CLINTON TOWNSHIP
LENAWEE COUNTY, MICHIGAN
AI DATA CENTER ORDINANCE
ORDINANCE NO. __25_

SECTION 1   TITLE

This ordinance shall be known and may be cited as "Clinton Township AI Data Center Ordinance.":

SECTION 2   DEFINITIONS

2.1   **Data Center:** A building or buildings which are occupied primarily by computers and/or telecommunications and related equipment where digital information is processed, transferred and/or stored, primarily to and from offsite locations. This use does not include computers or telecommunications related equipment that is secondary and customarily incidental to an otherwise permitted use on the property, such as servers associated with an office building. This use shall also include cryptocurrency mining, blockchain transaction processing, and server farms. A Data Center may include Data Center Accessory Uses.

2.2   **Data Center Accessory Use:** Ancillary uses or structures secondary and incidental to a Data Center use, including but not limited to: administrative, logistical, fiber optic, storage, and security buildings or structures; sources of electrical power such as generators used to provide temporary power when the main source of power is interrupted; electrical substations; utility lines; domestic and non-contact cooling water and wastewater treatment facilities; water holding facilities; pump stations; water towers; environmental controls (air conditioning or cooling towers, fire suppression, and related equipment); security features, provided such data center accessory uses/structures are located on the same tract or assemblage of adjacent parcels developed as a unified development with a Data Center. The use shall not include energy generation systems used or intended to be used to supply power to the Data Center during normal operations.

SECTION 3   DATA CENTERS

The following requirements shall apply to all Data Centers. In the event that any of the following regulations are found to be in conflict with regulations found elsewhere in the Industrial Zoning Ordinance, the most restrictive regulations shall be applied, unless otherwise stated.

SECTION 4   BUILDING PLACEMENT

4.1   Harmonious with Surrounding Properties. All principal and accessory structures associated with a Data Center shall be arranged, designed, and constructed to be harmonious and compatible with the site and with the surrounding properties. In general, Data Centers that visually approximate commercial office buildings are encouraged.

4.2   Visual Impact. Buildings shall be sited and oriented to minimize visual impacts of the bulk of the building when examined on a line-of-sight basis from adjacent public streets and Sensitive Receptor areas.

  (a)   Minimize visual impacts of the bulk of the building when examined on a line-of-sight basis from adjacent public streets and Sensitive Receptor areas.
  (b)   Provide safe and convenient vehicular access to the site, including sufficient on-site queuing areas at security gates.
  (c)   Accommodate adequate parking.
  (d)   Minimize impact to natural resources.
  (e)   Incorporate appropriate storm water management practices.

4.3   Design Considerations. Data Center campuses containing more than one building are encouraged to provide a variety in building size, massing, siting, and appearance by transitioning from smaller or lower buildings along street frontages to larger and taller structures on the interior of the site. Consideration of topography shall be given to avoid placement of larger, taller, or more massive buildings in a prominent location on the property or along a public street.

4.4   Connection to public water and sewer. Connection to public water and sewer is required.

SECTION 5   BUILDING ORIENTATION

5.1   Maximum Building Height. The maximum building height for Data Centers shall be 40 feet.

5.2   Setbacks. All principal buildings, accessory structures, and Data Center Electric Utility Substations must be set back at least 200 feet from property lines.

SECTION 6   NOISE/VIBRATION

6.1   Noise Limit. No data center shall emit noise exceeding 55 dBA, measured at the nearest property line of any.

6.2   Generators. In addition, generators will only be used in the operation of the Data Center for emergency situations and for testing, per manufacturer's

recommendations, during daylight hours only and not more than once per week. In all such instances the noise level at all property lines shall not exceed 55db.

6.3   Noise Measurement. Noise measurements shall be conducted:

(a)   At a height of 4-5 feet above grade,
(b)   During normal operating conditions,
(c)   Over a minimum 10 minute period.

