How Likely is a Data Center Developer Interested in My Community?

A five-question self-assessment for Michigan local governments created by the Quello Center for Media & Information Policy at Michigan State University.

Ask your leadership team these five questions to gauge whether your community is a likely site for data center development — and how much planning energy to invest now. Mark YES or NO for each.

> *Unsure of an answer? The reverse side explains what each question is really asking and who to contact to find out. For more general information about data centers, see "What Michigan Local Governments Should Know About Data Centers," created by the Center for EmPowering Communities.*

1 ENERGY READINESS

Have we confirmed through our energy provider (DTE, Consumers, or our electric co-op) that they can deliver 10 MW and 100 MW of new load within two years — AND do high-voltage transmission lines run within several miles of a developable site?

Co-op communities: your 100 MW answer depends on your generation and transmission supplier — see reverse.

☐ **YES** ☐ **NO**

2 FIBER CONNECTIVITY

Does high-capacity fiber run through or near our community or are we on or near a major long-haul fiber route?

☐ **YES** ☐ **NO**

3 AVAILABLE LAND

Do we have contiguous, flat, developable land that is already zoned industrial or readily rezoned, with road access for heavy construction traffic?

How much land you have shapes the scale of facility you're a candidate for — see reverse.

☐ **YES** ☐ **NO**

4 WATER

Can a likely data center site get the water it needs — whether from our (or another) municipal system with surplus capacity or from adequate groundwater?

☐ **YES** ☐ **NO**

5 REGULATORY & POLITICAL READINESS

Do we have a predictable permitting process — clear industrial zoning with a known approval path — AND is our local leadership generally welcoming to large industrial development?

Public sentiment matters too but plays a different role — see reverse.

☐ **YES** ☐ **NO**

HOW TO READ YOUR SCORE	
4–5 YES	**Start planning now.** A data center ordinance, zoning review, and community engagement framework should be priorities before a developer calls.
2–3 YES	**Worth preparing.** Maintain your utility relationship, build basic zoning literacy, and monitor regional activity. You are unlikely to be approached, but being prepared for large industrial projects is never a bad thing.
0–1 YES	**Hyperscale risk is low.** Smaller edge or colocation facilities remain possible, but your planning energy is better spent elsewhere.
Gate check: The 100 MW energy answer (Question 1) is decisive on its own. If you can't deliver the power, you're not a hyperscale target no matter how many other boxes you tick — though you may still be edge or colocation territory. Read your total with that in mind.	

If You Don't Know an Answer

What each question is really asking — and who to contact to find out.

Q1 · Energy Readiness

Why this matters. The 10-vs-100 MW split is your key self-sorting signal: 10 MW but not 100 MW points to edge or colocation rather than hyperscale. For DTE and Consumers, 100 MW within two years is credible — both are expanding generation and can bring recently retired capacity back online — so a YES is meaningful. Co-op communities should treat their YES as provisional until their generation and transmission (G&T) supplier confirms. Transmission proximity helps but isn't decisive. A utility relationship won't reliably warn you of developer interest, since deals often move under NDA, but it's how you get direct capacity answers.

If you don't know, who to ask:

- Your utility's large-load or economic development team (DTE, Consumers) — deliverability, timeline, and whether nearby transmission has capacity.
- Co-op communities: your distribution co-op — which will engage its G&T supplier as needed for the real 100 MW answer.

Q2 · Fiber Connectivity

Why this matters. A developer won't run many miles of new high-capacity fiber to reach an isolated site — they'll choose one already near a major route, so proximity is a potential screening factor. Being on or near a long-haul route is especially important; having more than one physically separate path can also be useful so there is network redundancy.

If you don't know, who to ask:

- Your local broadband or fiber provider(s) — what runs through or near the community, and at what capacity.
- Merit Network — may be able to assist you in identifying high-capacity and middle-mile fiber routes in your area if your local Internet provider is not.

Q3 · Available Land

Why this matters. Land requirements scale with facility type, just like the power threshold. An edge or colocation site may need only 5-10 acres; a medium facility, roughly 20–50 acres; a hyperscale campus, 200+ contiguous acres. So limited land doesn't put you out of the running, but it sorts you toward smaller facilities. The large hyperscale figure is not a building footprint: it reflects a multi-building campus with room to expand in phases, plus space for the on-site substation, water infrastructure, and a buffer between operations and neighbors (data centers are noisy). Contiguity and ready zoning often matter more than raw acreage because developers can assemble adjacent parcels.

If you don't know, who to ask:

- Your local planning/zoning Administrator (or county planning/zoning if they administer your local planning) — current zoning, parcel sizes, and the rezoning process.
- Your economic development organization or land bank — available or readily assembled industrial sites or ag sites that could be rezoned through a special use permit, and any state or regional certified-site programs.

Q4 · Water

Why this matters. Water demand is set by the cooling design, not the facility itself: an air-cooled or closed-loop facility uses little water, while an evaporative one can consume hundreds of thousands of gallons a day. The source then determines how a high-water draw shows up — on a municipal system it can compete with residents for capacity; on a well it falls under Michigan's large-quantity withdrawal rules and can draw down neighboring wells. So, water is seldom a hard physical gate in Michigan, but a high-water design will trigger community opposition — which makes this as much a sentiment question (see Q5) as a capacity one.

If you don't know, who to ask:

- Your municipal water/wastewater utility or DPW — surplus capacity, if a site is on municipal service.
- Your regional EGLE District Office can answer inquiries about groundwater availability.

Q5 · Regulatory & Political Readiness

Why this matters. The decisive factors here are a predictable process and a welcoming leadership, because your board/council/commission holds approval authority. Industrial zoning and approval paths are the most actionable thing local governments control. A data-center-specific ordinance isn't required, but a few communities have one in order to better address data center specific issues (e.g., noise). Public sentiment is important but is often secondary to developers: it raises the political cost to developers and officials and can bring delay, litigation, or electoral turnover, and occasionally tips a close decision — but it rarely decides on its own. So strong local support isn't a green light, and strong opposition isn't a guarantee against development; both mainly change the political temperature around a decision officials still make.

If you don't know, who to ask:

- Your planning/zoning Administrator or your municipal attorney — current zoning and permitting path, and whether a data center ordinance is needed.
- Your regional planning agency, MSU Extension, or the Michigan Townships Association — may be able to assist with ordinance and zoning guidance.
- Your economic development organization — leadership's posture and any prior experience with large industrial projects.

FOR YOUR RECORDS

Completed by _____

Role / title _____

Date _____ **YES total** ____ **/ 5**