



Planning Commission

Tuesday, June 23, 2026

6:30 PM

Elk River City Hall

Regular Meeting & Work Session Agenda

- Regular meeting in Council Chambers
- Work Session meeting in Council Chambers immediately following regular meeting

1. CALL MEETING TO ORDER

2. PLEDGE OF ALLEGIANCE

3. CONSIDER AGENDA

4. CONSIDER MINUTES

4.1 DRAFT Minutes - May 26, 2026

5. PUBLIC HEARINGS

An opportunity for the public to express their opinions and raise questions pertaining to the agenda item. All comments become part of the official public record. For this reason, all comments must be made at the podium so they can be heard and recorded. Comments may also be provided in writing. There will not be deliberations, discussions, or answers to questions until the hearing is closed. It is important to be courteous and allow each presenter to comment before adding additional testimony.

5.1 Conditional Use Permit: Bluff Impacts within the Shoreland Management District, Randall Tesdahl - 16892 Yale St NW

5.2 Conditional Use Permit: Auto Repair, Uval Butuc - 18332 Joplin St NW

5.3 Ordinance Amendment and Conditional Use Permit: Data Center, Michael Margulies - 19178 Industrial Blvd NW

6. GENERAL BUSINESS

Items in which the information is presented by city staff or consultants, then deliberation and action occur. General Business items are not opportunities to receive or provide public input. However, the presiding officer may, at its sole discretion, solicit public feedback.

7. COUNCIL LIAISON UPDATES

8. MOTION TO ADJOURN REGULAR MEETING

9. WORK SESSION

Work Sessions are less formal meetings to encourage dialog. Official action or votes are not typically taken. At the conclusion of a discussion, a simple consensus provides staff direction for execution of the item. This portion of the agenda is audio recorded but not video recorded or broadcast. Work Sessions are open to the public; however, visitors who wish to provide input must be invited by the presiding officer, assume a seat at the discussion table and provide their full name and address for the official record.

9.1 Roles and Responsibilities of the Planning Commission

10. MOTION TO ADJOURN



**Meeting of the Planning Commission
Held at the Elk River City Hall
Tuesday, May 26, 2026**

Members Present: Chair Perry Beise, Commissioner Eric Johnson, Commissioner Robert Rydberg, Commissioner Dornan Bland, Commissioner James Lang, Councilmember Jennifer Wagner

Members Absent: Commissioner Dennis Booth, Commissioner Anthony Kaba

Staff Present: Community Development Director Zack Carlton, Senior Planner Chris Leeseberg, and Recording Secretary Katie Porath

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 6:45 p.m.

2. CONSIDER AGENDA

Moved by Commissioner Rydberg and seconded by Commissioner Johnson to approve the agenda. Motion carried 5-0.

3. CONSIDER MINUTES

Moved by Commissioner Johnson and seconded by Commissioner Lang to approve the following consent items as outlined in their respective staff reports. Motion carried 5-0.

3.1 DRAFT Minutes - April 28, 2026

4. PUBLIC HEARINGS

4.1 Ordinance Amendment and Conditional Use Permit: Data Center, Michael Margulies - 19178 Industrial Blvd NW

The staff report was presented.

Mark Hanson, General Manager of Elk River Municipal Utility (ERMU), reviewed facts from the perspective of the municipal utility company. He stated the proposed project would use existing electric capacity and any additional needs would be funded by the applicant. The applicant would also be required to use closed loop cooling, which, once charged with water would not need additional water. He also noted that 100% of the direct costs to expand electric service must be paid in advance to remove risk to rate payers.

Commissioner Rydberg asked if a large increase in electricity could help ERMU move to a new pricing tier with the energy cooperative. Mr. Hanson stated that is not how the provider works.

Commissioner Bland asked Mr. Hanson if, from a utilities perspective, the proposed project would be a benefit. Mr. Hanson responded that it would be a benefit. Commissioner Bland verified whether customers of ERMU would experience no impact to rates. Mr. Hanson responded that is correct, rates would not be impacted.

Commissioner Rydberg asked about closed loop cooling technology and if it was a proven technology. Mr. Hanson stated it is not a new technology and has been proven.

Mr. Carlton added that ERMU manages the water system as well as electricity.

Commissioner Bland asked if ERMU saw any negative impacts to the water system. Mr. Hanson stated he foresaw no impacts and noted that the existing service to the building would not change.

Commissioner Johnson asked about the use of water or glycol in the closed loop cooling system. Mr. Hanson stated it was a mix of the two and, once filled, it would not require additional water.

Commissioner Lang asked how much additional electrical capacity the city currently has. Mr. Hanson described the interloop system that can redirect power to different substations.

Commissioner Lang asked if there was any danger during extreme cold or hot for grid balancing and asked at what capacity the data center would operate. Mr. Hanson stated data centers typically run at 80% and will be required to have 100% backup generation.

Commissioner Lang asked if ERMU had any idea of expected revenue. Mr. Hanson described the separation between the city and the municipal utility.

Commissioner Bland asked if there might be a strain on water pressure if the system needs to be cleaned or new water added. Mr. Hanson was not concerned about the impact on the water and stated high water users were encouraged to complete projects during off-peak hours.

Michael Margulies, representing Elk River Capital, stated he was available to provide additional facts and to listen to questions. He stated a noise study would be completed by the June 23, 2026, Planning Commission meeting.

Ned Abdul, principal, described the data center as an "edge" data center versus a hyperscale data center. He stated that the data center would be a co-location site with multiple clients and that they would never need to flush the system once it was full, short of a major leak. Typically, issues with the water would be fixed with chemicals rather than flushed.

Commissioner Johnson asked if the noise resulted from the chillers. Mr. Abdul said that was correct. He explained the difference between air-cooled and water-cooled chillers and pointed out the location of the chillers in an area as far away from residential areas as possible, blocked by the building, and surrounded by a wall with acoustical treatments added.

Commissioner Bland asked about the noise impact to the local business patio shown on the map. Mr. Abdul stated there would be noise on the patio similar to a commercial air handling unit. The noise study should give more information.

Commissioner Lang stated that 33 megawatts seems like a lot. He asked if AI clients would use the building. Mr. Abdul stated his company is the "landlord" of the building and their target market is not AI users. He added that AI clients typically want larger data centers.

Commissioner Bland asked what the 40 proposed employees would be doing. Mr. Abdul stated they would work in shifts 24/7 in roles such as security, engineering, and maintenance.

Commissioner Johnson stated that the proposed project was capped at 33 megawatts. If someone wanted to put AI servers in there, they would be limited by this size. Mr. Abdul agreed, adding that some of the 33 megawatts were used for the cooling load and that the site would likely run at 70-80% capacity.

Commissioner Lang asked if generators would be installed. Mr. Abdul responded that diesel generators would be located inside.

Commissioner Lang asked if the location of the railroad tracks was a problem. Mr. Abdul clarified that a nearby railroad track may be an issue for vibrations, and stated it was not necessarily something a data center would want on their doorstep.

Chair Beise opened the public hearing.

Nathan Schlieff, 12380 193rd Ln NW, expressed concern that allowing one data center would encourage more to locate to Elk River. Mr. Schlieff asked questions about power capacity. Mr. Hanson responded that ERMU has underutilized electricity capacity which the proposed data center would draw from. Mr. Schlieff asked if the power provider had the capacity to provide extra power. Mr. Hanson responded that they did.

Jesse Lang, 19371 Upland St NW, asked for transparency regarding the company, Elk River Capital. He expressed concern about the density of the data center. He is interested in the results of the noise study being performed and asked that it be a full-spectrum noise study of all frequencies and include both the chillers and the generators. Mr. Lang asked about the definition of an "edge" data center.

Sophia Kruger, 2222 Monroe St NW, raised concerns regarding a data center's potential to harm human health as well as the environment and wildlife. Ms. Kruger asked if the cooling system would need to perform a periodic "blow down" which may release harmful chemicals into the water.

Bonnie Orzechowski, 19100 Johnson St NW, asked questions about the water used in the cooling system as well as the potential for a major leak. She also questioned the number of jobs being listed. She expressed concern about the potential for AI servers in the data center.

Peter Seabloom, 18829 Waco St NW, stated he was a retired machinist who built the parts used in cooling units. He was concerned about the use of rust inhibitors, glycol, and the potential for PFAS.

Becky Spence, 13454 182nd Ave NW, was concerned about the hiring practices of the data center and asked if they performed background checks since the location will be near a school.

Mandy Kauphusman, 20047 Ulysses St NW, asked how the proposed data center compared to

the other two data centers in Elk River. She also expressed concern that the site may be used for AI in the future.

Tim Jones, AEGIR Brewing, 19050 Industrial Blvd, stated his brewery's patio is located within 30–40 feet of the chillers and the noise may deter his customers.

Estelle Gunkel, 17155 Quincy St NW, asked for more information on the business behind the application.

Mr. Abdul stated that Elk River Capital is a single-purpose entity of the parent company Swervo Development. Commissioner Lang asked if Iron Gate in Woodbury was affiliated with Swervo Development. Mr. Abdul responded that Iron Gate is a brand of the company.

Rochelle Muellenberg, 13432 Meadowvale Rd, was concerned about the impact on property value.

Vicki Stevenson, 19850 Watson Cir NW, asked for more information on the Payment in Lieu of Taxes (PILOT) program mentioned earlier. Mr. Hanson explained the program and noted it is similar to revenue. He confirmed that the data center would be paying taxes.

Ms. Stevenson expressed concern about the data center location near schools, sports facilities, and parks. She added concern about the degradation of the metals used in the chillers.

Amy Brallier, 925 Angel St NW, expressed concern about the impact on water.

Troy Ives, 13163 196th Ave NW, opposed the idea of an ordinance that would modify all I-1 and I-2 zoning districts as that would not give the ability to scrutinize future projects. He was also concerned that the company was operating under different LLCs.

Moved by Commissioner Johnson and seconded by Commissioner Bland to continue the hearing to June 23, 2026. Motion carried 5-0.

4.2 Conditional Use Permit: Habitat for Humanity build site, ISD 728 - 900 School St NW

The Commission recessed at 8:04 p.m. The Commission reconvened at 8:06 p.m.

The staff report was presented.

Commissioner Bland expressed concern about vandalism and theft. Mr. Carlton explained that the fencing would be permanent.

Commissioner Lang asked if the proposed location interfered with Driver's Ed. Mr. Carlton stated the Driver's Ed practice location may need to be adjusted.

Commissioner Lang asked if the school district would own the building being constructed. Mr. Carlton believes that the school district would own the building until it was completed and transferred from the high school property, but that would be determined by the two parties.

Chair Beise opened the public hearing. There being no one to speak to this matter, Chair Beise closed the public hearing.

Moved by Commissioner Rydberg and seconded by Commissioner Bland to recommend approval of the CUP allowing construction of an outdoor classroom space at Elk River High school, subject to the following conditions:

- 1. The applicant must submit documentation describing the standards against which the state is reviewing the space.**
- 2. Commercial building permits will be required for the improvements.**
- 3. The fencing along the north, east, and south faces must be 100% opaque.**
- 4. The applicant must submit an updated site plan showing how the parking lot will be updated (striped) to address the changes to parking and circulation.**
- 5. Staff approval of all updated plans, ensuring full compliance with state building and fire codes. Motion carried 5-0.**

4.3 Ordinance Amendment: Oakwater Ridge PUD Standards Related to Signage, Capstone Homes

The staff report was presented. The applicant is requesting two signs up to 192 square feet and four signs up to 64 square feet. The signs would be removed after the development was completed. The applicant is also requesting a large entrance monument of 36 feet long by 4 feet tall surrounded by landscaping and located in the applicant's outlot.

Commissioner Johnson asked about the size of the previous billboards on the site. Mr. Carlton stated the ordinance allows billboards to be 35 feet tall and 400 square feet.

Commissioner Lang asked if the applicant had provided a mock-up of the entrance monument. Mr. Carlton stated they had not.

Chair Beise opened the public hearing.

Matt Barker, representing Capstone, stated the landscaping would represent coming through the Mississippi bluff area.

Chair Beise closed the public hearing.

Commissioner Johnson was not in favor of additional signs but felt this was acceptable due to the temporary nature and that the requested signs are smaller than the billboards previously located on the site.

Commissioner Bland asked that the applicant maintain the appearance of the signs.

Moved by Commissioner Johnson and seconded by Commissioner Bland to recommend approval of an Ordinance Amendment establishing standards for marketing and development signage within the Oakwater Ridge development. Motion carried 5-0.

4.4 Ordinance Amendment: Business Park Zoning, Onyx Strategic Partners

The staff report was presented.

Chair Beise opened the public hearing.

Jessie Houlihan, representing Onyx Strategic Partners, gave an overview of her company and the building they have recently purchased in Elk River. She stated she believes the Elk River city code "fights with users".

Chair Beise closed the public hearing.

Commissioner Rydberg asked where the building was located. Ms. Houlihan gave the address as 18332 Joplin Ave NW.

Commissioner Bland asked about the intent of warehouse limitations. Mr. Leeseberg responded that the business park district is a step above industrial. Mr. Carlton added that the limitation is to help with job generation and a higher class of industrial space, not just warehouse space.

Moved by Commissioner Bland and seconded by Commissioner Lang to recommend approval of the Ordinance Amendment allowing Outpatient Medical Facilities in the Business Park (BP) zoning district. Motion carried 5-0.

Commissioner Johnson stated the applicant can adjust the warehouse percentage through a Conditional Use Permit. Mr. Carlton stated that retail space is an accessory use in the Business Park zone.

Moved by Commissioner Johnson and seconded by Commissioner Bland to recommend denial of the Ordinance Amendment allowing Physical Recreation or Training and removing limitations on Warehouse Space in the Business Park (BP) zoning district. Motion carried 5-0.

4.5 Ordinance Amendment: Business Park Zone, Lift PT

The staff report was presented.

Chair Beise opened the public hearing.

Kelsey Fransen, applicant, owner of Lift PT, stated that she has some clients who are over seven feet tall, therefore having taller ceiling height allows them to perform more actions.

Chair Beise closed the public hearing.

Moved by Commissioner Johnson and seconded by Commissioner Bland to recommend approval of the Ordinance Amendment allowing Outpatient Medical Facilities in the Business Park (BP) zoning district. Motion carried 5-0.

5. GENERAL BUSINESS

5.1 Resolution 26-01: Approving the Sale of Public Property to O'Brien Holdings, LLC

Moved by Commissioner Johnson and seconded by Commissioner Bland to approve Resolution 26-01 finding the sale of a portion of Lot 1, Block 1, Northstar Business Park to be consistent with the Comprehensive Plan. Motion carried 5-0.

6. COUNCIL LIAISON UPDATES

Councilmember Wagner reviewed which of the items will go to the June 1 versus June 15 City Council meeting. She stated she was more in favor of allowing physical recreation in the Business Park zoning district and felt the city may need to adapt for the community as a whole.

7. MOTION TO ADJOURN REGULAR MEETING

Moved by Commissioner Johnson and seconded by Commissioner Lang to adjourn the meeting. Motion carried 5-0.

The regular meeting adjourned at 8:53 p.m. Chair Beise called the work session to order at 8:53 p.m.

8. WORK SESSION

8.1 Concept Review: Subdivision and Commercial Development along Highway 10

The staff report was presented.

The Commission discussed the visibility of a potential building on the site behind the billboards.

Craig Hardie, attorney at Larkin Hoffman, discussed the practical difficulties with developing the site due to its dimensions and the location of the billboards. Mr. Hardie stated that the billboards on the sites are nearly impossible to take down and subject to permanent easements.

Commissioner Bland asked if the billboards could be purchased.

Commissioner Johnson asked if Power Lodge was still interested in the site. Mr. Hardie responded that the applicant is still interested.

Mr. Hardie reiterated that creating separate parcels for billboards would not be the best use of land. If the Planned Unit Development (PUD) allowed billboards as accessory uses it would provide more flexibility to the site.

Mr. Carlton stated the concept, which included separate lots for the billboards, would require a private road easement to access each billboard lot. Chair Beise asked if the access road could be taken out of the billboard lots. Mr. Carlton stated the road would need to come from the remaining parcel as that zoning district requires minimum 1 acre lot sizes.

Commissioner Rydberg asked if the plans would need to be approved by MnDOT. Mr. Carlton responded that the site would be accessed by 165th Ave NW rather than onto Highway 10.

Commissioner Bland questioned who is getting the money from the billboards. The Specht trust sold the land for the billboards and now can't sell the surrounding land. Commissioner Bland was opposed to making exceptions for this project.

Chair Beise added he would be more in favor if a business which created jobs wanted to be located there.

Mr. Hardie pointed out that, once the land is developed, it is a benefit to the city, both as a tax base and investment in the community.

Commissioner Johnson was not in favor of one-acre parcels for each billboard unless there was an application that felt they could work around it.

Councilmember Wagner added that she didn't see billboards as evil and saw their purpose to convey marketing messaging.

Mark Hoffmann, Security Bank and Trust Company, stated the billboard leases that were in place were going to continue for decades and he is asking for direction on making the land usable.

Commissioner Johnson stated a prospective purchaser of the lot would not want to be limited on where they could place their building signage due to the billboards. Mr. Leeseberg added that the PUD could be written to allow a building sign by the road and stated that the billboards on the site have limited visual impact.

Mr. Carlton reviewed that the Commission was in favor of a PUD aligned with a specific project.

9. MOTION TO ADJOURN

Commissioner Lang asked why an item is put on work session. Mr. Carlton stated that the Commission cannot make a final decision on work session items, formal action would need to come to another meeting.

Moved by Commissioner Johnson and seconded by Commissioner Bland to adjourn the meeting. Motion carried 5-0.

The meeting adjourned at 9:27 p.m.

Minutes prepared by Katie Porath.

Perry Beise, Chair

Justin Dunford, City Clerk



Request for Action

To
Planning Commission

Item Number
5.1

Meeting Date
June 23, 2026

Prepared By
Chris Leeseberg, Senior Planner

Item Description
Conditional Use Permit: Bluff Impacts within the
Shoreland Management District, Randall Tesdahl -
16892 Yale St NW

Reviewed by
Zack Carlton

Action Requested

Recommend, by motion, approval of the Conditional Use Permit with the following conditions to satisfy the standards set forth in Section 30-654:

1. The pathway shall be professionally engineered and designed to ensure long-term slope stability and minimize erosion potential.
2. The pathway width shall be limited to the minimum width necessary to accommodate safe access and mobility needs.
3. The pathway shall be designed with the flattest practical grade to reduce erosion and improve accessibility.
4. Existing vegetation shall be preserved to the greatest extent practicable, with only selective removal permitted as necessary for construction.
5. Appropriate erosion and sediment control measures shall be installed and maintained during construction.
6. A grading permit shall be obtained prior to commencement of any land-disturbing activities.
7. Any retaining wall exceeding four (4) feet in height shall require a separate building permit and shall be designed by a Minnesota-licensed structural engineer.
8. The applicant shall comply with all recommendations and requirements of the Minnesota Department of Natural Resources, if applicable.
9. Any modifications to the approved plans shall be subject to review and approval by the City.
10. The Conditional Use Permit shall remain subject to all applicable City Code requirements and permit conditions.

Background/Discussion

The applicant is requesting approval of a Conditional Use Permit (CUP) to allow construction of an access pathway within bluff area of the Mississippi River to provide access from the upper portion of the property to the lower portion of the site.

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity

The subject property is approximately 1.65 acres in size, zoned Focus Area Study (FAST), and is guided as Mixed Residential in the Comprehensive Plan. The Mixed Residential land use designation consists of neighborhoods with multiple housing types, including single-family detached homes, townhomes, duplexes, and small-scale multifamily buildings. Mixed Residential areas include existing residential neighborhoods where a gentle increase in density is appropriate, as well as new neighborhood subdivisions.

The applicant has resided at the property since 2014 and would like to construct a pathway to improve access to the lower portion of the property. He has indicated that he is a 100 percent service-connected disabled veteran through the Department of Veterans Affairs and that their condition is progressing to the point where an electric mobility device may be necessary. The proposed pathway is intended to provide safe and practical access to portions of the property that may otherwise become inaccessible.