6.4   Required Noise Mitigation Methods.

(a)   Use of low-noise mechanical equipment, including variable-frequency chillers, pumps, and fans.
(b)   Encouragement of liquid cooling systems (direct to chip, rear door heat exchangers, or immersion cooling) to reduce reliance on high-speed server fans and large air movement systems.
(c)   Installation of acoustic silencers or attenuators on air handling equipment and ductwork.
(d)   Placement of mechanical equipment within sound insulated mechanical rooms or outdoor enclosures related for noise reduction.

SECTION 7   ARCHITECTURAL AND SITE CONTROLS

7.1   Sound Rated Walls. Construction of sound rated walls, doors, and enclosures for noise producing equipment.

7.2   Acoustic Barriers. Use of acoustic barriers, berms, or louvers where outdoor equipment is employed and where such barriers reduce propagation of sound toward neighboring properties.

7.3   Distribution of Loads. Distribution of compute loads and cooling in a manner that minimizes peak fan or chiller noise emissions

SECTION 8   SITE PLAN AND PERMITTING REQUIREMENTS

8.1   Site Plan Submission Requirements. Prior to issuance of a building permit, the applicant shall submit:

(a)   Acoustic Impact Study, prepared by a qualified acoustical engineer, demonstrating compliance with Section 5 under full operating conditions.
(b)   Mechanical and Cooling Systems Specifications, detailing make, model, and sound power levels of all major equipment.
(c)   Noise Mitigation plan, identifying specific architectural, mechanical, and site-based methods to be used to achieve compliance.

SECTION 9   WATER USE LIMITS

9.1   Permitted Use of On-Site Wells. An AI data center is not permitted to use well water for any purpose other than:

    (a)   Restroom toilets,
    (b)   Restroom handwashing sinks,
    (c)   employee hygiene facilities.

9.2   Prohibited Use. Well water shall not be used for:

    (a)   Cooling systems of any type(including evaporative, chiller, or tower systems),
    (b)   Humidification,
    (c)   Process or equipment water,
    (d)   Irrigation, landscaping, or exterior uses,
    (e)   Cleaning, washing, or maintenance operations,
    (f)   Any industrial or operational functions of the data center.

9.3   Monitoring Wells. Prior to the beginning of construction, the Developer and/or the tenant will construct, monitoring wells as recommended by the Township engineering consultant to monitor the ground water level and if any wells on neighboring properties go dry as a result of water usage by the Data Center the developer and/or the tenant will pay all costs to restore the water service of such neighboring wells.

9.4   Cooling System Requirements. All cooling and mechanical systems must operate using closed-loop, air cooled, refrigerant-based, municipal water, or recycled non-portable water only.

SECTION 10   POWER GRID CAPACITY AND INFRASTRUCTURE UPGRADES

10.1   Developer Responsibility. The Developer shall be fully responsible for ALL electric grid upgrades required to support the facility's load, including but not limited to:

    (a)   Substation expansion or construction,
    (b)   Transformer upgrades,
    (c)   Feeder line improvements,
    (d)   High-voltage distribution improvements,
    (e)   Protective relaying, switching, and interconnection equipment.

10.2   Utility Coordination. All upgrades must be designed in coordination with the serving electric utility and approved by the Township prior to the issuance of a building permit.

10.3 **No Burden on Local Ratepayers.** All costs associated with required electric infrastructure improvements shall be borne entirely by the Developer, with no financial burden placed on township residents, ratepayers, or the municipality.

10.4 **Capacity Requirement.** The upgraded infrastructure must provide sufficient capacity to support 100% of the data center's peak electrical demand plus 20% reserve margin to ensure grid reliability.

SECTION 11   ON-SITE RENEWABLE ENERGY GENERATION REQUIREMENT

11.1 **Rooftop Solar Requirement.** All AI data centers shall install and maintain rooftop solar photo voltaic systems on all suitable roof areas of every building on site.

    (a)   Suitable roof area includes all roof surfaces with structural load capacity adequate to support solar PV and without HVAC obstructions.

    (b)   The rooftop solar system shall be designed to generate the maximum amount of the data center's annual energy consumption as possible based upon the size of the available roof area. Solar generation may be supplemented by on-site battery energy storage systems.

