-scale and hyperscale data center shall pay or reimburse the Township for all inspections, analyses, reports and expenses incurred by the Township in not only monitoring the construction of the medium-scale and hyperscale data center, but also the ongoing cost of inspections, monitoring and enforcement, including during operation and decommissioning, of the medium-scale and hyperscale data centers. In addition to the escrows provided elsewhere in the Zoning Ordinance, the Township may establish separate and special escrows to cover these costs and expenses.

6. Financial Security. To ensure the proper decommissioning of the Data Center upon abandonment or dormancy, the owner and/or operator must post financial security with the Township in the form of a security bond, irrevocable letter of credit or escrow payment in an amount equal to 125% of the total estimated cost of decommissioning, code enforcement, demolition and reclamation, which cost estimate must be approved by the Township. The owner and operator and the Township will review the amount of the financial security every two (2) years to ensure that the amount remains adequate. This financial security must be posted within thirty (30) days after approval of the special land use application. The financial security must be approved by the Township as to type, wording, amount and the financial institution involved, and must be irrevocable for at least 30 years.

7. Location Requirements. Medium-scale and hyperscale data centers shall not be permitted in areas of the Township that do not have sufficient infrastructure or facilities to support those uses.

   a. Medium-scale and hyperscale data centers shall be required to locate in an area where it must connect to public water and public sewer. In the event a medium-scale or hyperscale data center would demonstrate as part of a special land use application a low water usage, the Planning Commission may authorize alternative water and sewer facilities if justified by the facts and if the standards in the Zoning Ordinance and all other applicable laws are satisfied.

b. In addition, medium-scale and hyperscale data centers shall not be located in areas that do not have existing electrical infrastructure and facilities that are sufficient to support medium-scale or hyperscale data centers.

c. Medium scale and hyperscale data centers shall be located by highways or roads able to service the construction and use of the data center. The owner or operator may be required to provide and maintain traffic safety improvements for the data center. All required traffic infrastructure improvements must be completed prior to commencing construction.

8. Additional Requirements for Special Land Use Medium-Scale or Hyperscale Data Centers

a. Minimum Lot Area. The minimum lot area shall be 40 acres.

b. Building Height. The maximum building height shall be 40 feet, unless modified by the Planning Commission as part of special land use approval.

c. Lot Coverage. The total area of all principal buildings, accessory buildings, and structures shall not exceed the lot coverage area prescribed in the light industrial zoning district, unless reduced by the Planning Commission as part of special land use approval and a reasonable condition to protect the public health, safety and welfare and to mitigate adverse impacts to adjacent property.

d. Setbacks.

(1) Notwithstanding the setbacks in Section 3.39.H.3 above, guard stations, fences and other accessory structures may have lesser setbacks if approved by the Planning Commission as part of special land use approval.

e. Site Design Requirements. The site and buildings shall comply with the Site Design Requirements in Chapter 10, Section 10.04.M for the Highway Commercial District, unless modified by this chapter or by the Planning Commission as part of special land use approval.

f. Noise and Vibration.

(1) Noise emanating or generated by the use, operation, maintenance, or decommissioning of a medium-scale or hyperscale data center must comply with the requirements of Section 3.39, and also with all other requirements of federal, state, county, or township regulations, except as provided in this subsection.

(2) As part of special land use approval, the Planning Commission may consider alternative regulations and conditions for vibrations, short

waves, long waves, and other frequencies, as well as alternative or additional methods of measuring noise or vibration, and may specify hours and days, require additional buffering or screening or special setbacks, include monitoring requirements, and otherwise modify or include regulations and conditions if justified by the facts and circumstances, and if the standards for special land use approval are satisfied.

g. Greenbelts, Landscaping and Buffering. Greenbelts, landscaping, and buffering shall be provided as follows:

(1) A 50-foot buffer yard shall be provided along the entire length of any public street frontage of any property upon which the data center is located and which abuts or is within 500 feet of an existing residential property line or zone. A minimum 30-foot buffer yard shall be provided along all other property lines.

(2) An earthen berm shall be installed within the setback area but not within the buffer yard with a minimum height of twelve (12) feet and a minimum width of thirty (30) feet, unless an alternate width and height is approved by the Planning Commission as part of special land use, and shall contain evergreens and other plantings required by the Planning Commission, so as to provide an effective sound and visual permanent buffer. The Planning Commission may require additional screening or buffering in its discretion.

(3) The owner(s) and/or operator(s) of the data center shall continuously maintain the required landscaping and buffering.

h. Cooling Methods. In addition to the closed-loop requirements in Section 3.39.H.8, the cooling methods for medium-scale or hyperscale data centers are subject to the additional requirements:

(1) The Planning Commission may require the use of geothermal, air-cooling, electrical-cooling, waste heat recovery systems, or other more advanced cooling methods which may become available. Use of open, evaporative cooling towers is prohibited.