The properties immediately north and south of the subject site currently utilize a cross-access easement over the subject property to access lower portions of their respective properties.

The proposed pathway will be located within a sensitive bluff area subject to Shoreland Ordinance regulations. Because bluff areas are susceptible to erosion and instability, special consideration must be given to the design, construction, and long-term maintenance of the pathway.

Environmental Review

The Shoreland Ordinance generally prohibits fill and excavation within bluff areas due to their sensitivity and susceptibility to erosion. The proposed pathway must be engineered to ensure long-term slope stability and minimize future maintenance requirements.

Existing vegetation should be preserved to the greatest extent practical, with only selective removals permitted as necessary for construction. Preservation of vegetation will provide natural screening from the water and assist in maintaining bluff stability.

The pathway should be limited to the minimum width necessary to accommodate safe access and be designed with the flattest practical grade to reduce erosion potential and improve accessibility.

At the time of this report, comments from the Minnesota Department of Natural Resources had not yet been received. Any recommendations or requirements provided by the DNR must be incorporated into the final design and construction plans.

Building Department Review

A separate grading permit will be required prior to commencement of any land-disturbing activities.

Any retaining wall exceeding four (4) feet in height shall require a building permit and must be designed and certified by a Minnesota-licensed structural engineer.

Applicable Regulations

The issuance of a Conditional Use Permit can be ordered only if the use at the proposed location:

1. *Will not endanger, injure or detrimentally affect the use and enjoyment of other property in the immediate vicinity or the public health, safety, morals, comfort, convenience or general welfare of the neighborhood or the city.*

The proposed pathway is intended to improve accessibility and safe movement within the applicant's property. The use is accessory in nature and will not introduce increased activity or operational impacts to neighboring

properties. Subject to engineering review and implementation of erosion control measures, the pathway will not create adverse impacts to neighboring properties or public welfare.

2. Will be consistent with the comprehensive plan.

The property is guided as Mixed Residential, which supports continued residential use of the property and associated residential improvements. The pathway is an accessory improvement that supports the continued residential use and enjoyment of the property and does not conflict with the goals or policies of the Comprehensive Plan. The request is consistent with the Comprehensive Plan.

Staff do not see a need to impose specific conditions to satisfy this standard.

3. Will not impede the normal and orderly development and improvement of surrounding vacant property.

The pathway is limited in scope and will not alter surrounding land use patterns, development opportunities, or access to adjacent properties. The existing cross-access easement serving neighboring properties will remain available. The proposal will not impede future development of nearby properties.

Staff do not see a need to impose specific conditions to satisfy this standard.

4. Will be served adequately by and will not adversely affect essential public facilities and services including streets, police and fire protection, drainage, refuse disposal, water and sewer systems, parks and schools; and will not, in particular, create traffic congestion or interference with traffic on adjacent and neighboring public thoroughfares.

The proposed pathway will not generate additional traffic, demand for public services, or impacts to public infrastructure. Access to the site will remain unchanged, and no adverse effects on utilities, emergency services, or transportation systems are anticipated.

With the proposed conditions, there should be no adverse effects on drainage.

5. Will not involve uses, activities, processes, materials, equipment and conditions of operation that will be detrimental to any persons or property because of excessive traffic, noise, smoke, fumes, glare, odors, dust or vibrations.

The pathway is a passive residential improvement and will not generate ongoing noise, traffic, emissions, odors, or other nuisances. Temporary construction-related impacts can be managed through standard permit requirements and erosion control measures.

Staff do not see a need to impose specific conditions to satisfy this standard.

6. Will not result in the destruction, loss or damage of a natural, scenic or historic feature of major importance.

The bluff area is a significant natural feature. However, the proposed pathway can be designed to minimize impacts through careful engineering, preservation of existing vegetation, limited grading, and implementation of erosion control measures. Approval conditions requiring preservation of vegetation, minimal disturbance, and compliance with agency recommendations will help protect the scenic and environmental qualities of the bluff area. The pathway shall be professionally engineered and designed with the flattest practical grade, with only selective removal of vegetation to ensure long-term slope stability and minimize erosion potential.

7. Will fully comply with all other requirements of this Code, including any applicable requirements and Standards for the issuance of a license or permit to establish and operate the proposed use in the city.

Compliance with all applicable City Code requirements will be achieved through the CUP process, grading permit review, engineering review, and any required building permits. Retaining walls exceeding four feet in height must be designed by a Minnesota-licensed structural engineer and permitted separately. Any recommendations received from the Minnesota DNR shall also be incorporated into the project.

If denial of such a permit should occur, it shall accompany recommendations or determinations by findings or a report stating how the proposed use does not comply with the standards set forth in Section 30-654.

In the review of the standards for CUP as outlined, it appears that the request is consistent with all of these standards.

Financial Impact

None

Mission/Policy/Goal

Ethical, efficient, and responsible.

Attachments

1. Location Map
2. Narrative
3. Submitted Plans
4. Aerial-Contours



Project Location Map

Tesdahl

Conditional Use Permit

Case No: CU 26-06



Legal Description of Property

The narrative is your opportunity to describe, promote, and sell your proposal to the Planning Commission and/or City Council before the meeting(s). Please fill in the following information *explaining* your request in detail (*type N/A if not applicable*). Describe the scope of your project (what is being proposed)? *For example: we are proposing the construction of a new daycare facility or, to allow for a motor vehicle sales office with motor vehicle repairs in X-square feet of the existing building.*

Pathway down side of hill to accommodate access to the lower one half of my personal property. My name is Randall D Tesdahl, my wife Margaret R Tesdahl live at 16892 Yale St. NW Elk River MN. I served 20 plus years in the United States Marine Corps having retired September 30th 1997. I am 100% service connected disabled via the VA . As well as Social Security Disability. One of the main issues of my disability is that I have Parkinson's a disease that has no cure and is progressive in nature . My entire life I have been very involved with the outdoors hunting fishing trapping photographing wildlife. In fact in my work prior to retiring as the State Adjutant/E.D. of The American Legion, I helped establish several outdoor programs in the state of Minnesota for disabled veterans .

My wife and I once owned 10 acres in Crow Wing County that was wooded as well as 10 acres in Anoka County which again was wooded. We sold both of those properties in 2014 when we found this property. When we moved in, residents in this neighborhood were allowed to archery hunt deer, turkey, small game, as well as duck hunt on the Mississippi. Those activities have now been reduced to turkey by archery only. When we bought, we were made aware of and researched an easement that is on file with Sherburne County. The easement when drafted was done so by the people that owned my lot. The Easement includes the two properties to my south and the two properties to my north, crossing my property. We all used that easement Rd. I recently went through a long court battle with my new neighbor to the immediate South that did not want me to use the easement. It was discovered in court that my property was not specifically listed on that easement. The court could not reliably say that the people that owned my lot, who drafted and created and paid for the easement Rd. Did not list their own lot number because why, they owned it?

That court finding clearly limits my access to 1/2 of my property. It also reinforced the fact that property owners to my North and South have the full legal right to cross my property on that easement to access the lower sections of their properties, yet I cannot access mine.

In 2019I was diagnosed with Parkinson's disease related to my years of service at Camp Lejuern and the use of contaminated water there. I had to retire on LT Disability. In the time since, my condition has worsened. I have used a cane as well as a walker since my

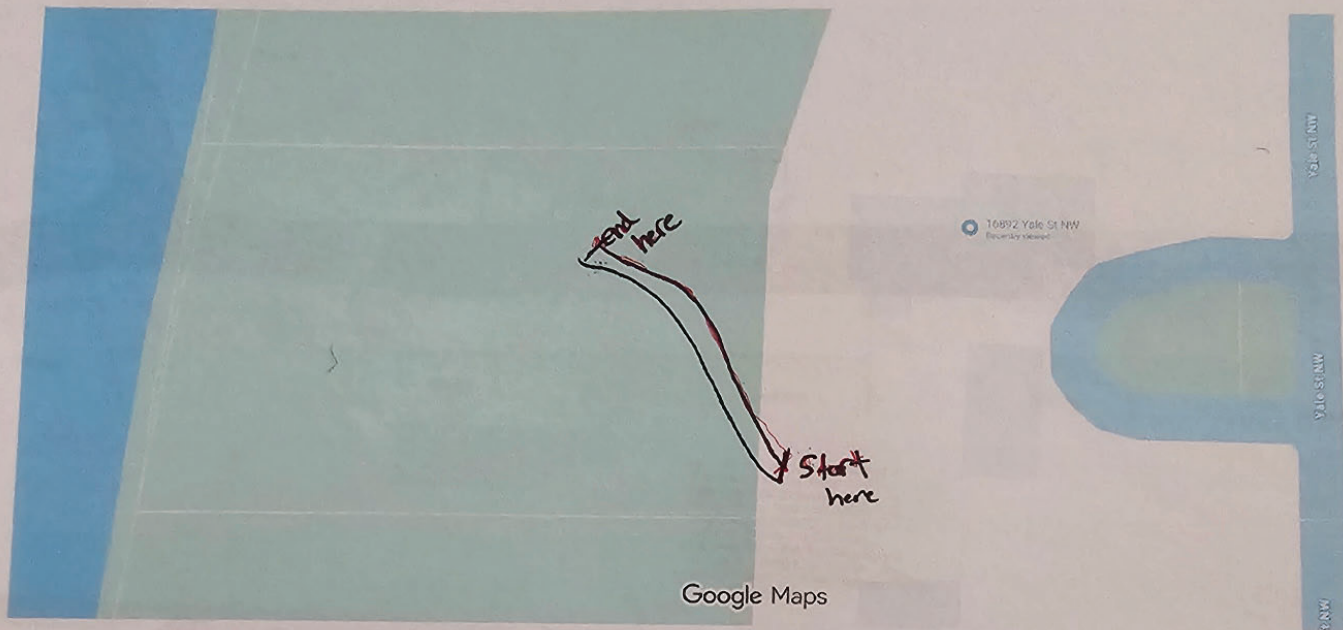
2019 diagnosis. And in my recent visits with my Parkinson's team at the VA it was noted that my condition is progressing to the point they are considering me for an electric form of mobility. I have lost my deer hunting, my small-game hunting, my duck hunting, and now my access.	
Hours of Operation	N/A
Number of Employees	N/A
Number of parking stalls required by ordinance: City Ordinance Section 30-903 outlines these requirements.	0
Number of existing and proposed parking stalls	0
If screening, not associated with outdoor storage, is being proposed, what will it consist of?	None.
What are the proposed building materials? <i>The required building materials vary from zoning district to zoning district.</i>	See project plans.
Is outdoor storage being proposed? If yes, detail what is being stored, how much/many, and what is the proposed screening? City Ordinance Section 30-807 outlines these requirements.	No.

4/16/26, 12:29 PM

Google Maps

Google Maps

Randy Tesdahl House



4/16/26, 12:28 PM

Google Maps

Google Maps

Randy Tesdahl House



Imagery ©2026 Airbus, Maxar Technologies, Map data ©2026 Google 20 ft

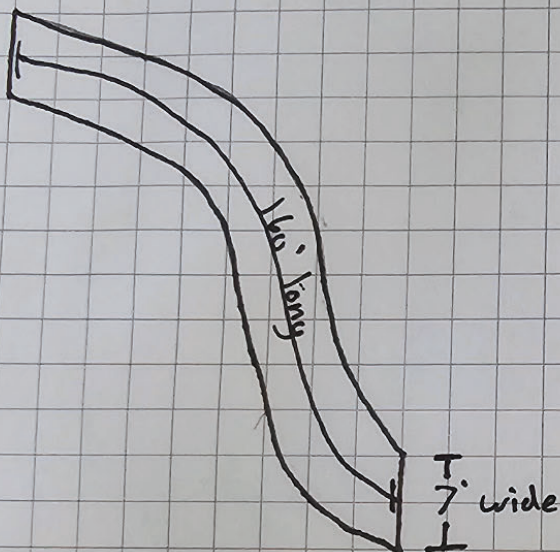
BROCKWHITE

CONSTRUCTION MATERIALS

CSG A CONSTRUCTION SUPPLY GROUP COMPANY

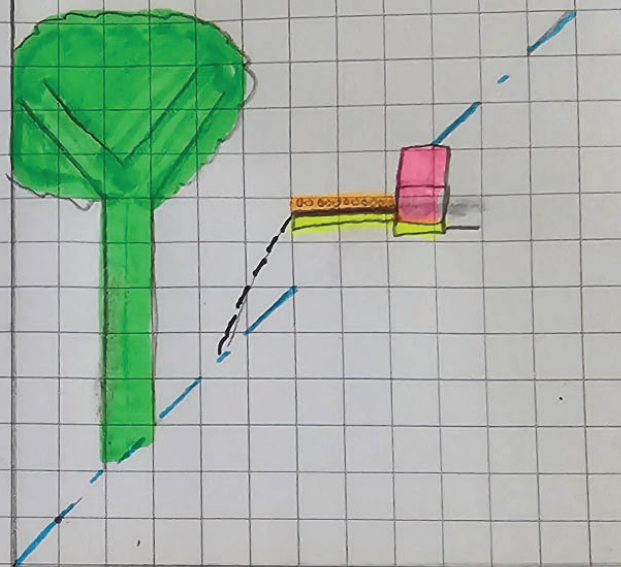


1.A. Overhead view



1.B.

Side view



Close up Side view



- █ - Tree
- █ - 1 1/2" crushed rock.
- █ - Fabric (road fabric)
- █ - 2'x2'x4 big block
- █ - Class 5 under fabric + under big blocks.
- - Existing Ground
- - new ground layout.

St. Paul

651-647-0950

St. Cloud

320-251-5060

Eagan

651-686-5036

Elk River

763-441-2004

Duluth

218-628-2231

Brainerd

218-829-1929

Rochester

507-282-2421

Mankato

507-388-1973

Bismarck

701-222-3010

Minot

701-839-0509

Fargo

701-282-9255

Sioux Falls

605-339-1977

Appleton

920-730-7840

Green Bay

920-432-6438

Wausau

715-355-7551

Milwaukee

262-785-4646

Madison

608-222-1220

BrockWhite.com page 18 of 157

1. A. Overhead View

In the drawing it shows roughly the shape, length, and also width of the trail being installed
The trail will be 160' long and 6' wide

1.B. Side View

In the drawings it shows existing trees that will not be disrupted

On the up hill side of the trail we will be installing a big block (2'x2'x4' retaining wall block) we plan on starting 2 blocks high and at some point hoping to be able to transition into 1 block high.

We will be importing class 5 from knife river and also inch and half crushed rock for the trail topping to stabilize the trail from washing out

Fabric will be installed over the class 5 and under the crush rock

1.B. Close up side view

Class 5 will be placed under the road and also under the big block to give both the block and the road a good base to sit on

Everything will be packed with a walk behind BPU packing

All the disrupted soil will be covered in black dirt and also seeded and blanketed for fast stabilization

Roughly 50 Big Block will be added to the up hill edge of the trail to help with the slope and keep it closer to a 3:1

Key for Picture

Green - Existing Trees

Orange - 1 1/2" Crushed Rock

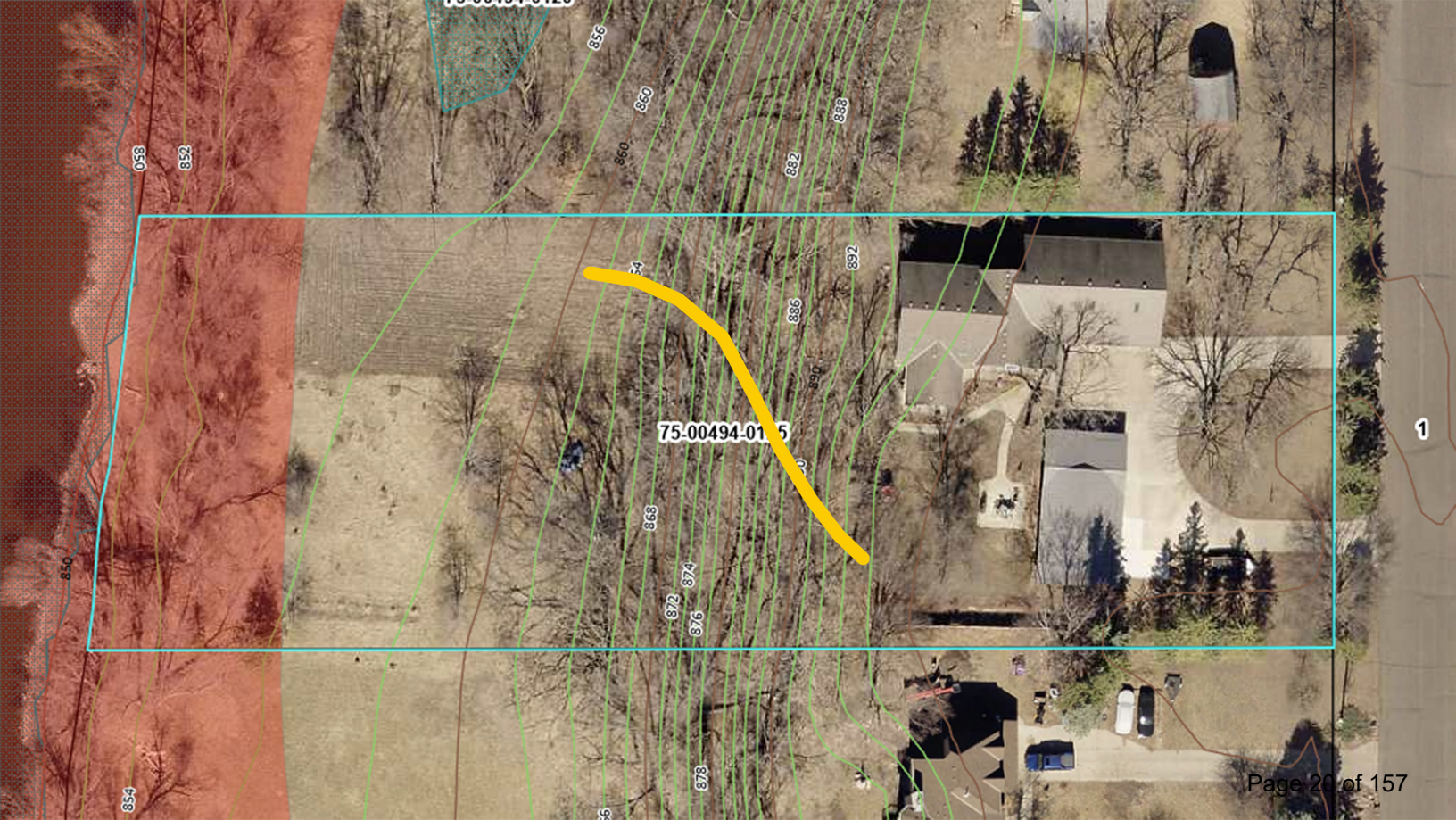
Purple - Road Fabric

Pink - 2'x2'x4' Big Block

Yellow - Class 5

Blue Big Dashes - Existing Ground

Black Small Dashes - New Ground after trail is installed



75-00494-0115



Request for Action

To
Planning Commission

Item Number
5.2

Meeting Date
June 23, 2026

Prepared By
Chris Leeseberg, Senior Planner

Item Description
Conditional Use Permit: Auto Repair, Uval Butuc -
18332 Joplin St NW

Reviewed by
Zack Carlton

Action Requested

Recommend, by motion, approval of the Conditional Use Permit with the following conditions to satisfy the standards set forth in Section 30-654:

1. The Conditional Use Permit shall authorize only vehicle body work and no mechanical repair work, including engine, transmission, drivetrain, exhaust, or similar vehicle repairs, shall be conducted on the property.
2. All repair activities shall occur entirely within the enclosed building.
3. The entire back parking lot shall be screened by a six-foot high 100 percent opaque fence constructed of factory-finished metal or vinyl material.
4. The outdoor storage of operable vehicles shall be allowed only in the screened in area.
5. The outdoor storage of inoperable or abandoned vehicles, vehicle parts, equipment, materials, or repair-related items is prohibited.
6. This approval does not authorize motor vehicle sales, vehicle display for sale, or any other use not specifically approved herein.
7. The parking lots shall be striped.
8. The applicant and/or property owner must apply for all required commercial building, electrical, plumbing, and/or mechanical permits before any associated activities can occur.