11.2 **Annual Verification.** The Developer shall submit an annual renewable energy report to the Township, documenting:

    (a)   Total energy consumption,
    (b)   Total on-site solar production,
    (c)   Percentage of power supplied by on-site renewables.

11.3 **Non-Compliance.** Facilities that fail to meet the annual 51% renewable energy requirement must implement corrective actions within 90 days, which include;

    (a)   Additional solar capacity,
    (b)   Battery storage installation,
    (c)   Rooftop or structural upgrades

SECTION 12   DECOMMISSIONING.

Developer agrees that it will demolish at its expense any building or structure constructed for the Project that is subsequently vacated and remains vacated and abandoned for a period of five (5) consecutive years (as such 5 year period is extended one day for each day that the applicable building or structure cannot be used due to a casualty and other events outside of the control of Developer) and will grade and restore the land on which the building or structure was located as a natural area. Developer also agrees to maintain the property during all periods that the Project is vacant. Prior to receiving a certificate of occupancy and commencing operation of the Project, Developer shall provide the Township a decommissioning surety bond (or other form of security reasonably acceptable

to Developer and the Township) in an amount to be mutually agreed upon by the Developer and the Township, but in no event less than $5 million or greater than $10 million. The amount of security may be reviewed by the Township engineer every two (2) years and may thereupon be adjusted as recommended by the Township engineer to the extent the potential demolition costs have increased, but in no event shall the security be increased by more than twenty (20%) percent for any 5-year period. The surety bond shall be maintained by the developer for all periods that the Project is vacant. The surety bond shall also provide that funds will be provided for the immediate demolition of buildings and structures and the immediate restoration of the property as a natural area in the event the developer becomes insolvent or files for bankruptcy.

SECTION 13 ENFORCEMENT, PENALTIES, AND REMEDIES

13.1 **Failure to Comply.** A violation shall occur whenever an AI data center fails to comply with any requirement of this ordinance, including but not limited to:

(a)   Noise limits
(b)   Groundwater and well water restrictions
(c)   Cooling and water use requirements
(d)   Renewable energy and rooftop solar requirements
(e)   Electric grid upgrade obligations

13.2 **Separate Offenses.** Each day a violation exists shall constitute a separate and distinct offense.

SECTION 14 CIVIL PENALTIES

14.1 **Water and Well Use Violations.**

(a)   Unauthorized use of groundwater, well water, or prohibited cooling water sources: $5,000 per day per violation
(b)   Unauthorized well installation, modification, or cross connection: $10,000 per day per violation

14.2 **Noise Violation.** Exceeding the Township's noise limits as measured at the property line:

(a) $1,500 per day for the first offense
(b) $3,000 per day for the second offense
(c) $5,000 per day for any subsequent offense

14.3 **Energy and Solar Requirements.**

(a)   Failure to install required rooftop solar or meet renewable generation minimums: $2,500 per day

(b)   Use of generators outside approved emergency/testing conditions; These conditions must be approved by the township.

14.4   **Enforcement and Penalties.** The Township may require an Developer to correct any violation within a specified timeframe, including submission of a corrective plan, timeline, documentation, and proof of completion. For repeated, serious or uncorrected violations, the Township may stop work, suspend permits, reduce operations, temporarily shut down the facility or systems, or revoke approvals. The Developer shall reimburse the Township for all enforcement-related costs, including staff, legal, engineering, and emergency expenses in additions to fines.

SECTION 15 PUBLIC SAFETY CONTRIBUTION

15.1   **Funding.** Prior to commencing operations, an AI data center shall provide funding to support local police and fire services. This includes, but not limited to:

(a)   *Emergency Response Equipment and Supplies*- Contributions toward vehicles, protective gear, tools and other necessary equipment to respond to potential incidents at the data center.

(b)   *Training and Preparedness*- Funding for specialized training for police, fire, and emergency personnel related to data center hazards, including electrical systems, chemical or coolant handling, and high-density computing environments.

(c)   *Payment Timing*- All contributions must be made and verified by the Township prior to issuance of an occupancy or operational permit

SECTION 16 SEVERABILITY.

The various parts, sections and clauses of this ordinance are hereby declared to be severable. If any part, sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.