(2) The facility owner or operator shall maintain a publicly-accessible website where they shall provide written notice to the Township of all cooling system flushing, conditioning, or major maintenance at least 72 hours prior to providing that maintenance. In the event of an emergency, notice shall be provided as soon as reasonably possible by the same methods.

(3) All cooling system construction, operation, and maintenance shall be done in such a manner as to not negatively impact data center

lands, or adjacent or nearby lands or water. All flushing and disposal of cooling system water shall at a minimum be per EGLE and EPA standards.

i. Generators. In addition to all other requirements of the Zoning Ordinance, medium-scale or hyperscale data centers shall comply with the following additional requirements.

(1) Generators shall not be operated for ongoing operations except during an emergency disruption of supply.

(2) Generators shall not be used for grid support services, peak shaving demand, response programs, or participation in energy markets.

(3) All generators, including temporary or emergency generators, must be housed in sound-mitigating enclosures to mitigate noise. Testing of generators may only take place during times approved by the Planning Commission as part of special land use approval.

(4) The Planning Commission may require generators to be powered by natural gas or other green energy as part of special land use approval.

j. Rooftop Appurtenances and Equipment. All roof-mounted appurtenances and equipment shall be screened on four sides with materials that are consistent and harmonious with the building's façade and character. Such screening shall be provided in order to screen the equipment from off-site view and to buffer sound generated by such equipment.

k. Utilities, Roads and Township Services. Applicants and facility operators and owners of medium-scale and hyperscale data centers shall provide the Township with an initial study, and with annual studies as requested by the Township, of all utilities, roads, and the type, size and quantity of firefighting equipment that will be used or need to be added to serve a facility of this size and for this particular use. The applicant, facility operator or owner shall pay for all extensions, additions, improvements or additional facilities, vehicles, or equipment needed to provide the additional utilities, roads, and/or Township services.

l. Dewatering. Dewatering is specifically prohibited during the construction and operation unless specifically approved by the Planning Commission as part of special land use approval. Any dewatering that is permitted as part of special land use approval shall be monitored by test wells, with appropriate security posted to protect wells in the surrounding area.

m. Battery Storage. If a facility owner or operator or property owner desires to use battery storage or any other device or group of devices capable of storing energy in order to supply electrical energy at a later time, whether

the energy is stored for use on-site or off-site, the facility owner and operator shall demonstrate compliance with Section 3.39.H.14.c of this Ordinance and in addition comply with all fire standards and other applicable requirements, and must include fire suppression systems and securities designed specifically for battery storage as required by the Planning Commission as part of special land use approval.

n. Liability Insurance. The facility owner or operator shall maintain a current general liability policy covering bodily injury and property damage with limits of at least $50 million per occurrence and $100 million in the aggregate. Certificates shall be made available to the Township upon request.

o. Inspections and Third-Party Services. As a condition of special land use approval, the facility owner and/or operator shall agree to reimburse the Township for professional and independent inspection of the operations, including the use of third parties. In addition to allowing for inspections, the owner and/or operator shall be required to provide additional reports as requested by the Township on operations, including but not limited to, all water and sewer usage, discharges, electrical usage, noise, and maintenance. The purpose of the inspections and reports is to determine compliance with the Zoning Ordinance, site plan and special land use approval and may be required up to 12 times per year. The applicant, owner and/or operator may be required to post an additional bond, security, or escrow to pay for the annual inspections and reports.

p. Public Amenities. The Planning Commission may require public amenities consistent with the impact of the special land use medium-scale or hyperscale data center, including the construction and maintenance of pathways along the areas where medium-scale or hyperscale data centers run along public streets as well as additional related public amenities necessary to offset the impact of the special land use medium-scale or hyperscale data center.

q. General Compatibility. No use, activity or operation of a special land use medium-scale or hyperscale data center shall be conducted in a manner that is injurious, noxious, or offensive to adjacent or neighboring land uses; interferes with the reasonable use or enjoyment of life or property, or tends to depreciate the value of surrounding property due to noise, vibration, glare, lighting, emissions, traffic, visual impact, or other nuisance conditions.

r. Remedies. If an applicant or operator fails to comply with this Ordinance or the special use approval, then the Township may pursue any remedy or enforcement procedure available, including, but not limited to, the required closure or removal of any data center pursuant to the Zoning Ordinance or as otherwise authorized by law. Additionally, the Township may pursue

any legal or equitable action to abate a violation or seek maximum penalties permitted by law, including but not limited to daily fines of 10% of the daily revenue generated by the data center, and the Township may recover any and all costs, including the Township's actual attorney fees and costs.

Section 7. **Publication and Effective Date**. This Ordinance, or a summary of its provisions, shall be published in a local newspaper of general circulation within the Township.

This Ordinance shall take effect seven days following such publication.

AYES: _____

NAYS: _____

ABSENT: _____

ORDINANCE DECLARED ADOPTED.

_____

Dorothy Willoughby, Township Clerk

I hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the Township Board of the Township of Solon at a regular meeting held on the date first stated above, and I further certify that public notice of such meeting was given as provided by law.

_____

Dorothy Willoughby, Township Clerk

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