Background/Discussion

Motor vehicle repair facilities are allowed within the Business Park zoning district subject to approval of a Conditional Use Permit (CUP). The applicant is requesting approval of a CUP to operate a motor vehicle repair business within an existing building located in the Business Park (BP) zoning district. The proposed use consists exclusively of body work and restoration activities involving vehicle body panels and exterior finishes. The applicant has indicated that no mechanical repairs, including engine, transmission, drivetrain, or similar work, will occur on the property. The applicant is also proposing outdoor storage of vehicles which will need to be screened in accordance with city code.

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity

The business will employ approximately five employees and operate between the hours of 9:00 a.m. and 5:00 p.m. Vehicle repair and maintenance activities will occur entirely within the building.

The property has 43 parking stalls in front of the building with additional parking spaces behind the building.

Public Comment

Staff received a phone call from the management company of the building/property directly to the south. They indicated that Kepner Cleaning, on the subject parcel, was utilizing parking on the neighboring parcel, with permission, but wanted to make sure that future parking demand was not created where their parcel would be utilized.

Applicable Regulations

The issuance of a Conditional Use Permit can be ordered only if the use at the proposed location:

1. *Will not endanger, injure or detrimentally affect the use and enjoyment of other property in the immediate vicinity or the public health, safety, morals, comfort, convenience or general welfare of the neighborhood or the city.*

The proposed use is limited to body work repair activities conducted entirely within an enclosed building. The applicant has stated that no mechanical repairs will occur on-site, reducing the potential for noise, odors, hazardous materials, and other impacts commonly associated with full-service automotive repair facilities. No outdoor storage of parts, equipment, or materials is proposed. Subject to compliance with all conditions of approval, staff find that the proposed use will not adversely affect neighboring properties or the general welfare of the area.

Staff do not see a need to impose specific conditions to satisfy this standard.

2. *Will be consistent with the comprehensive plan.*

The property is guided Industrial in the Comprehensive Plan. The Industrial land use category is intended to accommodate both light and heavy industrial businesses, including manufacturing, warehousing, and similar employment-generating activities located near major transportation corridors.

The proposed operation functions as a light industrial-type business involving vehicle restoration and repair activities within an enclosed building. The use supports employment opportunities and is compatible with the industrial character envisioned for the area.

Staff do not see a need to impose specific conditions to satisfy this standard.

3. *Will not impede the normal and orderly development and improvement of surrounding vacant property.*

There is no vacant land adjacent to the subject parcel and the proposed use will occupy an existing building and does not require significant site modifications. The operation is compatible with other commercial and industrial uses anticipated within the Business Park district. Staff find that the proposed use will not impede the orderly development of surrounding land.

Staff do not see a need to impose specific conditions to satisfy this standard.

4. *Will be served adequately by and will not adversely affect essential public facilities and services including streets, police and fire protection, drainage, refuse disposal, water and sewer systems, parks and schools; and*

will not, in particular, create traffic congestion or interference with traffic on adjacent and neighboring public thoroughfares.

The property is served by existing public streets and municipal utilities. The proposed operation includes five employees and a limited number of customer and business vehicles. Six parking stalls are provided, exceeding the minimum parking requirement of five stalls. Due to the limited scale of the operation and the absence of retail vehicle sales, significant traffic generation is not anticipated. Staff find that the proposed use can be adequately served by existing public facilities and services and will not create traffic congestion or interfere with surrounding roadways.

Staff do not see a need to impose specific conditions to satisfy this standard.

- 5. Will not involve uses, activities, processes, materials, equipment and conditions of operation that will be detrimental to any persons or property because of excessive traffic, noise, smoke, fumes, glare, odors, dust or vibrations.*

All repair activities are proposed to occur indoors within an enclosed structure. The applicant has indicated that only body work will occur and that no mechanical repair work will be performed. The limited operational scope and indoor nature of the use are expected to minimize noise and other potential nuisances. If the applicant proposes the installation of a paint booth or similar facility, a building permit will be required, and the operation will need to meet all standards to ensure odors do not impact adjacent tenant spaces.

As motor vehicle sales are not permitted within the Business Park zoning district, approval of this CUP does not authorize the display, marketing, or sale of vehicles from the property. Any vehicle present on-site shall be associated solely with the approved repair business. Additionally, all vehicles stored on-site shall be operable, currently registered, or otherwise legally authorized for repair and restoration activities as permitted by City Code.

- 6. Will not result in the destruction, loss or damage of a natural, scenic or historic feature of major importance.*

The request involves occupancy of an existing developed site and building. No natural, scenic, or historic features have been identified that would be impacted by the proposed use.

Staff do not see a need to impose specific conditions to satisfy this standard.

- 7. Will fully comply with all other requirements of this Code, including any applicable requirements and Standards for the issuance of a license or permit to establish and operate the proposed use in the city.*

Motor vehicle repair facilities are permitted within the Business Park zoning district through the Conditional Use Permit process. Subject to compliance with all applicable City Code provisions, building and fire code requirements, and the conditions of approval contained herein, the proposed use can comply with all applicable regulations.

Staff recommend the entire back parking lot be screened to address all the outdoor storage occurring on site, which is required in the BP district.

If denial of such a permit should occur, it shall accompany recommendations or determinations by findings or a report stating how the proposed use does not comply with the standards set forth in Section 30-654.

Financial Impact

None.

Mission/Policy/Goal

Ethical, efficient, and responsible.

Attachments

1. CU 26-07 Location Map
2. Narrative
3. Building Plan
4. Staff Exhibit



Project Location Map

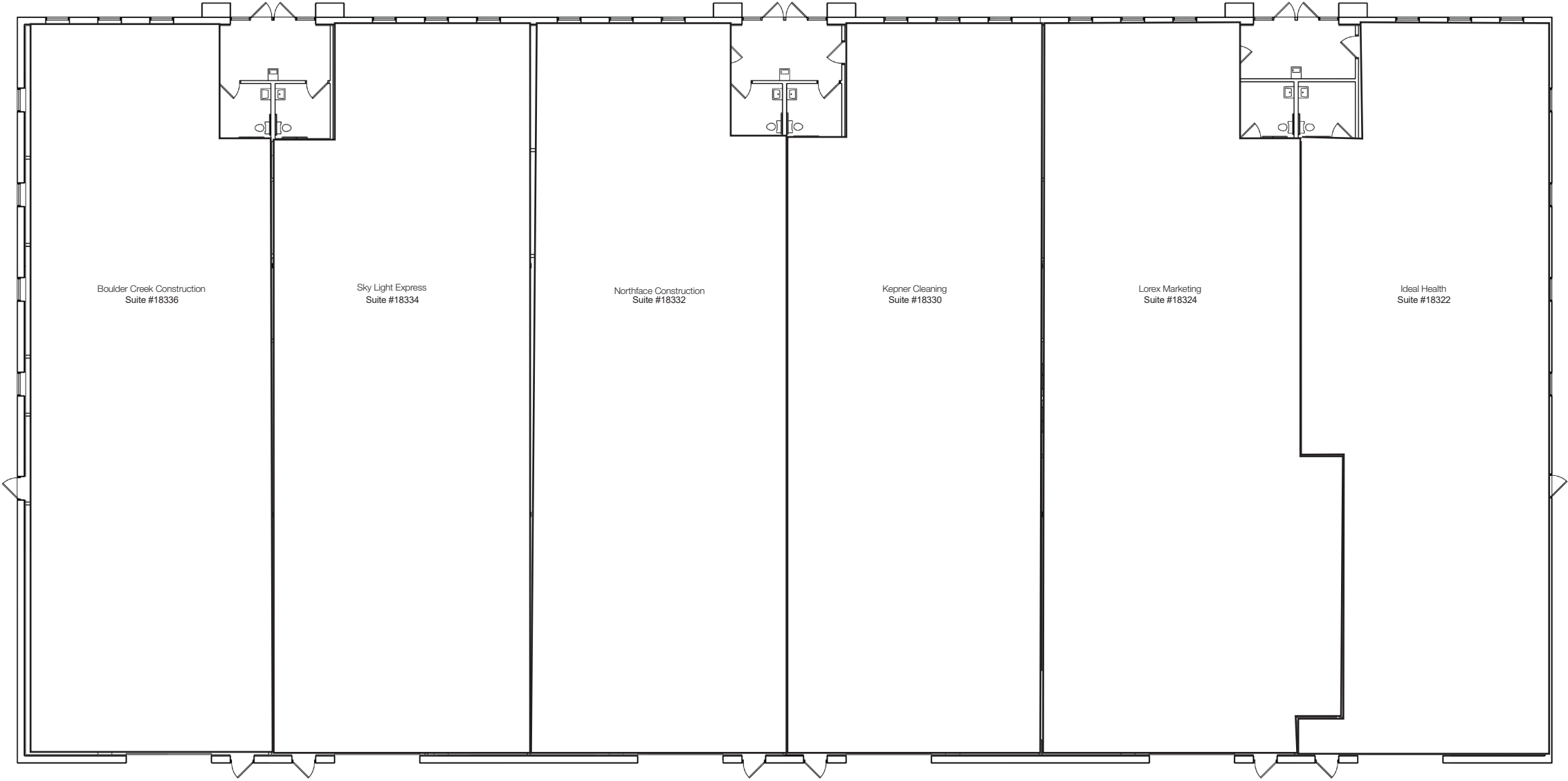
Vibe Auto Motor
Conditional Use Permit

Case No: CU 26-07

The narrative is your opportunity to describe, promote, and sell your proposal to the Planning Commission and/or City Council before the meeting(s). Please fill in the following information *explaining* your request in detail (*type N/A if not applicable*). Describe the scope of your project (what is being proposed)? *For example: we are proposing the construction of a new daycare facility or, to allow for a motor vehicle sales office with motor vehicle repairs in X-square feet of the existing building.*

We would like to use this property as a cosmetic repair shop (cosmetic meaning the shell of a vehicle). All said vehicles will be and are owned by us. We will not perform mechanical repairs of any kind, including but not limited to engines, transmissions, or drivetrain components whatsoever. Thank you.

Hours of Operation	9 am-5 pm may differ on some days*
Number of Employees	5
Number of parking stalls required by ordinance: City Ordinance Section 30-903 outlines these requirements.	5
Number of existing and proposed parking stalls	6
If screening, not associated with outdoor storage, is being proposed, what will it consist of?	N/A
What are the proposed building materials? <i>The required building materials vary from zoning district to zoning district.</i>	N/A
Is outdoor storage being proposed? If yes, detail what is being stored, how much/many, and what is the proposed screening? City Ordinance Section 30-807 outlines these requirements.	N/A







Request for Action

To
Planning Commission

Item Number
5.3

Meeting Date
June 23, 2026

Prepared By
Zack Carlton, Community Development Director

Item Description
Ordinance Amendment and Conditional Use Permit:
Data Center, Michael Margulies - 19178 Industrial
Blvd NW

Reviewed by
Katie Porath

Action Requested

The public hearing was opened, and continued, to June 23, 2026. After receiving the presentation from city staff and asking questions of staff, the commission should receive public comments related to the ordinance amendment application.

After receiving public comments, the commission will close the public hearing for the ordinance amendment and continue the hearing for the Conditional Use Permit Application to July 28, 2026.

The Planning Commission has two options:

1. Make changes or modifications to the draft ordinance and recommend approval of the ordinance to be considered by the City Council on July 6, 2026.
2. Recommend denial of the requested ordinance amendment. The denial must include specific reasons for the recommendation.

Background/Discussion

The Planning Commission and City Council have both held a public hearing regarding an ordinance amendment to allow data centers in the I-I zoning district, and a Conditional Use Permit (CUP) to allow a new data center facility at 19178 Industrial Boulevard NW.

The public hearings generated a significant number of questions and comments about the applicant, project, data centers in general, and how the city would regulate or monitor these facilities. At both meetings, staff stated that they would complete additional research and coordinate with the appropriate entity to provide written responses at the June 23, 2026, Planning Commission meeting. Responses to those questions are included with this staff report.

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity

The applicant also stated that a noise study, specific to their proposed facility at 19178 Industrial Boulevard NW, would be available for review by June 23, 2026. The completed study is attached to this staff report.

The city has also received a number of written comments from the public, and all the letters received as of June 18, 2026, are included for review.

City Review

As the applicant submitted both an ordinance amendment to add a new use to an existing zoning district, and a CUP to utilize a new facility at the same time, the two conversations have largely been discussed as one topic. However, these are two very different land use requests and should be discussed separately to ensure each is reviewed on their own merits.

With that in mind, staff has notified the applicant that the Planning Commission will only be asked to make a recommendation on the ordinance amendment during the June 23, 2026, meeting. The city council will also be asked to review a draft ordinance on July 6, 2026.

Action on the CUP application is scheduled for a later meeting on July 28, 2026, and will be evaluated based on an adopted ordinance.

If the City Council does not adopt an ordinance allowing data centers in the I-I district, the Planning Commission is still required to review the CUP application. However, the recommendation would be to deny, as the use is not allowed.

The remainder of this memo will focus on the draft ordinance included with this staff report.

Ordinance Amendment

City staff have been working closely with the city attorney to draft an ordinance that attempts to address concerns raised during the public hearing. Specifically, distance from residential areas, water use and contamination, noise - from both the cooling equipment and backup generators, air pollution, and ongoing monitoring.

First, the draft ordinance requires the data center facility to be at least 750 feet from any residential structure and at least 500-feet from the nearest residentially zoned property. These setbacks were established by reviewing the current data center setbacks from residential properties and peer community ordinances. The two existing data centers have more than 50 homes within 750 feet of their boundaries and are located across the road from residential zoning districts. The city receives very few complaints regarding their operation.

Additionally, the proposed limits on data center size (35 MW) also limit the scope of impacts that a data center will have on the surrounding communities. Much of the concern regarding data centers has come from the very large 100 MW+ facilities that require significantly more cooling, power, and backup generation. As an example, Monticello's ordinance has the same 500-foot setback from residential properties but could allow a facility of 500+ acres without a cap on energy uses. The energy cap would also be memorialized with an agreement with the city's power provider, ERMU, to ensure both entities are in agreement.

Second, cooling systems are required to be air-based systems that require zero consumption of water. Closed loop systems that require a cooling tower and "blow down" procedure to extract heat from the facility would not meet this standard. The draft ordinance limits the total water usage to 250,000 gallons per year. This limit serves as a check to ensure water is not used for cooling needs. Staff identified this limit by reviewing typical water usage for industrial facilities and annual water usage per employee.

Third, noise generated by a data center, or any industrial operation in the city, must comply with Minnesota Pollution Control Agency (MPCA) noise standards established in Minn. Rules Ch. 7030. The draft ordinance requires a noise analysis to be completed by a third-party engineer prior to submitting the application. The specific noise study requirements described in the draft ordinance include: baseline noise levels around the facility, daytime and nighttime noise levels expected upon project completion, A-weighted(dBA) and C-weighted (dBC) comparisons, sound level monitoring and projections for multiple distances from the facility, specific noise mitigation recommendations, a post construction compliance evaluation, and annual noise monitoring.

The MPCA sets noise standards that preempt local government regulations. This means that the city cannot establish standards that are more restrictive than those established under Minn. Rules Ch. 7030.

Fourth, backup generators are restricted to emergency use and may only be used when the primary source of power has been interrupted or is unavailable. The draft ordinance allows routine generator testing and requires all testing to occur between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday. The ordinance also grants the city authority to impose additional restrictions when testing creates unexpected impacts on adjacent communities.

Most back-up generators are powered by diesel and, under the parameters of the draft ordinance, would be the most likely source for air pollution from a data center. The developer is required to work with the MPCA to verify whether an environmental review will be required. If one is required, it must be completed prior to submitting an application for approval. Documentation of the MPCA's decision will need to be provided.

Finally, the draft ordinance requires a decommissioning plan to ensure the city is not left with a facility that cannot be used for a different use in the future. This plan would need to be prepared by a qualified professional and would be binding on any future operators.

Planning Commission Action

In considering adoption of an ordinance to allow data centers in the I-1 and I-2 zoning districts, the Commission should consider all verbal and written testimony. Topics for the commission to review include: whether this is the appropriate zoning district, could the standards of the draft ordinance be modified to better address concerns from the public, are there any standards that have not been included but should, and does the ordinance protect the health, safety, and general welfare of the community.

When considering changes to the standards, please note that the requirements must be measurable and must not conflict with state and federal rules or laws.

Financial Impact

None.

Mission/Policy/Goal

Appropriately govern in an ever-changing environment.

Attachments

1. Data Center Questions and Answers
2. Updated - Draft Ordinance 6-22-2026
3. Prior Version - Draft Ordinance 6-18-2026
4. Map of I-1 and I-2 Zoning Districts
5. Swervo Development Company Bio
6. Summary Report for Data Center Noise dated Jun 16, 2026
7. Public Comments as of 6-18-2026

8. City Council Staff Report dated June 15, 2026

Written Responses to Public Hearing Comments Regarding the Proposed Data Center at 19178 Industrial Boulevard

The following questions and comments were gathered during the public hearings held by the Planning Commission on May 26, 2026, and the City Council on June 15, 2026. The responses are from research and analysis completed by city and ERMU staff and, when noted, from the applicant.

1. Who is Elk River Capital, and are they related to the proposed facilities in Monticello or Elk River Technologies, LLC (Becker)?

Applicant response - Elk River Capital is a single purpose Minnesota limited liability company that will own and operate the Elk River facility. The facility will be operated under the tradename "Irongate Data Center"--which is a business name, not an entity. Elk River Capital LLC is wholly owned by Swervo Development Corporation, of which Mr. Abdul is the principal. Swervo is a Minnesota corporation based in Minneapolis and is the owner of various commercial, industrial, retail and residential projects. A short resume of recent representative Swervo projects is attached.

Applicant Response - There is no connection with their organization and the proposed facilities in Monticello or Becker, and they have no connection with Elk River Technologies, LLC.

Applicant Response - Those projects are in a completely different class than what is being proposed for Elk River. Becker is a 600-Megawatt facility. Monticello is 400+ megawatts. Elk River is 23—eventually, at most, 33 megawatts. It's easy to throw all these projects into the same bucket but there is virtually nothing the same about them. It's really important to make that distinction.

2. Why are multiple companies/LLCs used for the application and operation?

Applicant's response - Michael Margulies is a consultant hired by Swervo and his company is Newton RES LLC. Mr. Margulies often submits applications for Swervo under his company name to ensure he receives all notices and staff responses related to the application. Newton RES LLC is not involved beyond assisting the owner (Swervo) with the entitlements.

3. Why is Elk River Capital interested in this site?

Applicant's response - Elk River Capital is interested in the site because; (a) the building is located in an industrial area that is most appropriate to the operation of a data center; (b) the building is of a type and size that can be effectively and economically repurposed for data center purposes; (c) the current owners are going out of business and repurposing the site would result in the site continuing to be put to good use as opposed to the building being abandoned; (d) ERMU encouraged Elk River Capital to consider the site because the city has power availability and the project would benefit both the operator and the city.

Written Responses to Public Hearing Comments Regarding the Proposed Data Center at 19178 Industrial Boulevard

4. **If an ordinance allowing data centers passes, what would this mean for future data center construction in the city?**

A future data center would need to comply with the standards of the ordinance. The proposed ordinance requires a Conditional Use Permit, which requires a public hearing at the Planning Commission and City Council, along with multiple design and performance standards. A public hearing notice is required to notify property owners within 500 feet of the subject parcel.

In addition to the ordinance standards, the developer is required to work with Elk River Municipal Utilities ERMU to ensure their power needs can be met.

