

**South Branch Township, Crawford County, Michigan Township**  
**Data Center Mortatorium Ordinance**  
**Ordinance Number 2 of 2026**

An ordinance to secure the public safety, health, and welfare of the residents and property owners of the Township of South Branch, Crawford County, Michigan (“Township”) by enacting a temporary moratorium on data centers, including the application, consideration and/or development of data centers. The temporary moratorium exists while zoning ordinance amendments and/or regulatory ordinances are studied, considered, and adopted.

**WHEREAS**, inquiries and potential interest concerning the development of data center facilities is occurring in nearby townships and across the state of Michigan; and

**WHEREAS**, a data center is a resource-intensive facility that may generate substantial impacts, including but not limited to:

- Extraordinary electrical demand and strain on transmission infrastructure;
- Significant water resource demands for cooling systems;
- On-site backup power generation and associated emissions;
- Continuous mechanical noise;
- Increased truck traffic and construction impacts;
- Long-term land use compatibility and environmental concerns; and

**WHEREAS**, the current zoning ordinances do not define or establish standards regulating data centers as a land use; and

**WHEREAS**, the Board has no intent to prohibit or penalize the establishment of data centers within the Township; and

**WHEREAS**, additional time is necessary to:

1. Develop appropriate zoning definitions, performance standards, siting criteria, buffering requirements, and any additional requirements so as to preserve the health, safety and welfare of the Township, including its natural resources;
2. Conduct public hearings and receive community input; and

**WHEREAS**, the Board finds that it would be counter-productive for applications relating to data centers to be considered or moved forward during this period of study and passing of anticipated amendments and/or regulatory ordinances, such that preserving the status quo during this study period is in the best interest of the Township.

**THE TOWNSHIP OF SOUTH BRANCH, CRAWFORD COUNTY, MICHIGAN HEREBY ORDAINS:**

**Section 1: Title and Purpose**

This ordinance shall be known and cited as the **Data Center Moratorium Ordinance**, hereafter referred to as “Ordinance”. This ordinance establishes a temporary moratorium on the application, consideration, and/or development of data centers for a period of nine (9) months, with the ability to extend the period if necessary to finalize and adopt appropriate data center zoning regulations.

**Section 2: Definitions**

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

**Board.** Board of Trustees of South Branch Township, Crawford County, Michigan.

**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.

**Colocation Data Center.** A data center that is rented out 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.

**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. A data center use may include a digital mining use. A data center which includes on-site solar or

wind energy generation facilities with or without associated battery storage systems and used or intended to be used to supply power to the data center for any period of time, shall comply with the requirements of the Township Ordinance and any other ordinances regulating those uses. This includes Accessory Data Centers, Colocation Data Centers, and Data Centers regardless of size or scale.

**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.

**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.

**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 Ordinance, the scale of a digital mining use that is not connected to a data center is determined by the same power measurements provided in the definition of small-scale, medium scale, and hyperscale data centers in this Section.

**Hyperscale Data Center.** A data center that is typically located in a warehouse-sized facility that stores servers to handle very large processing workloads, and typically host 5,000 or more servers. requires one hundred megawatts (100 MW) or more of power to operate.

**Medium-Scale Data Center.** A data center that requires between five megawatts (5 MW) and ninety-nine megawatts (99 MW) of power to operate.

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

**Small-Scale Data Center.** A data center that requires less than five megawatts (5 MW) of power to operate.

**Township.** South Branch Township, Crawford County, Michigan

### **Section 3: Moratorium**

The Township enacts a temporary moratorium on the application, permitting, considerations, approval, location, erection, construction, review and/or installation of all data centers in the Township for a period of nine (9) months, subject to six (6) month or less extensions by resolution, or the Township's implementation of regulations governing data centers. For the purposes of this moratorium, data center encompasses all related operations when referenced by and through this Ordinance.

- No application for development involving a data center shall be submitted to, accepted by, deemed complete, or approved by the Board, Planning Commission, Zoning Administrator, Zoning Board of Appeals, or any other agent designated by the Board;
- No zoning, site plan, subdivision, conditional use, or variance approvals shall be granted for such use;
- No building permits shall be issued for construction or expansion of a data center.

#### **Exceptions:**

1. Applications deemed complete prior to adoption of this Ordinance;
2. Ordinary repair or maintenance of legally existing facilities;
3. Minor accessory server facilities clearly incidental to a permitted principal use **and** where an affidavit is submitted confirming the server facilities are in connection with the permitted principal use which does not include expansion of any existing colocated data center.

### **Section 4: Severability**

The provisions of this moratorium are hereby declared to be severable and if any part is declared invalid for any reason by a court of competent jurisdiction it shall not affect the remainder of the moratorium which shall continue in full force and effect. In addition to being considered an ordinance upon publication, the above-mentioned provisions shall also be deemed to be passed as a resolution of the Township Board governing an issue on a temporary timeline and regulating the internal affairs of the Township (e.g., when the Township will accept applications for the data center land use and when it will schedule the review of such applications versus adoption of new regulations and standards that would bind third parties).

### **Section 5: Repeal**

All ordinances and resolutions or parts thereof in conflict with this Moratorium are hereby repealed.

### **Section 6: Waiver:**

In the event that the Board decides by resolution to extend this moratorium for an additional period over nine (9) months, and a landowner will suffer immediate and irreparable harm for the duration of the extension by resolution, or such an extension otherwise violates applicable provisions of the state or federal constitution or other applicable law, a landowner may apply in writing for a waiver of the extended moratorium from the Board.

At a public hearing held on such an application, the landowner must bear the burden of demonstrating immediate and irreparable harm because of the extended moratorium. The Township Board, upon a sufficient showing, may grant a waiver of the extended moratorium to the degree necessary to avoid the demonstrated immediate and irreparable harm.

**Section 7. Effective Date:** The moratorium enacted by this ordinance shall take effect immediately upon passage by the Township Board upon roll call vote and publication.