5. **What is the difference between a cloud computing data center, an edge data center, and an AI data center?**

Cloud computing and AI data centers generally differ in the hardware that is installed within the facility. Cloud computing facilities don't rely on specialized computer chips. They share server space with multiple tenants and act as a digital warehouse for data. They are operated by large corporations, such as Amazon, Microsoft, Google, and Meta as well as other companies that require the storage of electronic information data. These facilities host compute, storage, and networking resources for enterprises and consumers worldwide.

An edge data center is generally smaller in both size and energy needs (typically under 50 MW), located closer to end users and network hubs to reduce latency. They require less power, less transmission infrastructure, and have a smaller footprint than large cloud or AI facilities.

Developer Note - A Colocation Edge Data Center refers to a data center that enables you to rent out space for your own hardware. For example, instead of using your own on-premises space for your servers, cables, networking devices, and other computing equipment, you can rent out space in a data center. A colocation edge data center involves including the servers and other equipment from numerous companies in a single data center. The hardware is often owned by the business renting the space, and the data center staff only houses it or may assist in its operation. Enterprise customers use colocation edge data centers to store their servers and other gear required for regular business operations. Colocation ensures adequate bandwidth while providing shared, secure areas in cool, controlled surroundings suited for servers.

AI data centers are a purpose-built, high-density facility, and power needs generally exceed 100 MW. They are built for a single purpose and utilize specialized computer chips to process massive amounts of data.

All data centers require large amounts of energy and specialized cooling systems, but AI data centers are larger, use more resources, and incorporate specialized equipment.

Written Responses to Public Hearing Comments Regarding the Proposed Data Center at 19178 Industrial Boulevard

The draft ordinance does not differentiate between these two types of facilities. The draft ordinance addresses the external impacts of the facility, regardless of the data processed inside. Standards limiting energy use (in coordination with ERMU), cooling equipment, footprint, and noise are applied equally to any data center application. Together, these limitations limit the size of facilities that could be developed in the city.

6. How does the proposal compare to the existing data centers in the community?

The existing data centers were constructed in 2006 and 2007 with design capacities of 10 MW and 20 MW. The facilities are cloud/data storage facilities. They are approximately 160,000 SF and 240,000 SF in size.

The nearest residential structure is approximately 330 feet away and there are 50+ homes within 1,000 feet.

The proposed facility is approximately 60,000 SF in size and has a design capacity for 33 MW of power. The nearest home is 930 feet away.

7. How does the electricity for the facility get here, how is it paid for, how will it impact the rates? will the city or ERMU need more substations?

Electricity in Elk River is delivered over the Mid-continent Independent System Operator (MISO) Transmission Grid through the Great River Energy Regional Transmission Grid, to ERMU's local distribution grid, and to the customer. MISO is one of seven independently operated, but interconnected, transmission grids across the nation. MISO buys electricity from numerous generation sources within the MISO Transmission Grid to meet the demand it receives from the electric utilities within the MISO energy market.

ERMU purchases electricity from Minnesota Municipal Power Agency (MMPA), a wholesale power provider, who in turn purchases the electricity for its members through the MISO energy market. ERMU receives a monthly invoice from MMPA for its energy usage. ERMU pays the invoice using funds received from rate payers. Customer bills are based on energy usage and rate class (e.g. residential, commercial, industrial).

A single large energy customer, such as a data center, has a stabilizing effect on rates. Data centers use large amounts of electricity and require a relatively small amount of infrastructure and minimal operational costs. High revenues with minimal cost stabilizes rates because overhead and operating expenses are spread across a larger volume of energy sales, reducing the cost burden on other customers.

If the requested data center were to be approved, ERMU would expand an existing substation to enable the installation of a third transformer. The data center developer would be required to pay for all costs associated with the expansion and the new transformer.

Written Responses to Public Hearing Comments Regarding the Proposed Data Center at 19178 Industrial Boulevard

8. What are the results of the noise study?

The noise study reviewed existing ambient noise levels near the facility, the expected noise generated by the proposed chillers and generators and made recommendations for on-site noise mitigation. The study evaluated both high and low-frequency noise as well as C-weighted noise levels.

The results show that with the recommended noise mitigation measures, the expected noise levels will not exceed Minnesota Pollution Control Agency (MPCA) standards for residential or industrial areas. The full noise study is attached to the June 23, 2026, Planning Commission packet, and will be provided upon request.

Additionally, to ensure compliance with the state noise standards, the draft ordinance includes post-construction verification and annual verification for continued compliance.

9. Were any of the noise study tests done from the AEGIR patio?

The independent third-party noise study included a receiver (spot at which noise levels are calculated) along the property line between AEGIR Brewing and the proposed data center site – location G. This is between the chillers and AEGIR.

The study found that with the recommended noise mitigation, the site meets MPCA limits for commercial property. This is a higher standard than what would be required of an industrial property, which is where both operations are located.

10. What are the specifications of the diesel generators? Model, capacity, and expected annual use? How can this impact the air quality in the area?

The noise study includes this information and identifies the specific generator as a 2,500 KW Cummins Diesel Generator – model DQKAN. The proposed facility would include 10 generators.

The annual use would be limited to emergency/backup use only. This includes up to 100 hours for annual testing, and 400 hours for backup use. The regular testing of these generators would be limited to the hours between 8:00 a.m. and 4:00 p.m. Monday through Friday.

The developer is also required to verify with the Minnesota Pollution Control Agency (MPCA) that the use of these generators does not require an environmental review.

11. How much water are you going to be using?

The proposed system, and the requirements of the draft ordinance, limit the facility to standard office/business water usage. The existing facility had previously used nearly one million gallons of water at its peak operation. The draft ordinance caps water usage at 200,000 gallons per year.

Water usage will be monitored annually and must be reported to the city along with the annual noise monitoring.

Written Responses to Public Hearing Comments Regarding the Proposed Data Center at 19178 Industrial Boulevard

12. How does the closed loop cooling system work? What chemicals are in the system? How are potential leaks contained? How will these be filled initially and will the cooling towers require any water from the city's water system? Is there any physical connection between the cooling towers and the municipal water system? What is a blowdown?

The developer has proposed, and the draft ordinance requires closed loop cooling equipment. The specific model proposed by the developer, identified in the noise study, is a York model YVFA0459, 550 nominal ton air-cooled screw chiller.

A chiller has a mechanical compression device that converts energy into compressed refrigerant by using a compressor. The compressed refrigerant is piped to a condenser that rejects the heat from the refrigerant to the atmosphere or some type of liquid coolant. The compressed refrigerant changes from a gas to a liquid in the condenser and is piped to an evaporator where it is metered or expanded in the evaporator. The expansion of the high-pressure liquid refrigeration reduces the temperature of the evaporator. The liquid to be cooled is pumped through the evaporator heat exchanger and heat is transferred to the refrigerant. The low-pressure vapor is carried back to the compressor, and the cycle begins again for the refrigerant. The coolant flows from the evaporator heat exchanger to the load where the heat is transferred to the coolant in the load heat exchanger and then returns to the evaporator to repeat the cycle.

<https://www.airbestpractices.com/technology/cooling-systems/six-basic-types-liquid-cooling-systems>

These chillers use a water-glycol mixture (similar to an automobile cooling system) that cycles through the facility to absorb heat from the servers and an R-134a refrigerant to absorb and remove heat from the water mixture. This proposed equipment does not use a cooling tower where water (from the municipal system or a well) is used to remove heat from the internal closed loop system.

The glycol mix along with the refrigerant will be delivered to the site in tankers or other containers. The draft ordinance also prohibits any physical connection between the cooling/chiller equipment and the municipal water service.

A "blowdown" is not utilized for a chiller but can be used for other cooling systems that rely on cooling towers and external water sources. The proposal does not include this type of equipment.

13. Will there be ongoing monitoring and enforcement if noise or environmental impacts are exceeded?

The draft ordinance requires post-construction noise verification and ongoing noise monitoring. If noise levels exceed state standards, they are required to construct the necessary mitigation measures or risk losing their approval.

Written Responses to Public Hearing Comments Regarding the Proposed Data Center at 19178 Industrial Boulevard

14. Are the construction jobs to build the data center going to be local?

This will be up to the developer. The city does not have the legal authority to regulate the companies hired to complete the work beyond ensuring they are licensed to do the work.

15. Who is responsible for data center updates as they are supposed to last 10 years?

The developer would update and maintain their facility to ensure continued operation within approved standards. Nearly every business has an uncertain life expectancy, including the business which formerly utilized the proposed site.

16. How did this get on the schedule?

The applicant submitted a land use application to the city. Upon acceptance of a complete land use application, the city is required to process the request in accordance with city codes and state law. This includes required public notices and established meeting timelines.

It would be illegal to ignore or refuse to process a legal application. State law mandates that the city acts and makes a formal decision to approve or deny the application within 60 days or, when additional time is needed for a complete review, the timeline can be extended to 120 days.

Due to the extended review period required for the current applications, the review timeline has been extended to the full 120 days, and the city must make a formal decision by August 25, 2026.

If the city did not process the applications within the required timeline, by law, they are automatically approved.

17. Which council members have been paid off?

No Councilmember has received remuneration to support this application. The City of Elk River has a Conflict-of-Interest Ordinance that is more strict than state law.

18. Have the city council members signed an NDA?

No member of the Elk River City Council or city staff has signed a Non-Disclosure Agreement.

19. What are the benefits to the city?

As with any new commercial or industrial development, projects can contribute to the local economy through the addition of employment opportunities and an increase in the tax base. This type of development may also provide services or products that support the needs of residents and businesses. The specific benefits of each project vary depending on its size, nature, and long-term viability.

Jobs created by a facility vary by industry and type. The applicant states the proposed 60,000 SF facility will create 40 jobs. A similarly sized warehouse would create between 30 and 40 jobs. Warehouses are allowed in the same zoning district.

Written Responses to Public Hearing Comments Regarding the Proposed Data Center at 19178 Industrial Boulevard

Additionally, the revenue sharing program between the city and ERMU, which is in addition to property taxes, will generate a significant amount of revenue for the city.

20. What will the city do with the money?

Data center operations are required to pay property taxes, the same as any other business. ERMU, as a public entity, does not pay property taxes. Instead, they pay the city an annual Payment In Lieu of Taxes (PILOT), which by mutual agreement is 5% of the revenue generated from electric use in the City of Elk River. The city uses the annual PILOT to fund portions of the General Fund, park improvements, and equipment/vehicle replacement. The current PILOT reduces the city property tax burden by approximately \$1.7 million.

The projected new revenue is based on estimated electric usage and the final rate. The rate has not yet been established by ERMU, but early estimates show a potential increase of \$600,000 - \$800,000 annually.

If a data center is approved, the City Council will decide how to use the funds during the budget process.

21. Will this impact property values?

Property values are determined by the Sherburne County Assessor's Office and based on comparable land sales in the area.

Residential property values near the existing data centers, which are closer than the proposed data center, have followed similar market trends that have been observed throughout the community.

Data Center means a facility used primarily for the storage, management, processing, and transmission of digital data, which houses computer or network equipment, systems, servers, appliances, and other associated components related to digital data operations. The facility may also include air handlers, power generators, cooling or temperature-control systems, utility substations, and other associated infrastructure necessary for sustained operations.

(d) Conditional Uses. Conditional Uses in the I-1 district are as follows:

- (5) Data Center, provided they meet the following standards:
 - a. The proposed Data Center facility and any accessory use or structure is at least 750-feet from any residential structure, and at least 500-feet from the property line of any residentially zoned property.
 - b. The total energy use of the Data Center facility shall not exceed 35 MW of power.
 - c. The proposed Data Center facility is no larger than 75,000 SF in total size.
 - d. **Water Use** - Data Center facilities shall not utilize water for cooling systems. Cooling systems shall utilize air-based systems or advanced technology that requires zero consumptive water use, and all liquid cooled equipment must be designed to utilize a closed-loop system.
 - 1. Annual domestic water use shall not exceed 200,000 gallons unless approved by the City following verification that water is not used for cooling.
 - 2. Facilities shall install dedicated water meters and submit annual water consumption reports.
 - 3. Cooling systems shall not have any physical connection to a municipal water system or a well.
 - e. **Noise** - Noise from the operation of the proposed Data Center facility or any accessory use must comply with the Minnesota Pollution Control Agency noise standards as established in Minn. Rules Ch. 7030.
 - 1. Prior to approval, a noise study completed by a third-party engineer must be submitted demonstrating that the operations of the Data Center facility will comply with MPCA noise standards. The noise study must include sufficient information to show:
 - (a) Baseline noise levels in the area of the proposed Data Center, including noise levels measured at all external perimeter property lines.

- (b) Expected daytime and nighttime noise levels upon operation, including generator noise and other equipment noise, indoors and outdoors at multiple distances and at the external perimeter property lines.
- (c) Sound level projections and modeling for multiple distances from the Data Center facility.
- (d) Specific recommended mitigation measures to be incorporated to ensure compliance with the MPCA noise standards, and to minimize disturbance caused by low-frequency noise and vibrations.
- (e) The study must include A-weighted (dBA), C-weighted (dBC) and Z-weighted (dBZ) measurements, with full frequency spectra to identify low-frequency and tonal components.
- (f) A post construction compliance test, during operation, within six months of beginning operation must be completed to verify the actual sound levels and the effectiveness of constructed mitigation measures. The test must utilize the same methodology used for the initial noise study. If the review finds that post construction noise exceeds the maximum permissible sound levels at any external perimeter property boundaries or the locations used during the initial noise study testing or mitigation measures to address low-frequency noise or vibrations are inadequate, the applicant shall be required to develop and submit for review and approval, mitigation measures to bring noise levels within acceptable limits.
- (g) The City may order an additional noise study once per year during peak operation of the Data Center facility. The Data Center operator must provide the results of the noise study, conducted by a third-party engineer, to the City within 30 days of the request by the City or show proof that they have contracted with a third-party engineer, and the results will be available in a reasonable amount of time.
 - i. Where any noise study identifies greater than maximum permissible sound levels at any external perimeter property boundary, the City may, after reasonable notice and an opportunity to cure the conditions contributing to the exceedance, suspend or revoke the conditional use permit.

- f. **Backup Generators** - Backup generators are restricted to only emergency use when the primary source of electricity is interrupted or unavailable and routine maintenance or readiness testing.
1. Routine testing must only occur during the hours of 8:00 am to 4:00 pm, Monday through Friday.
 2. The City may require additional restrictions where testing creates noise impacts on adjacent properties.
 3. All generator systems must comply with applicable Minnesota Pollution Control Agency (MPCA) and U.S. Environmental Protection Agency (EPA) emissions standards.
 4. On-site fuel storage for back-up power generators shall be subject to the accessory structure setback and height limitations of the zoning district and must be completely screened from view within the public right-of-way. Such storage shall comply with all MPCA and State Fire Marshal requirements, all other permits, testing and listing requirements, and all applicable codes and standards such as NFPA 58.
- g. **Decommissioning** - The applicant submits a decommissioning plan, prepared by a qualified professional, outlining the estimated decommissioning timeframe, costs, and procedures for safe shutdown, removal of equipment, disposal or recycling of materials, and site restoration.

Data Center means a facility used primarily for the storage, management, processing, and transmission of digital data, which houses computer or network equipment, systems, servers, appliances, and other associated components related to digital data operations. The facility may also include air handlers, power generators, cooling or temperature-control systems, utility substations, and other associated infrastructure necessary for sustained operations.

(d) Conditional Uses. Conditional Uses in the I-1 district are as follows:

- (5) Data Center, provided they meet the following standards:
 - a. The proposed Data Center facility and any accessory use or structure is at least 750-feet from any residential structure, and at least 500-feet from the property line of any residentially zoned property.
 - b. The total energy use of the Data Center facility shall not exceed 35 MW of power.
 - c. The proposed Data Center facility is no larger than 75,000 SF in total size.
 - d. **Water Use** - Data Center facilities shall not utilize water for cooling systems. Cooling systems shall utilize air-based systems or advanced technology that requires zero consumptive water use, and all liquid cooled equipment must be designed to utilize a closed-loop system.
 - 1. Annual domestic water use shall not exceed 200,000 gallons unless approved by the City following verification that water is not used for cooling.
 - 2. Facilities shall install dedicated water meters and submit annual water consumption reports.
 - 3. Cooling systems shall not have any physical connection to a municipal water system or a well.
 - 4. The developer must provide an annual report showing the total water used over the past year.
 - e. **Noise** - Noise from the operation of the proposed Data Center facility or any accessory use must comply with the Minnesota Pollution Control Agency (MPCA) noise standards as established in Minn. Rules Ch. 7030.
 - 1. Prior to application, a noise study completed by a third-party engineer must be submitted demonstrating that the operations of the Data Center facility will comply with MPCA noise standards. The noise study must include sufficient information to show:

- (a) Baseline noise levels in the area of the proposed Data Center, including noise levels measured at all external perimeter property lines.
- (b) Expected daytime and nighttime noise levels upon operation, including generator noise and other equipment noise, indoors and outdoors at multiple distances and at the external perimeter property lines.
- (c) The study must include both A-weighted (dBA) and C-weighted (dBC) measurements, with full frequency spectra to identify low-frequency and tonal components.
- (d) Sound level projections and modeling for multiple distances from the Data Center facility, with measurements taken both outdoors and indoors of nearby dwellings.
- (e) Specific recommended mitigation measures to be incorporated to ensure compliance with the MPCA noise standards.
- (f) A post construction compliance test, during operation, within six months of beginning operation must be completed to verify the actual sound levels and the effectiveness of constructed mitigation measures. The test must utilize the same methodology used for the initial review. If the review finds that post construction noise exceeds the maximum permissible sound levels at any external perimeter property boundaries or the locations used during the initial testing, the applicant shall be required to develop and submit for review and approval, mitigation measures to bring noise levels below acceptable limits. The work must be completed within 6 months of the date of review.
- (g) The City may order an additional noise study once per year during peak operation of the data center facility. The data center operator must provide the results of the noise study, conducted by a third-party engineer, to the City within 30 days of the request by the City or show proof that they have contracted with a third-party engineer, and the results will be available in a reasonable amount of time.
 - i. Where any noise study identifies greater than maximum permissible sound levels at any external perimeter property boundary, the city may, after reasonable notice and an opportunity to cure the conditions contributing to the exceedance, suspend or revoke the conditional use permit.

- f. **Backup Generators** - Backup generators are restricted to only emergency use when the primary source of electricity is interrupted or unavailable and routine maintenance or readiness testing.
1. Routine testing must only occur during the hours of 8:00 am to 4:00 pm, Monday through Friday.
 2. The City may require additional restrictions where testing creates noise impacts on adjacent properties.
 3. All generator systems must comply with applicable Minnesota Pollution Control Agency (MPCA) and U.S. Environmental Protection Agency (EPA) emissions standards. Documentation of the review must be submitted with the application.
 4. If the MPCA or EPA determine that an environmental review is necessary, it must be completed prior to submittal of a Conditional Use Permit Application.
 5. On-site fuel storage for back-up power generators shall be subject to the accessory structure setback and height limitations of the zoning district and must be completely screened from view within the public right-of-way. Such storage shall comply with all MPCA and State Fire Marshal requirements, all other permits, testing and listing requirements, and all applicable codes and standards such as NFPA 58.
- g. **Decommissioning** - The applicant submits a decommissioning plan, prepared by a qualified professional, outlining the estimated decommissioning timeframe, costs, and procedures for safe shutdown, removal of equipment, disposal or recycling of materials, and site restoration.

Swervo Development Corporation is a Minneapolis based real estate development company specializing in new developments in all sectors of the real estate market including commercial, high-rise office and mixed-use projects, industrial, multifamily and tech sectors. Since 1999 the Company has been actively engaged in all stages of the development process, including planning, design, construction and property management. It is known for its ability to develop or convert special use properties.

The Company currently owns and manages several million square feet of commercial, multifamily, industrial and tech space both in the Twin Cities area and nationally.

Swervo Development is known for tackling challenging and historic properties, converting them into new, functional spaces such as office buildings, event venues, and residential units while maintaining the historic character of the buildings. It has also successfully developed and constructed significant new buildings and projects in historic neighborhoods.

Recent significant Swervo projects in the Twin Cities include:

- **Steelman Exchange—241 5th Avenue North, Minneapolis** : Swervo Development developed this new ten story office development in the Minneapolis historic North Loop District.
- **Western Container Building—500 North 3rd Street, Minneapolis**, The Company's conversion of the 1908 55,000 square foot office and creative space development in the Minneapolis North Loop neighborhood.
- **Internet Exchange Building --419 North Washington, Minneapolis**. Swervo Development converted this 1913 five story building located in the Minneapolis Warehouse District to 85,000 square feet of commercial office space.
- **The Minneapolis Armory**: Swervo Development converted the historic Armory building into an 8,400 person capacity concert and event venue.
- **510 Marquette Ave**: The Company renovated the former Federal Reserve Bank building into a modern office space.
- **Shakopee Amphitheater**: Swervo developed and, commencing in summer of 2026, will operate in partnership with Live Nation a 19,000-seat outdoor event venue at Canterbury Park in Shakopee.

- **Former YMCA building:** The Company performed a major renovation, transforming the six-story, 140,000-square-foot building into modern office and retail space, creating state-of-the-art office space attracting tech startups, marketing firms, and other creative businesses.
- **Woodbury Gold Line Development:** Swervo recently developed a 56-acre commercial and entertainment project at the intersection of Highways 494 and 94 in Woodbury. The project features a newly opened Topgolf facility, a Main Event entertainment venue, along with a residential and fitness center properties currently in development.
- **Uptown Theater:** The Company redeveloped the vintage theater into a 1,600-seat entertainment venue, successfully preserving a historic designated property.
- **The Penhurst Collective:** Swervo converted a former 1950s Bryn Mawr neighborhood office building into a 109-unit apartment complex by adding three stories, all as part of multi-phase residential project including senior living, apartment, and townhome units.
- **The Max:** Swervo's conversion of The Max Minneapolis, located in the Prospect Park neighborhood of Minneapolis, involved transforming the original 1917 Maxwell Car factory into a 166-unit residential loft building. The project restored original features like brickwork and cement beams while adding modern amenities, resulting in a historic warehouse loft conversion that offers studio apartments and a modern living experience.
- **Woodbury Gold Line Data Center.** In 2024, the Company acquired and repurposed the Hartford Building at 500 Bielenberg Drive in Woodbury into a 17.5 Mw data center.

Summary Report on Data Center Equipment Outdoor Noise Control

19178 Industrial Blvd
Data Center Site
Elk River, Minnesota

Site Acquisition Phase

June 16, 2026

Prepared for

Elk River Capital, LLC
510 First Avenue North, Suite 600
Minneapolis, MN 55403

ESI Project 3205

Prepared by: Ryan L. Skoug, P.E. (OR), INCE Bd. Cert.





7831 Glenroy Road, Suite 218 | Minneapolis, MN 55439
o: +1 952.831.4646 | esi-engineering.com

Supporting Innovative Design
Structures | Vibration | Noise | Monitoring

TABLE OF CONTENTS

Introduction.....	iii
Executive Summary	iv
Noise Control and Terminology	v
Project Requirements and Conditions	
A. Noise Level Requirements	A-1
B. Project Site Conditions	B-1
Noise Analysis	
C. Ambient Noise Study	C-1
D. Equipment Noise Analysis	D-1
Attachments	
A. Location 1 – Ambient Noise Monitoring Data Plots	
B. Location 2 – Ambient Noise Monitoring Data Plots	

INTRODUCTION

We understand Elk River Capital is developing the 19178 Industrial Blvd data center project in Elk River, Minnesota. Ten chillers and ten emergency power generators will be installed at the existing building (see Figure 1). All the chillers may run continuously during daytime and nighttime hours. Only one generator will ever run at a time for maintenance, and only during daytime hours.

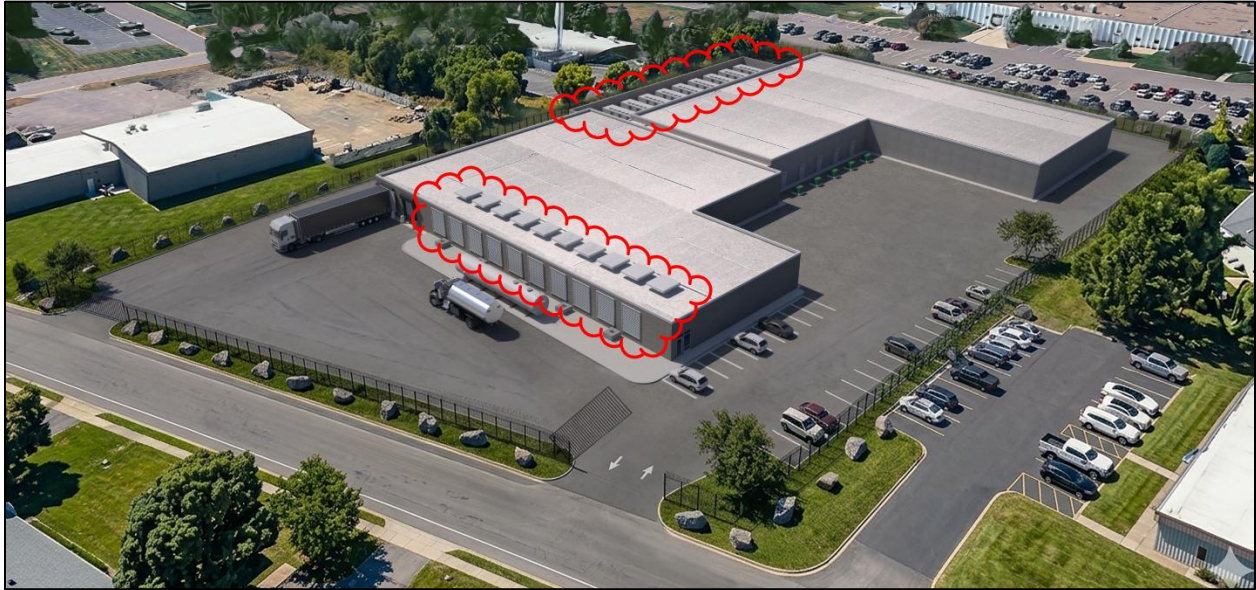


Figure 1: Rendering of the 19178 Industrial Blvd data center site with the current chiller mechanical yard and the generator intake and discharge air openings clouded.

Noise from the new equipment must meet the City of Elk River and State of Minnesota (MPCA) requirements at neighboring properties. The City of Elk River is requiring the project team to provide a sound study as part of the Conditional Use Permit application. The study must include monitoring of the existing noise levels near the project site, evaluation of the new data center equipment outdoor noise levels at nearby properties, a comparison of the results to MPCA noise requirements, and a comparison of the results at residential receivers to additional low-frequency noise design goals. The following report sections provide a summary of our findings.

EXECUTIVE SUMMARY

The following is a summary of the findings provided in this report:

1. **Noise Requirements:** Minnesota Rule 7030: Noise Pollution Control, establishes maximum allowable L10 (10th percentile, louder levels) and L50 (50th percentile, median levels) noise levels during daytime and nighttime hours based on the receiver type. The more stringent L50 requirements are 50 dBA nighttime / 60 dBA daytime at residential receivers, 60 dBA at educational receivers, 65 dBA at commercial receivers, and 75 dBA at industrial receivers.
2. **Site Conditions:** The 19178 Industrial Blvd data center site in Elk River is within an industrial park. There are residential receivers over 700' to the northeast, educational receivers over 500' to the north, the nearest commercial receiver is along the south property line, and industrial (manufacturing and street-right-of-way) properties are around the remainder of the project site. The terrain around the site is relatively flat, with only some increase in elevation to the northeast. The dominant noise sources at the data center will be the new chillers that run all the time, and the generators that only run for maintenance quarterly.
3. **Ambient Noise Study and Observations:** Ambient noise levels were monitored at the project site and close to nearby residential properties. The noise levels were evaluated between the 7:00 AM hours of Sunday, June 14th to Monday, June 15th. This period had low wind speeds (especially at night) and reduced traffic quantities. The measurements yielded hourly L10 and L50 sound pressure levels which were then compared to the MPCA requirements. The dominant noise source during the monitoring period was traffic noise on the adjacent County Road 1. While the traffic noise levels at the residential location did not exceed the MPCA limits during the daytime hours and most of the nighttime hours, noise from trains and vehicular traffic did exceed the limits during the 4:00 AM, 5:00 AM, and 6:00 AM nighttime hours.
4. **Equipment Noise Analysis:** Using site layouts, site topography, and manufacturer provided sound power data for the new equipment, calculations were prepared to evaluate outdoor radiated noise from the new chillers and an emergency power generator. Noise mitigation components included barrier walls around the chillers, and sound attenuators at the generator intake air, discharge air, and combustion exhaust paths. Noise contour plots were created to show the noise levels at receiver locations within 1,000' of the site. The analysis results show that the MPCA requirements are met at all nearby receivers.

NOISE CONTROL AND TERMINOLOGY

In the United States, there is particular concern lately regarding enforcement of noise emanating from data center sites. The Minnesota Pollution Control Agency (MPCA) provides outdoor noise control guidance in their document “A Guide to Noise Control in Minnesota” (MPCA Guide). However, many municipalities and residents have questions that are beyond the scope of the MPCA Guide. The following provide answers to noise questions commonly asked by the public from the perspective of ESI noise control engineers who have experience evaluating data center sites.

Noise Level Evaluation

Noise levels are commonly measured with a sound level meter, which detects acoustic pressure variations in air and quantifies the variations as decibels (unit symbol dB). A young, healthy human ear can sense acoustic pressure variations between 20 Hz (very low frequency or pitch) and 20,000 Hz (very high frequency). Humans are most sensitive to sounds between 1,000 and 5,000 Hz, and less sensitive to sounds at lower and higher frequencies. To simulate the response of the human ear, sound level meters can filter the low and high frequencies of the measured pressure variations. The most common filter is called the A-weighted filter (unit symbol dBA), which adjusts levels at various frequencies to roughly match how the human ear perceives loudness (see Figure 2).

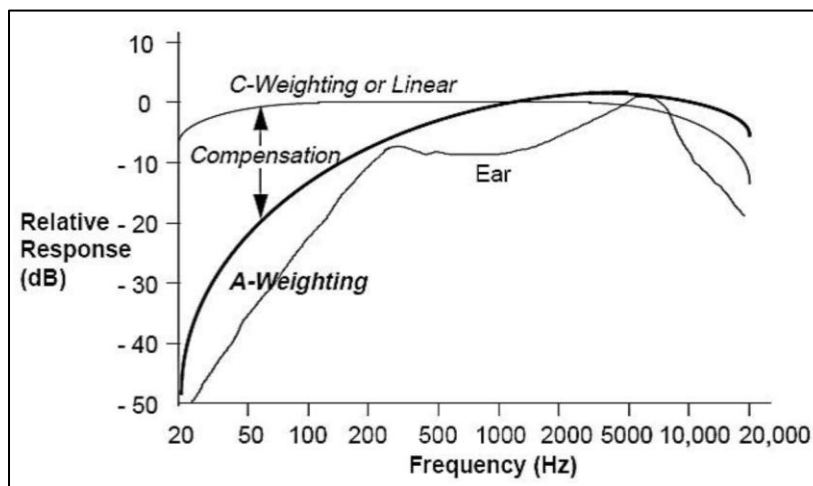


Figure 2: Comparison of human hearing to common filters (MPCA Guide, Figure 4).

Low-Frequency Noise

Research has shown that A-weighted sound levels best match how humans typically perceive loudness. However, C-weighting (unit symbol dBC) is a second common method, which does not filter as much sound at low-frequencies (also shown in Figure 2). Since people tend to be more accepting of continuous low-frequency sound, we usually only see C-weighted levels evaluated when dealing with music bass noise transmission into sensitive living spaces.

In recent months, many residents around the country have issued complaints about data center “low-frequency” noise and vibration concerns. While airborne, low-frequency sound does have the ability to produce noise-induced vibration if the amplitudes exceed minimum thresholds, we are unaware of any documented cases of data centers producing this issue at neighboring properties, and this has not been an issue for any of our other similar projects.

Distance Effects

Think of sound radiating away from a source near the ground as an ever-growing hemisphere into the open air. As noise travels away from a sound emitter, the sound level decreases with distance because the hemisphere is growing larger and the sound is being spread over a greater area. For every doubling of distance from the source, the noise levels are reduced by 6 dBA, as shown in Figure 3.

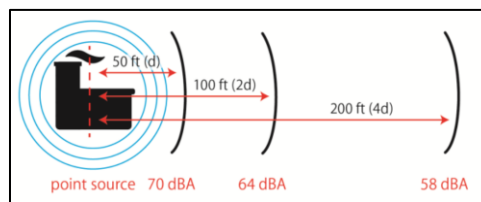


Figure 3: Illustration of sound reduction with doubling of distance (MPCA Guide, Figure 6).

Noise Source Addition

One common factor for noise amplification is increasing the number of noise units or sources. Sound levels from multiple sources add logarithmically. Figure 5 illustrates how every doubling in the number of sources with the same sound level increases noise by 3 dBA (e.g., 70 dBA + 70 dBA = 73 dBA). However, sources with levels that are more than 10 dBA different do not cause an increase in the combined level (e.g., 70 dBA + 60 dBA = 70 dBA). Therefore, the combined sound from two sources will increase the total noise level by 0 and 3 dBA.

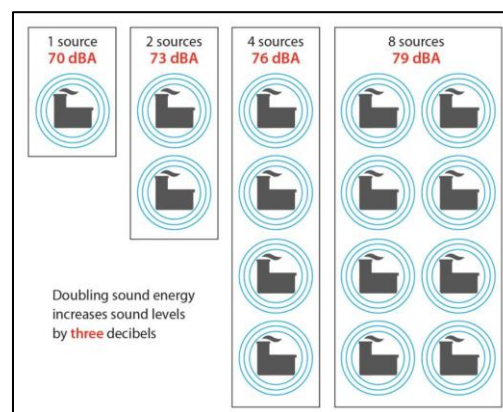


Figure 4: Illustration of sound level increase with doubling in the number of sources (MPCA Guide, Figure 7).

Atmosphere / Meteorological Effects

Wind speeds and direction, and temperature gradients (changes in temperature with elevation) both increase and decrease noise propagation to distant receiver locations. Within 300' of a noise source, environmental effects like wind and temperature inversion can be ignored. At distances greater than 300', these factors can increase or decrease sound levels.

- When temperatures are cooler near the ground, and/or winds are in the direction from the noise source toward the receiver, sound is refracted¹ down toward the receiver, which increases source noise levels at the receiver position (see example in Figure 5).
- When temperatures are warmer near the ground, and/or winds are in the direction from the receiver toward the noise source, sound is refracted up into the atmosphere, resulting in quieter source noise levels at the receiver position.

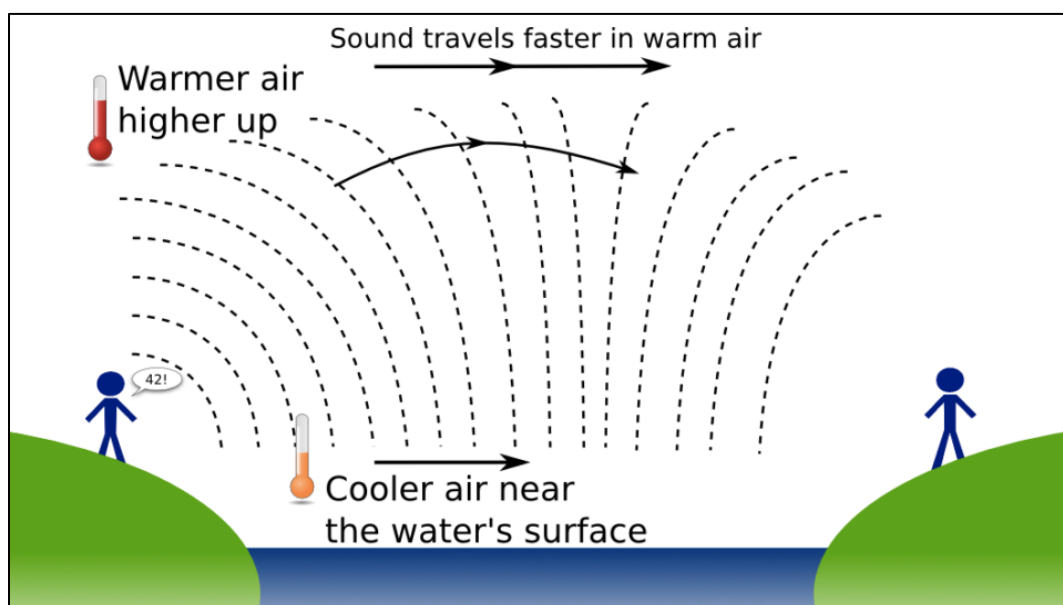


Figure 5: Acoustics Today image showing sound refraction due to temperature.

Our analysis uses ANSI S12.62² standardized methods to evaluate noise attenuation with distance, which includes a conservative assumption of “meteorological conditions which are favorable for propagation from the source to that receiver [under evaluation].” However, we also include an additional 2 dB meteorological factor with our calculations, with an understanding that, “values in excess of 2 dB are exceptional.”

¹ According to the Oxford dictionary, refraction is the “change in direction of propagation of any wave as a result of its traveling at different speeds at different points along the wave front.”

² ANSI-ASA S12.62 Attenuation of sound during propagation outdoors – Part 2; General method of calculation.

Barrier and Forest Effects

An engineering noise analysis should consider reflections from large flat surfaces and the barrier effect caused by walls, buildings, berms, and hills. Conversely, barrier effects produced by trees can be ignored unless there is a well-maintained, dense, evergreen forest that is more than 150' deep. For example, per ANSI S12.62, 150' of dense foliage reduces noise by only 2.3 dB at the 500 Hz frequency.

Ambient Noise Effects

Figure 6 shows how humans typically perceive changes in sound pressure levels. The MPCA requirements do not include criteria for how much change from the ambient noise levels (the background noise level that exists without the source level) is permissible. Unfortunately, because ambient noise levels are constantly changing over the course of a day, and the degree of change that is perceived as bothersome to people varies greatly, it is very complicated to develop and regulate requirements around the difference between ambient and source noise levels. Rather, the MPCA requirements provide maximum noise limits for varying receiver types, which sets an objective measure for what receivers may expect at their properties, and what producers must meet at neighboring properties.

± 1 dBA.....	Not Noticeable
± 3 dBA.....	Threshold of Perception
± 5 dBA.....	Noticeable Change
± 10 dBA.....	Twice (Half) As Loud
± 20 dBA.....	Four Times (One Fourth) As

Figure 6: Comparisons between decibel and perceived changes (MPCA Guide, Figure 5).

Figure 7 provides a comparison of sound pressure levels for common noises. It is especially helpful that the chart shows that “Quiet” suburban and rural nighttime levels may be around 35 dBA and 20 dBA, respectively. In ambient noise studies that we perform, these are the quietest levels that are measured. Nighttime levels typically range from 25 to 60 dBA, with average hourly levels in the 40's and 50's. These average levels are near the MPCA 50 dBA nighttime requirement for an L50 level at a residential receiver. In our opinion, based on project experience in many municipalities, the MPCA requirements are reasonable, and exceeding these limits would be too loud for many people.

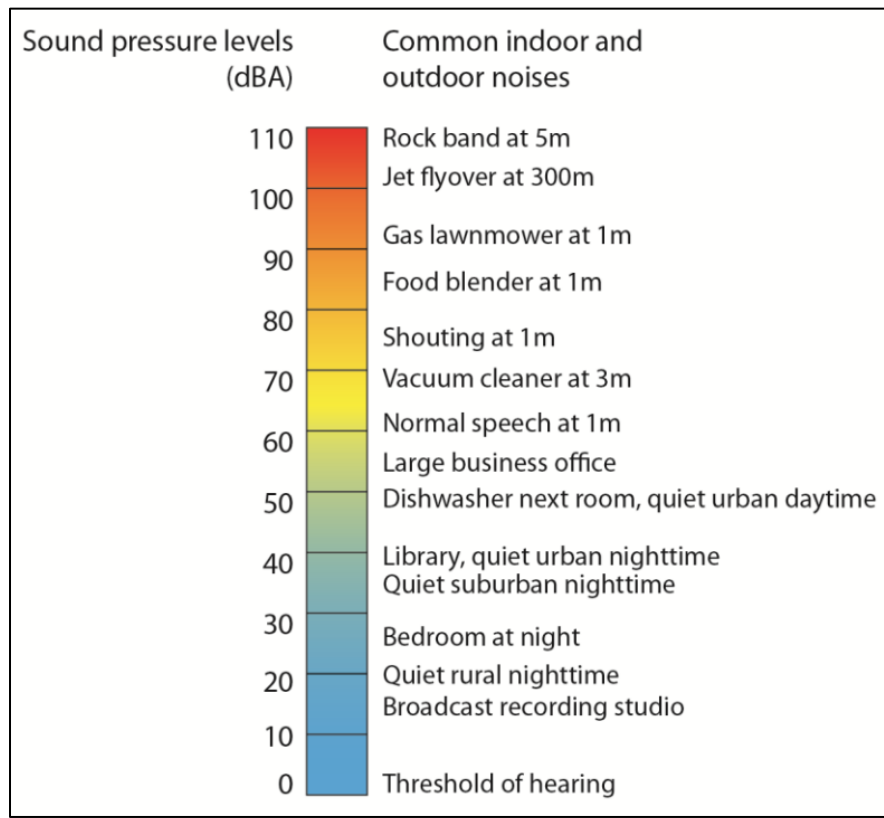


Figure 7: Noise level comparison chart (MPCA Guide, Figure 3).

Because the MPCA requirements are more stringent during nighttime hours, our analysis includes a comparison of calculated data center equipment noise levels to the nighttime noise limits. However, in general, time of day does not affect the propagation of sound. Data center equipment noise only tends to be more noticeable during nighttime hours because other sources of ambient noise are quieter and are not providing as much masking of the data center noise.

PROJECT REQUIREMENTS AND CONDITIONS

The following sections provide information on noise requirements and site conditions at the existing 19178 Industrial Blvd site in Elk River, Minnesota.

A. NOISE LEVEL REQUIREMENTS

The following is a review of outdoor noise level requirements that apply to the 19178 Industrial Blvd site in Elk River, Minnesota based on our review of the City of Elk River Code, the State of Minnesota Rules, and other published guidelines.

City of Elk River Code

The Code of Ordinances for the City of Elk River has noise requirements in Chapter 46 – Nuisances. Section 46-38 – Excessive Noise, states the following:

“It is declared to be a public nuisance for any person to make or assist in the making of any nuisance noise or any loud, unnecessary or unusual sound or any sound which annoys, disturbs or affects the comfort, repose, health, peace, or safety of others in the city.”

Unfortunately, the City Code does not include objective limits for noise at neighboring properties. Because opinions on what noise levels are annoying will vary from person to person, it is very difficult to enforce this requirement in and of itself.

State of Minnesota Rules

The State of Minnesota has requirements for maximum allowable noise levels per receiving land use in [Minnesota Rule 7030: Noise Pollution Control](#), which was prepared by the Minnesota Pollution Control Agency (MPCA). Table A-1 shows the L10³ and L50⁴ noise limits per noise area classification (NAC). In general, NAC 1 is residential and educational land use, NAC 2 is commercial, NAC 3 is industrial, and NAC 4 is undeveloped. The requirements apply to all sources of noise with few exceptions. Daytime is defined as being from 7:00 AM to 10:00 PM, and nighttime is from 10:00 PM to 7:00 AM. The requirements are to be evaluated at the point of the nearest receiver over 1 hour periods, the sound level meter must use a ‘Fast’ time-weighting response, and the sound levels must be A-weighted.

³ L10 is the sound level that is exceeded 10% of the time during a measurement period, which are the louder levels.

⁴ L50 is the sound level that is exceeded 50% of the time during a measurement period, or the median level.

Table A-1: Minnesota Rule 7030 Maximum Noise Level Requirements

Noise Area Classification	Receiver Type	Daytime (7AM - 10PM)		Nighttime (10PM - 7AM)	
		L10	L50	L10	L50
1	Residential	65 dBA	60 dBA	55 dBA	50 dBA
2	Commercial	70 dBA	65 dBA	70 dBA	65 dBA
3	Industrial	80 dBA	75 dBA	80 dBA	75 dBA
4	Undeveloped	No Limits			

The State of Minnesota defines what authority the MPCA has in [Minnesota Statute 116.07 Powers and Duties](#). Subd. 2.c of this statute states the following:

“The Pollution Control Agency shall also adopt standards describing the maximum levels of noise in terms of sound pressure level which may occur in the outdoor atmosphere, recognizing that due to variable factors no single standard of sound pressure is applicable to all areas of the state. ... No local governing unit shall set standards describing the maximum levels of sound pressure which are more stringent than those set by the Pollution Control Agency.”

Project Requirements

Based on our review of the City of Elk River, State of Minnesota, and MPCA noise requirements, the following are requirements for noise that apply to the 19178 Industrial Blvd data center site:

1. The chillers will run continuously for more than 30 minutes of an hour. Therefore, the equipment must meet the more stringent L50 limits in Table A-1.
2. The chillers will operate during both daytime and nighttime hours. Therefore, noise from the chillers cannot exceed the nighttime noise level limits.
3. The generators will not be used for peak-shaving. They will only operate individually during daytime hours for maintenance runs and must meet the more stringent daytime L50 criteria. We assume emergency operation of the generators is exempt from the noise requirements.
4. The requirements cannot be any more stringent than the limits in Table A-1.
5. Noise shall be evaluated at the nearest receiver positions on the neighboring properties.
6. The following provides a summary of the land use activities that are located within 1,000' of the data center site per the specific NAC that apply to each:
 - a. NAC 1 – Household Units.

- b. NAC 1 Daytime Only – Educational Services (the Meadowvale Elementary School and Creative Kids Academy nighttime limits are the same as the daytime requirements because they are not occupied, nor have people sleeping within them, during nighttime hours).
- c. NAC 2 – Recreational Trails, Business Services, and Restaurant (Aegir Brewery).
- d. NAC 3 – Manufacturing, Utilities, Transportation, and Street Right-Of-Way.
- e. NAC 4 – Undeveloped / Unused Land Areas.

Additional Design Goals

We understand the City of Elk River has asked for our evaluation to include specific and unique analysis findings for nearby residential receivers. The following is a list of the requests, along with our recommended design goals for this project. However, it should be understood that there are no MPCA requirements regarding these findings, and Minnesota Statute 116.07 does not allow for the enforcement of more stringent noise level limits than those set by the MPCA.

C-Weighted Limits

To evaluate the presence of loud low-frequency noise levels for this project, we will include a summary of the measured and calculated overall “dBC – dBA” levels at receiver positions. According to ASHRAE⁵, “When the quantity dBC – dBA is large (e.g., greater than 25 dB), significant low-frequency sound is present. It is recommended that when specifying background sound levels in dBA, the dBC is also included in the specification and does not exceed the dBA reading by more than 20 dB.” Therefore, the residential receiver low-frequency noise design goal for this project is a maximum dBC – dBA of 20 dB. The metric for measurements should be the hourly average (equivalent continuous, L_{eq}) sound pressure level.

Noise-Induced Vibration Limits

Airborne, low-frequency sound inside buildings can produce noise-induced vibration if the amplitudes exceed minimum thresholds. According to ASHRAE⁶, indoor noise levels of more than 65 dB at 31.5 Hz, and 69 dB at 63 Hz, “are likely to generate vibration that may be perceptible. There is a slight possibility of rattles in light fixtures, doors, windows, etc.” Therefore, because residential buildings provide about 15 dB of noise reduction at these frequencies, the residential receiver 31.5 Hz and 63 Hz maximum outdoor design goals for this project are 80 dB and 84 dB, respectively, measured as hourly L_{eq} sound pressure levels.

⁵ 2023 ASHRAE Handbook of HVAC Applications, Chapter 49: Noise and Vibration Control, Section 2: Acoustical Design of HVAC Systems, Subsection 2.1: Receiver Considerations – Criteria Descriptions – dBA and dBC: A- and C-Weighted Sound Level.

⁶ 2023 ASHRAE Handbook of HVAC Applications, Chapter 49: Noise and Vibration Control, Section 2: Acoustical Design of HVAC Systems, Subsection 2.1: Receiver Considerations – Criteria Descriptions, Fig. 6: Room Criterion Curves, Mark II.

B. PROJECT SITE CONDITIONS

The data center project site is located at 19178 Industrial Blvd in Elk River, Minnesota. The existing site is zoned 'Industrial' and has been used for manufacturing. As shown in Figure B-1, most of the neighboring properties are type NAC 3. There are also some NAC 1 properties to the north, NAC 2 properties to the north and south, and NAC 4 properties to the west and south. While the topography in this area is relatively flat, the terrain lines in Figure B-2 show that the ground elevations slope somewhat upward to the northeast.

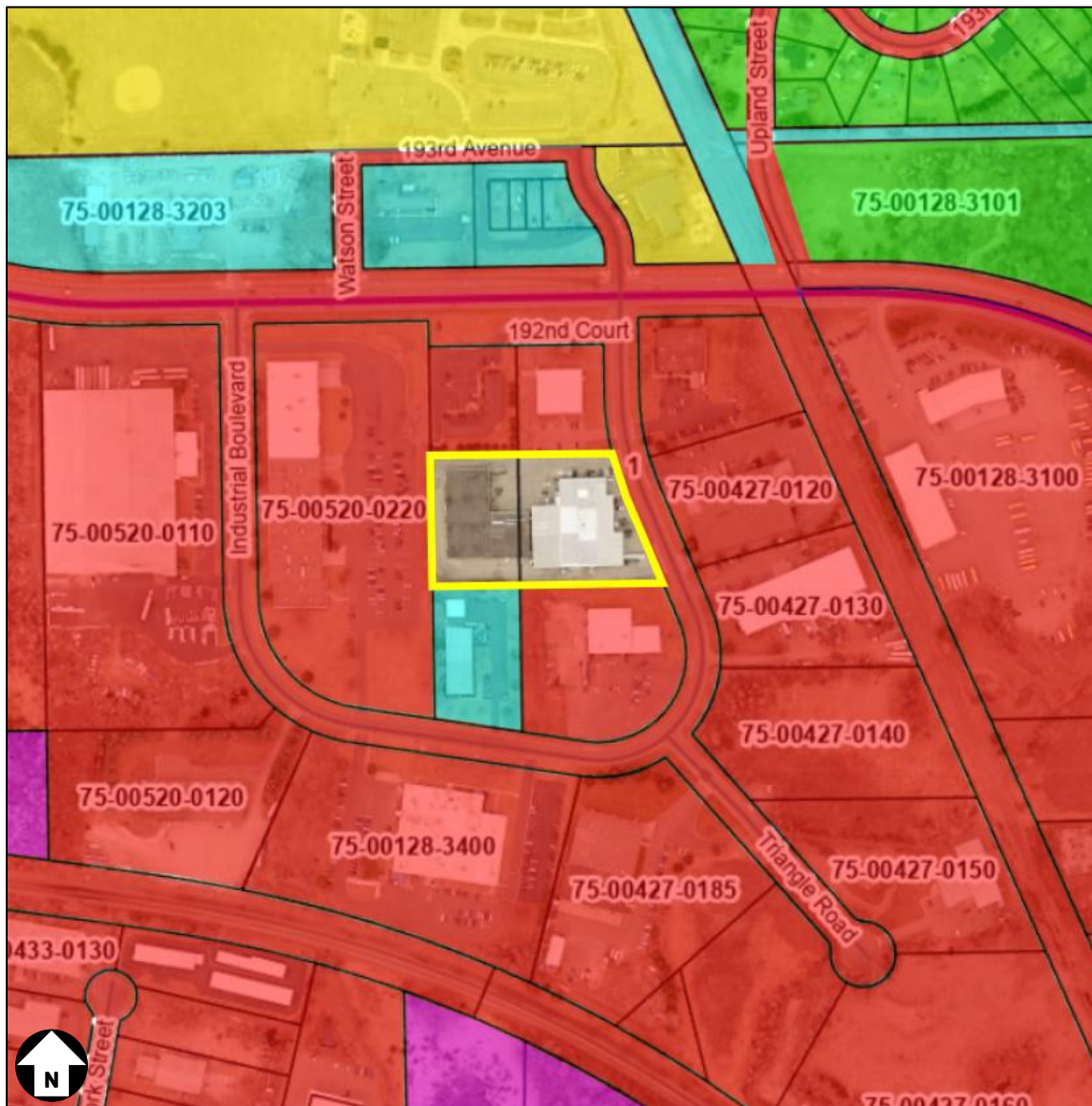


Figure B-1: Sherburne County property map image showing the 19178 Industrial Blvd site (yellow border) with the neighboring NAC 1 (green), NAC 1 Daytime (yellow), NAC 2 (blue), NAC 3 (red), and NAC 4 (magenta) receivers highlighted.



Figure B-2: MNTopo aerial image showing the topography around the 19178 Industrial Blvd site.

The project includes the installation of ten chillers and ten emergency power generators. As shown in Figure B-3, the chillers will be located either on the existing west rooftop or in a new mechanical yard on the south side of the building, and the generators will be housed in a room on the east side of the building. The generator room will have outdoor air intake openings through the rooftop, and cooling air discharge openings through the south wall. The generator combustion exhaust pipes will penetrate the rooftop and point straight up.

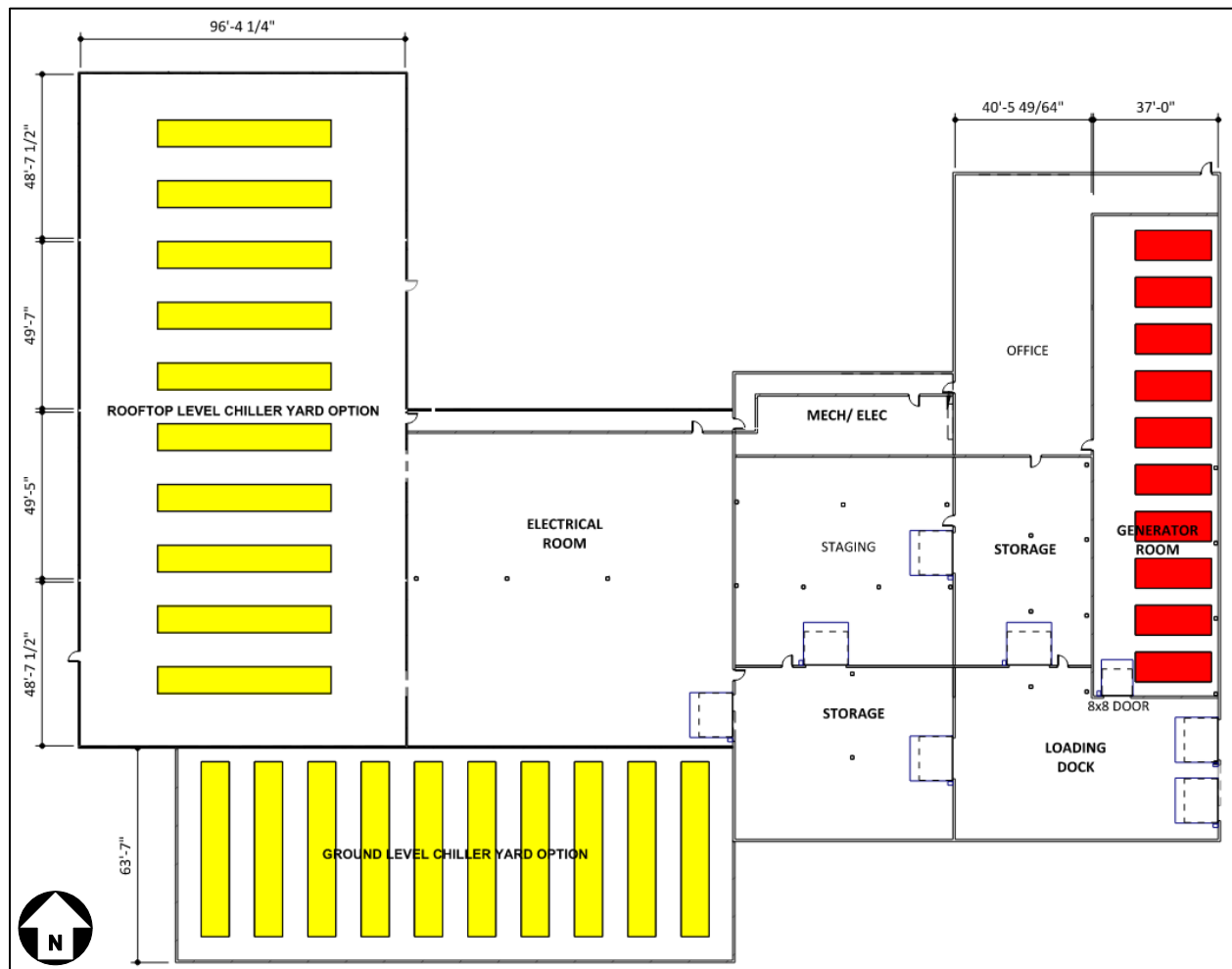


Figure B-3: 19178 Industrial Blvd equipment plan showing the locations of the proposed generators (red) and the chillers (yellows) at either the rooftop level or ground level.

NOISE ANALYSIS

ESI Engineering was asked by Elk River Capital to assist with the following equipment noise control services:

1. Monitor ambient noise levels at two locations near the project site.
2. Calculate the chiller and generator noise levels at properties within 1,000' of the 19178 Industrial Blvd site based on manufacturer provided sound data and the site conditions.

The following sections summarize our findings.

C. AMBIENT NOISE STUDY

Noise was monitored for 24 hours at the two locations around the 19178 Industrial Blvd project site that are shown in Figure C-1.



Figure C-1: Aerial image showing the noise monitoring locations.

The following items detail the monitoring conditions:

1. Existing HVAC – The existing building at the 19178 Industrial Blvd site has outdoor air handling units, which were operational during the noise monitoring period.
2. Location 1 – One monitoring system was located near the southeast corner of the 19178 Industrial Blvd site (Location 1 in Figure C-1, above). The monitoring equipment set up at Location 1 is shown in Figure C-2. The dominant noise source was traffic on County Road 1.



Figure C-2: Photo looking south toward the Location 1 monitoring equipment.

3. Location 2 – A second monitoring system was located near the south property line of nearby residential receivers to the northeast (Location 2 in Figure C-1). While there are closer residential receiver locations to the project site, these locations were also closer to nearby roadways. We did not want to manipulate the sound data with louder traffic noise levels, and therefore selected a position that was farther from the roads to better represent ambient noise levels in nearby residential backyards. The equipment was placed along a public trail (see Figure C-2), and the microphone had direct line of site to both County Road 1 and Upland St NW. The dominant noise source was traffic on County Road 1.



Figure C-3: Photo looking north toward the Location 2 monitoring equipment.

4. Equipment Setup – The noise monitoring systems captured continuous noise levels between the 7:00 AM hours from Sunday, June 14 to Monday, June 15, 2026. The noise monitoring followed the State of Minnesota requirements and the MPCA guidelines. The equipment logged hourly and one-second noise levels over a 24-hour period. The system also made audio recordings at the beginning of each hour and whenever the instantaneous level exceeded a set threshold.

The measured hourly noise level results at Locations 1 and 2 are provided in Tables C-1 and C-2, respectively (see Attachments A and B, respectively, for additional data plots). Each table allows for comparison of the noise level results to the applicable criteria from Section A, above, and includes the weather conditions. For any measured hourly result that exceeded the criteria, that value is shown in **bold red** text. Table C-1 compares the measured noise levels at the NAC 3 receiver position to the applicable MPCA requirements. Table C-2 compares the results to the criteria for an NAC 1 residential receiver, which includes the following for this project:

- Overall L10 (dBA) compared to the 65 dBA daytime and 55 dBA nighttime MPCA requirements.
- Overall L50 (dBA) compared to the 60 dBA daytime and 50 dBA nighttime MPCA requirements.
- Overall L90 (dBA) for information purposes only.
- L_{eq} at 31.5 Hz (dB) compared to the 80 dB maximum design goal (not a requirement).
- L_{eq} at 63 Hz (dB) compared to the 84 dB maximum design goal (not a requirement).
- Overall L_{Ceq} Minus Overall L_{Aeq} (dB) compared to the 20 dB maximum design goal (not a requirement).

Table C-1: Loc. 1 Measurement Results Compared to NAC 3 Criteria and Weather

Date	Hour	L10 Noise Level, dBA		L50 Noise Level, dBA		Weather Conditions			
		Measured	Criterion	Measured	Criterion	Temp	Wind		Condition
							Speed	Dir	
Sunday, June 14, 2026	7:00 AM	53	80	49	75	54 °F	14 mph	NNW	Fair
	8:00 AM	51		48		55 °F	18 mph	NNW	Fair
	9:00 AM	53		50		59 °F	18 mph	N	Fair
	10:00 AM	55		51		63 °F	15 mph	NNW	Fair
	11:00 AM	56		51		64 °F	16 mph	NNW	Fair
	12:00 PM	56		52		66 °F	17 mph	NW	Fair
	1:00 PM	56		51		68 °F	20 mph	NNW	Fair
	2:00 PM	55		51		68 °F	10 mph	NW	Fair
	3:00 PM	53		49		70 °F	14 mph	NNW	Fair
	4:00 PM	53		50		72 °F	14 mph	NNW	Fair
	5:00 PM	53		50		72 °F	17 mph	NNW	Fair
	6:00 PM	53		49		72 °F	9 mph	WNW	Fair
	7:00 PM	52		47		70 °F	14 mph	WNW	Fair
	8:00 PM	52		47		68 °F	9 mph	WNW	Fair
	9:00 PM	52		45		64 °F	6 mph	WNW	Fair
Monday, June 15, 2026	10:00 PM	50	80	43	75	59 °F	0 mph	CALM	Mostly Cloudy
	11:00 PM	50		40		57 °F	5 mph	WSW	Mostly Cloudy
	12:00 AM	48	80	37	75	57 °F	0 mph	CALM	Mostly Cloudy
	1:00 AM	41		35		50 °F	0 mph	CALM	Partly Cloudy
	2:00 AM	45		36		50 °F	0 mph	CALM	Partly Cloudy
	3:00 AM	48		38		46 °F	0 mph	CALM	Partly Cloudy
	4:00 AM	62		49		48 °F	0 mph	CALM	Mostly Cloudy
	5:00 AM	56		52		48 °F	0 mph	CALM	Fair
	6:00 AM	58		54		50 °F	5 mph	SSW	Fair

Table C-2: Loc. 2 Measurement Results Compared to NAC 1 Criteria and Weather

Date	Hour	L10, dBA		L50, dBA		L90, dBA		31.5 Hz Leq, dB		63 Hz Leq, dB		dBC-dBA, dB		Weather Conditions			
		Meas- ured	Crit- erion	Meas- ured	Crit- erion	Meas- ured	Crit- erion	Meas- ured	Crit- erion	Meas- ured	Crit- erion	Meas- ured	Crit- erion	Temp	Wind		Condition
															Speed	Dir	
Sunday, June 14, 2026	7:00 AM	53	65	49	60	44	-	49	80	48	84	8	20	54 °F	14 mph	NNW	Fair
	8:00 AM	51		48		45		47		47		9		55 °F	18 mph	NNW	Fair
	9:00 AM	53		50		46		53		51		11		59 °F	18 mph	N	Fair
	10:00 AM	55		51		48		56		51		12		63 °F	15 mph	NNW	Fair
	11:00 AM	56		51		48		54		51		10		64 °F	16 mph	NNW	Fair
	12:00 PM	56		52		49		56		55		11		66 °F	17 mph	NW	Fair
	1:00 PM	56		51		48		53		52		10		68 °F	20 mph	NNW	Fair
	2:00 PM	55		51		47		53		53		12		68 °F	10 mph	NW	Fair
	3:00 PM	53		49		46		51		51		11		70 °F	14 mph	NNW	Fair
	4:00 PM	53		50		46		51		51		10		72 °F	14 mph	NNW	Fair
	5:00 PM	53		50		46		48		51		10		72 °F	17 mph	NNW	Fair
	6:00 PM	53		49		45		49		51		10		72 °F	9 mph	WNW	Fair
	7:00 PM	52		47		41		46		51		11		70 °F	14 mph	WNW	Fair
	8:00 PM	52		47		40		44		51		10		68 °F	9 mph	WNW	Fair
Monday, June 15, 2026	9:00 PM	52		45		39		46		50		10		64 °F	6 mph	WNW	Fair
	10:00 PM	50	55	43	50	36	-	43	80	44	84	8	20	59 °F	0 mph	CALM	Mostly Cloudy
	11:00 PM	50		40		34		46		47		10		57 °F	5 mph	WSW	Mostly Cloudy
	12:00 AM	48	55	37	50	33	-	39	80	44	84	4	20	57 °F	0 mph	CALM	Mostly Cloudy
	1:00 AM	41		35		34		37		38		8		50 °F	0 mph	CALM	Partly Cloudy
	2:00 AM	45		36		34		46		46		10		50 °F	0 mph	CALM	Partly Cloudy
	3:00 AM	48		38		35		43		45		9		46 °F	0 mph	CALM	Partly Cloudy
	4:00 AM	62		49		41		53		56		10		48 °F	0 mph	CALM	Mostly Cloudy
	5:00 AM	56		52		47		51		53		8		48 °F	0 mph	CALM	Fair
	6:00 AM	58		54		50		52		55		8		50 °F	5 mph	SSW	Fair

The following summarize the measurement results:

1. Based on a review of the audio recordings, the loudest noise events were caused by traffic on County Road 1 and trains on the railroad tracks to the south of the project site.
2. Based on a review of the hourly noise level results at $\frac{1}{3}$ octave band frequencies, traffic produced the loudest levels in the 400 Hz to 2,000 Hz range. This noise was dominant during both daytime and nighttime hours. There was also wind noise in the 2,000 Hz to 5,000 Hz range during most of the daytime hours. Other noise sources that had less effect on the overall noise levels were bird and insect chirps.
3. Location 1 had L10 and L50 results that were all less than the limits for an NAC 3 receiver.
4. Location 2 had L10 and L50 results that were less than the limits for an NAC 1 residential receiver during all daytime hours and most nighttime hours. However, the levels exceeded the limits during the 4:00 AM, 5:00 AM, and 6:00 AM hours. Based on a review of the weather conditions, the audio recordings, and the noise level results at $\frac{1}{3}$ octave band frequencies, the L10 exceedance during the 4:00 AM hour was caused by trains. The L10 and L50 exceedances during the 5:00 AM and 6:00 AM hours were caused by a combination of traffic on County Road 1 and trains.

In summary, the dominant noise source at the project site is traffic on County Road 1, with train noise having more effect on the hourly levels during early morning hours. While most hours had L10 and L50 noise levels that were less than the MPCA limits, the levels during early morning hours at the residential receiver exceeded the limits due to increased train and traffic noise.

D. EQUIPMENT NOISE ANALYSIS

Calculations were prepared to evaluate the new equipment noise levels within 1,000' of the 19178 Industrial Blvd data center site. The following is a summary of design conditions used in the calculations and the calculated results.

Design Conditions

The following were used as baseline conditions to evaluate new equipment noise at nearby receivers:

1. MPCA noise requirements as listed in Table A-1 above. The primary limits that apply to this project are the nighttime L50 limit of 50 dBA for NAC 1 residential receivers, and the daytime/nighttime L50 limits of 60 dBA, 65 dBA, and 75 dBA for all other NAC 1, 2, and 3 receivers, respectively.
2. Maximum project design goals for NAC 1 residential receivers of 80 dB at 31.5 Hz and 84 dB at 63 Hz, as well as maximum dBC – dBA levels of 20 dB.
3. Sherburne County GIS aerial images showing the relative locations of the 19178 Industrial Blvd data center site and neighboring receiver locations.
4. Topography lines from the MNTopo website aerial images.
5. Equipment site plan received May 21, 2026.
6. York performance report for the ten model YVFA0459, 550 nominal ton air-cooled screw chillers (see Figure D-1). The top of the chillers are at 7'-11" above the ground. The York report provided unit sound power levels at each octave band frequency from 63 Hz to 8,000 Hz, which sum to an overall level of 105 dBA for the 100 % load, 101.4 °F ambient temperature condition. Based on measurement data we have for similar chillers, we assumed the chiller sound level at the 31.5 Hz octave band was equal to the level at 63 Hz.



Figure D-1: York image of a model YVFA air-cooled screw chiller.

7. Cummins specification sheet for the ten 2,500 kW model DQKAN diesel generator sets (see Figure D-2). Based on the sound data in the submittal from 31.5 Hz to 8,000 Hz, each genset produces overall sound power levels of 128 dBA radiated from the unit, and 133 dBA at the open exhaust. Generator noise will radiate from the outdoor air intake openings in the rooftop, the cooling air discharge openings on the east side of the building, and the combustion exhaust pipes that penetrate the rooftop and point upward.



Figure D-2: Cummins image of a DQKAN diesel generator set.

8. Nine receiver locations (Locations A through I, as shown in Figure D-3) were positioned around the site to evaluate noise levels. Three locations were placed on the nearby NAC 1 residential properties, two were on NAC 1 daytime educational properties, another two were on NAC 2 business and restaurant properties, and the last two were at the nearest NAC 3 industrial and street right-of-way properties.

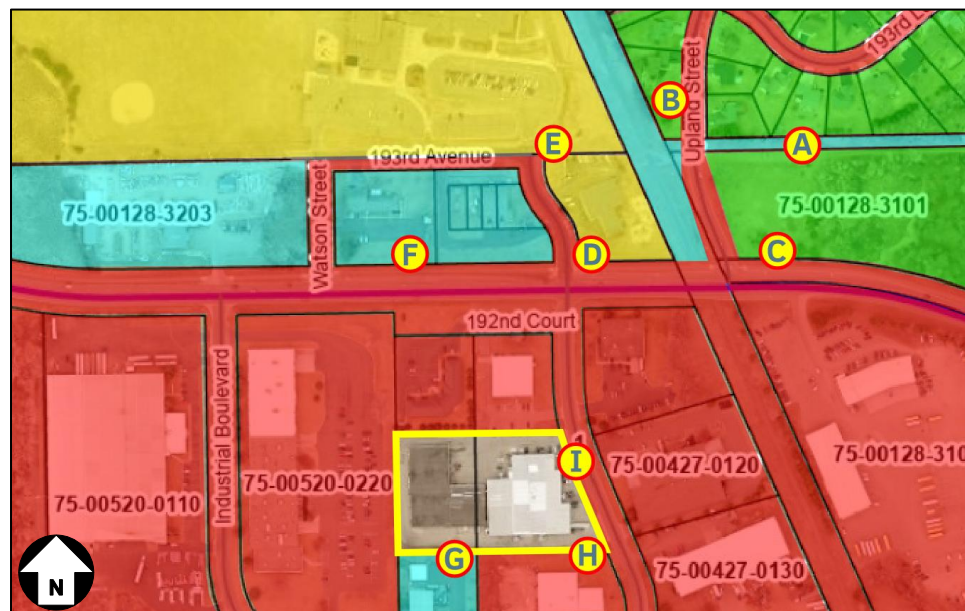


Figure D-3: Aerial image showing the nine receiver locations for the analysis.

9. The noise model calculations include the following settings:

- a. Calculations use ANSI S12.62⁷ standardized methods.
- b. Buildings are acoustically reflective with only a 0.5 dB attenuation setting.
- c. Ground is acoustically reflective with a 0 dB attenuation setting.
- d. The meteorological factor is set at +2 dB.
- e. Barriers (e.g., walls, buildings, topography, etc.) only provide noise reduction if they block the line of site between the source and receiver positions.
- f. Noise evaluated at each octave band frequency from 31.5 Hz to 8,000 Hz.
- g. Maximum order of reflection set at 3 reflections.

The 3D rendering in Figure D-4 shows the source, building, and receiver inputs that were included in the model. Individual sources were used for the generator intake and combustion exhaust at the rooftop, and discharge at the east wall. Two sources were used for each chiller to better represent sound across the long length of these units.

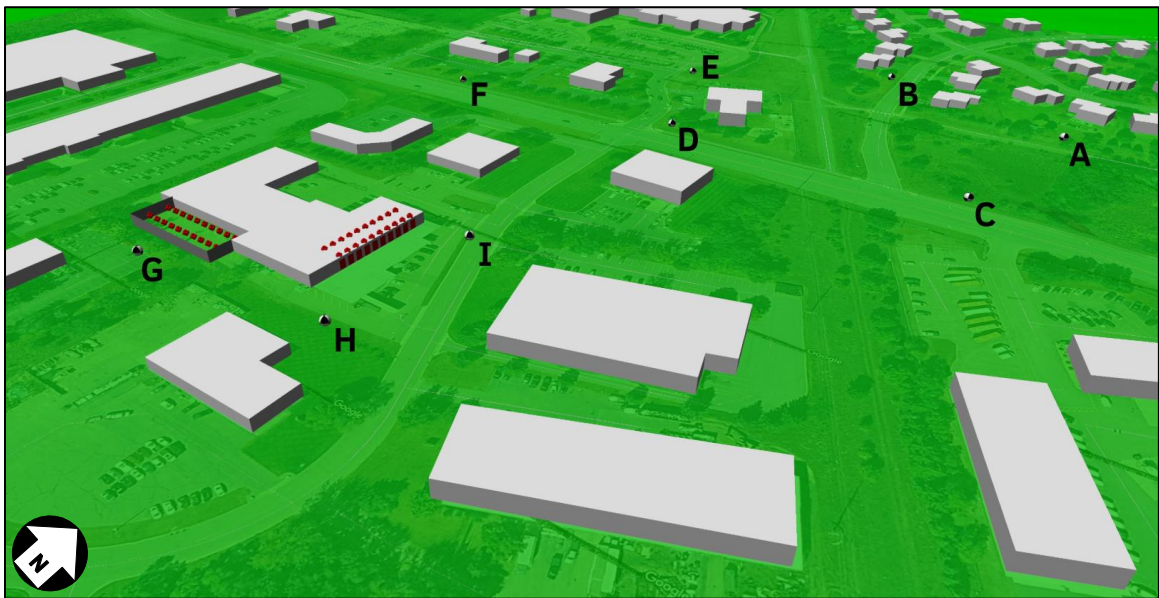


Figure D-4: 3D rendering of the baseline conditions noise model showing the positions of the equipment sources (red), buildings (gray blocks), and neighboring receivers (spheres).

⁷ ANSI-ASA S12.62 Attenuation of sound during propagation outdoors – Part 2; General method of calculation.

Noise Mitigation

The following provides a summary of the noise control components that will be included within the data center design documents to reduce chiller and generator noise levels at neighboring properties.

Ground-Level Chillers Option

If the chillers will be located in a new ground-level mechanical yard on the south side of the existing building, a U-shaped barrier will be installed around the chillers to reduce noise levels at neighboring properties. The following provide details about the barrier walls:

1. Height – The barrier walls will have a top elevation of 17' relative to the ground (about 9' taller than the chillers, which are about 8' tall).
2. Air Gaps – There will not be any air gaps between the barrier walls and each other, the existing building walls, or the ground, which would allow for sound leakage. Figure D-5 shows three-sided, U-shaped barrier walls around the chillers.

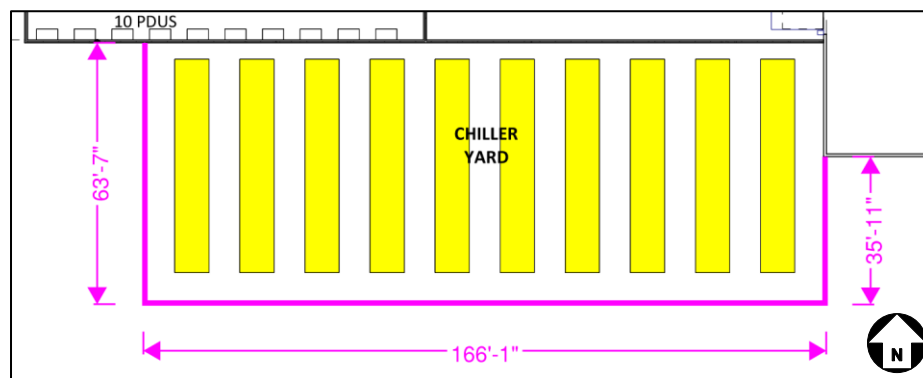


Figure D-5: Partial equipment plan showing the barrier wall locations.

3. Barrier Material – The barrier walls will have a minimum sound isolation rating (sound transmission class, or STC⁸) of STC 25. A few material options that are typically acceptable for outdoor use and can meet the STC 25 criterion are:
 - a. Minimum 22 gauge sheet metal.
 - b. Minimum ½" thick treated plywood or glulam wood panels.
 - c. Precast concrete panels, masonry units (CMU), or other masonry materials.
 - d. Minimum 4" thick foam-filled insulated metal panels.

⁸ Sound transmission class, or STC, is defined in ASTM standard C634-13 as, "a single-number rating calculated in accordance with Classification E413 using values of sound transmission loss. It provides an estimate of the performance of a partition in certain common sound insulation problems." It is based on laboratory tests of wall and floor/ceiling assemblies that serve as acoustical barriers, with higher values representing better insulation.

4. Sound Absorption – The sides of the three barrier walls that face the chiller yard will be covered with a sound absorption treatment to reduce reflections toward the northeast residences. The absorption treatment will not be installed on the exterior faces of the existing building walls. The selected treatment will have a minimum sound absorption rating (noise reduction coefficient, or NRC⁹) of NRC 0.90. The following are a few product options that can be used to meet the criteria:
 - a. Manufactured exterior grade acoustical treatments can be applied to the hard barrier wall surfaces, such as those available from [MBI](#), [Kinetics](#), and [Sound Seal](#).
 - b. Minimum 2" thick mineral wool boards (such as those available from [Thermafiber](#), [Rockwool](#), [Johns Manville](#), and others) can be pinned to the hard barrier wall surfaces. Mineral wool is regularly used for exterior applications because it allows moisture to drain, is mostly unaffected by UV light, and is mold-resistant. It will be covered with a protective facing (e.g., woven wire mesh, welded wire mesh, expanded metal, or perforated metal) with a minimum 20% open area to reduce damage and help hold the insulation in place.

Rooftop-Level Chillers Option

If the chillers will be located on the west rooftop of the existing building, barrier walls will be installed on all four sides of the chillers to reduce noise levels at neighboring properties. The following provide details about the barrier walls:

1. Height – The barrier walls on the north and east sides will have a top elevation of 12' relative to the rooftop (about 4' taller than the chillers, which are about 8' tall) to reduce noise at the more sensitive NAC 1 receivers to the northeast. The walls on the south and west sides will have a top elevation of only 9' relative to the rooftop to reduce noise to the nearby NAC 2 and 3 receivers in these directions without increasing reflected noise to the northeast.
2. Air Gaps – There will not be any air gaps between the barrier walls and each other, or the rooftop, that would allow for direct line-of-sight between the chillers and neighboring receiver locations.
3. Barrier Material – The barrier walls will have a minimum sound isolation rating of STC 25. Generator Noise Attenuators.
4. Sound Absorption – This option does not require the application of sound absorption treatments to reduce reflected noise from the barrier walls and meet the MPCA limits.

⁹ As defined in ASTM C634, "noise reduction coefficient, NRC [dimensionless], a single-number rating, the average, rounded to the nearest 0.05, of the sound absorption coefficients of a material for the four one-third octave bands at 250 Hz, 500 Hz, 1000 Hz, and 2000 Hz, inclusive, measured according to the test method described in Test Method C423." Higher NRC values represent better sound absorption.

Generator Noise Attenuators

The following provide details for the sound attenuators that will be installed at each generator outdoor air intake, cooling air discharge, and combustion exhaust outlet to reduce noise transmission through these paths:

1. Intake and Discharge Path Silencers – Silencers will be installed at all outdoor air intake and cooling air discharge openings. Figure D-6 shows silencers by [Commercial Acoustics](#) that were built for generator noise control. Table D-1 shows the minimum sound insertion loss that will be provided by the intake / discharge silencers. Silencers by other manufacturers (e.g., [IAC Acoustics](#), [Kinetics Noise Control](#), [VAW Systems](#), [Vibro-Acoustics](#), etc.) can also be considered.



Figure D-6: Commercial Acoustics photos showing generator noise control silencers.

Table D-1: Minimum Silencer Sound Insertion Loss

Path	Minimum Sound Insertion Loss (dB) per 1/1 Octave Band Frequency (Hz)								
	31.5	63	125	250	500	1k	2k	4k	8k
Intake/Discharge	0	7	12	17	20	20	20	15	10
Exhaust	10	20	30	30	30	25	25	20	10

2. Combustion Exhaust Silencers – Each generator will have a combustion exhaust silencer. The selected silencer will provide the minimum sound insertion loss values that are shown in Table D-1. The ‘Critical grade exhaust silencer’ that is listed under the ‘Generator set options and accessories’ section of the “Cummins specification sheet” may provide the minimum sound insertion loss. Silencers by other manufacturers (e.g., [GT Silex](#), [Harco](#), [Miratech](#), etc.) can also be considered.

Calculation Results

Based on these conditions, calculations were prepared to evaluate the 19178 Industrial Blvd data center equipment noise at neighboring receivers. Table D-2 provides a summary of the overall calculation results at each receiver location compared to the MPCA requirements. The results show the maximum levels that were calculated with the chillers either located on the rooftop or at the ground-level mechanical yard. Figures D-7 through D-10 show noise contour plots for the chillers only and chillers with one generator conditions. Each figure provides the analysis results at all properties within 1000' of the project site. The results show that both the chiller and generator noise levels meet the MPCA limits at all neighboring properties.

Table D-2: Maximum Equipment Outdoor Noise Analysis Results vs. MPCA Requirements

Receiver	Receiver Type	Chillers Only		Chillers and One Genset	
		Calculated Noise	Nighttime Limit	Calculated Noise	Daytime Limit
Location A	NAC 1	47 dBA	50 dBA	49 dBA	60 dBA
Location B		46 dBA		53 dBA	
Location C		47 dBA		56 dBA	
Location D	NAC 1	51 dBA	60 dBA	60 dBA	60 dBA
Location E	Day Only	50 dBA		56 dBA	
Location F	NAC 2	53 dBA	65 dBA	57 dBA	65 dBA
Location G		63 dBA		63 dBA	
Location H	NAC 3	58 dBA	75 dBA	65 dBA	75 dBA
Location I		49 dBA		72 dBA	

Notes:

Green - Meets Noise Requirement

Red - Exceeds Noise Requirement

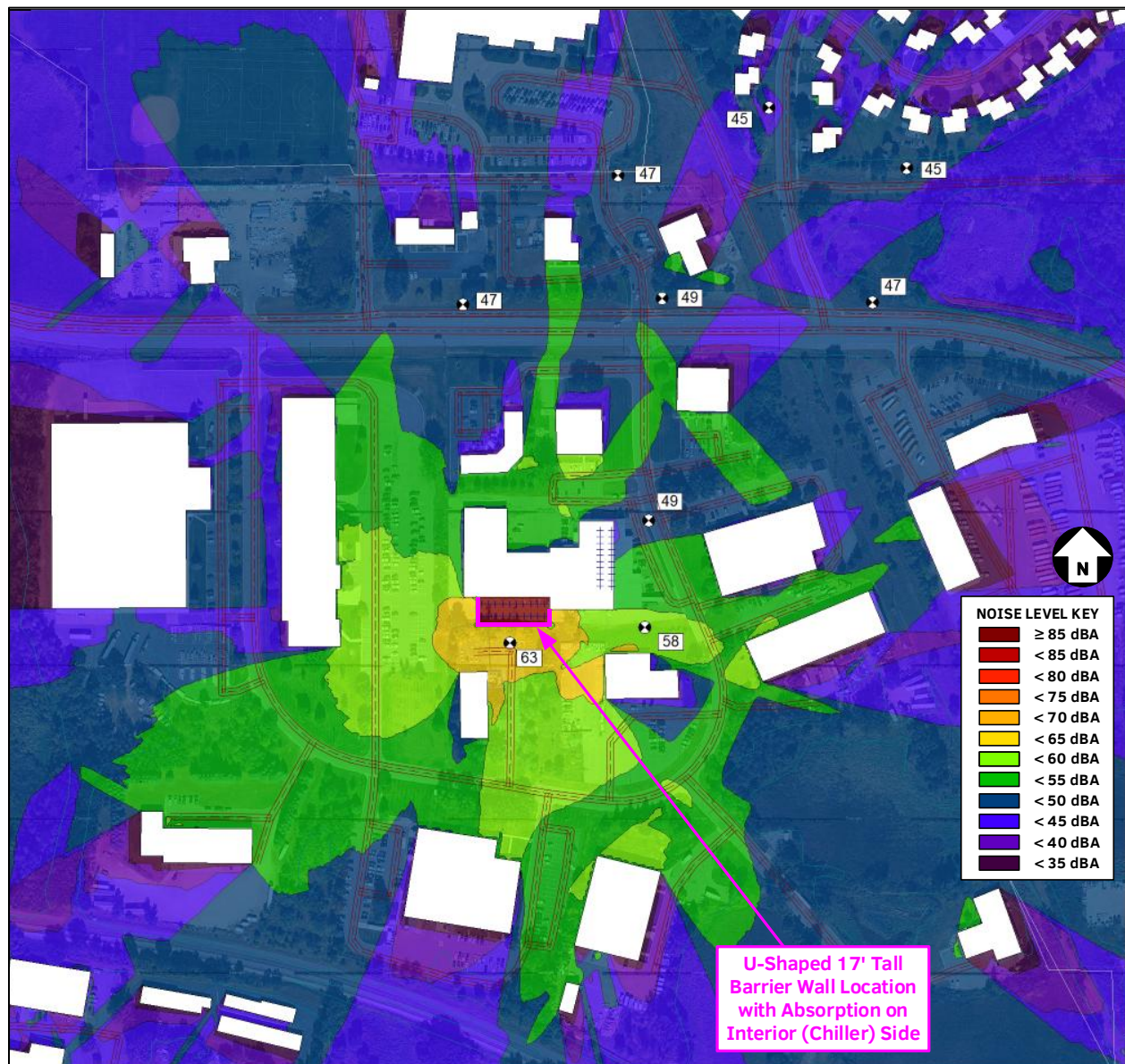


Figure D-7: Noise contour plot showing the chillers only (ground-level option) noise levels at neighboring properties.

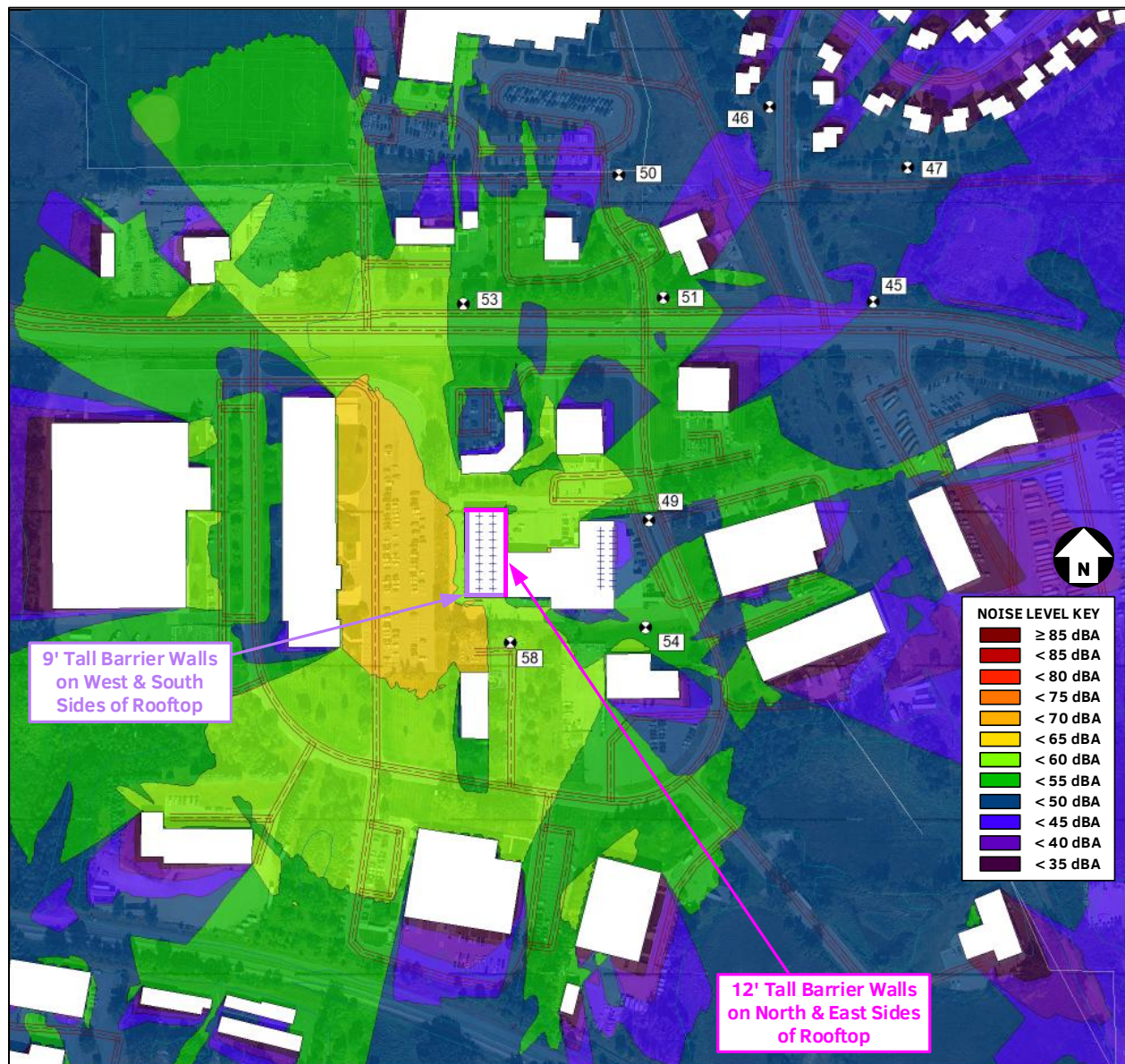


Figure D-8: Noise contour plot showing the chillers only (rooftop-level option) noise levels at neighboring properties.

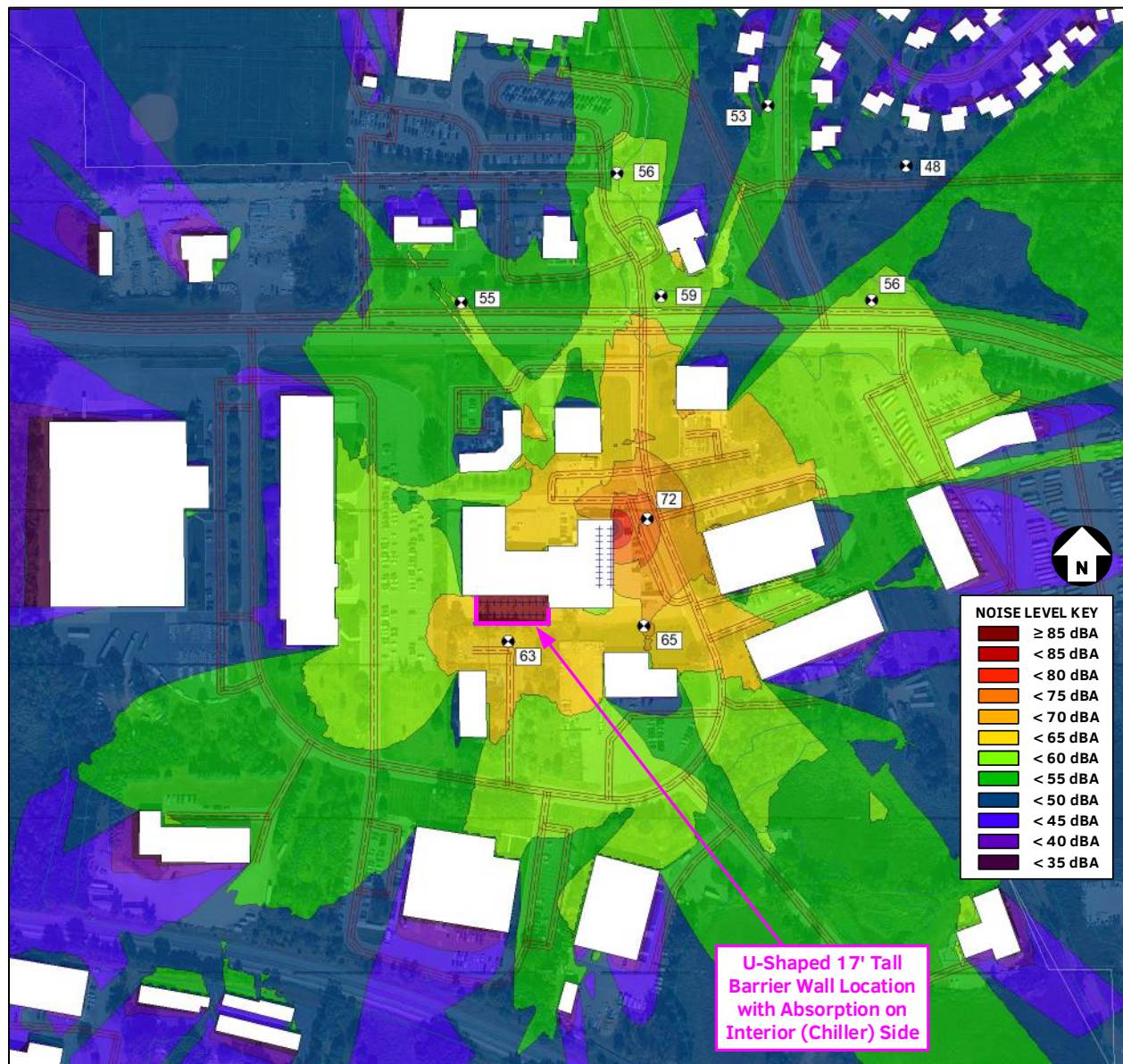


Figure D-9: Noise contour plot showing the combined chillers (ground-level option) and one emergency generator noise levels at neighboring receiver locations.

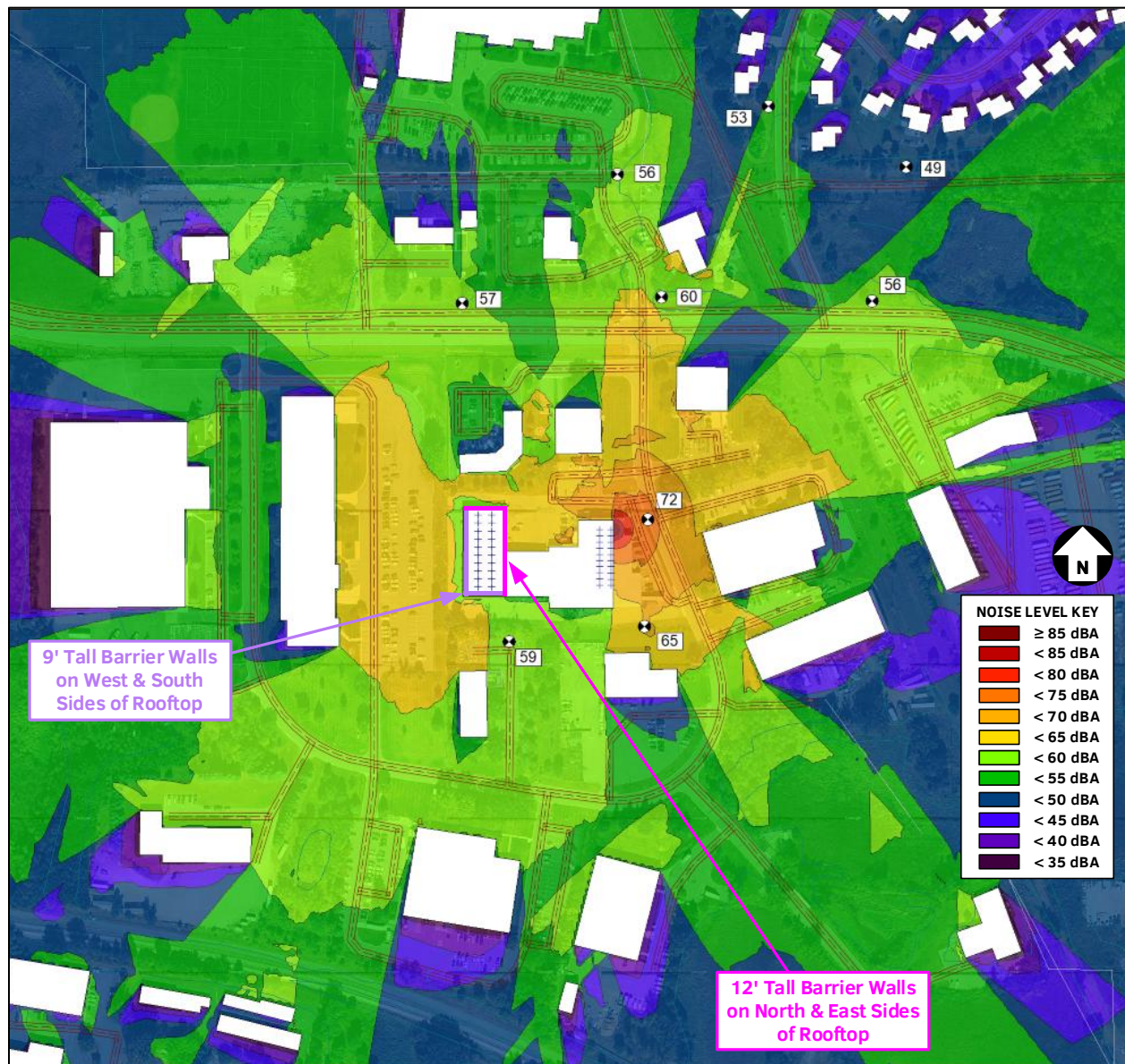


Figure D-10: Noise contour plot showing the combined chillers (rooftop-level option) and one emergency generator noise levels at neighboring receiver locations.

Table D-3 provides a summary of the maximum calculated low-frequency noise level results at each of the evaluated residential receiver locations compared to the extra project design goals.

Table D-3: Equipment Outdoor Low-Frequency Noise Analysis Results vs. Design Goals

Receiver	Chillers Only			Chillers and One Genset		
	31.5 Hz	63 Hz	dBC - dBA	31.5 Hz	63 Hz	dBC - dBA
Location A	46 dB	45 dB	5 dB	63 dB	62 dB	16 dB
Location B	46 dB	45 dB	5 dB	67 dB	68 dB	18 dB
Location C	48 dB	48 dB	5 dB	70 dB	71 dB	17 dB
Max. Design Goal	80 dB	84 dB	20 dB	80 dB	84 dB	20 dB

Notes:

Green - Meets Noise Design Goal

Red - Exceeds Noise Design Goal

The results show that the 19178 Industrial Blvd data center equipment noise levels meet the MPCA requirements, and the extra project design goals, at all nearby receiver positions. No additional mitigation is necessary.

ATTACHMENTS

- A. LOCATION 1 – AMBIENT NOISE MONITORING DATA PLOTS
JUNE 14 TO 15, 2026
19178 INDUSTRIAL BLVD DATA CENTER NOISE CONTROL**



Project No: P3205
Project: Elk River Capital - Data Center Noise
Location: Elk River, Minnesota
Engineer: R.L. Skoug & A.A.J. Schmitt

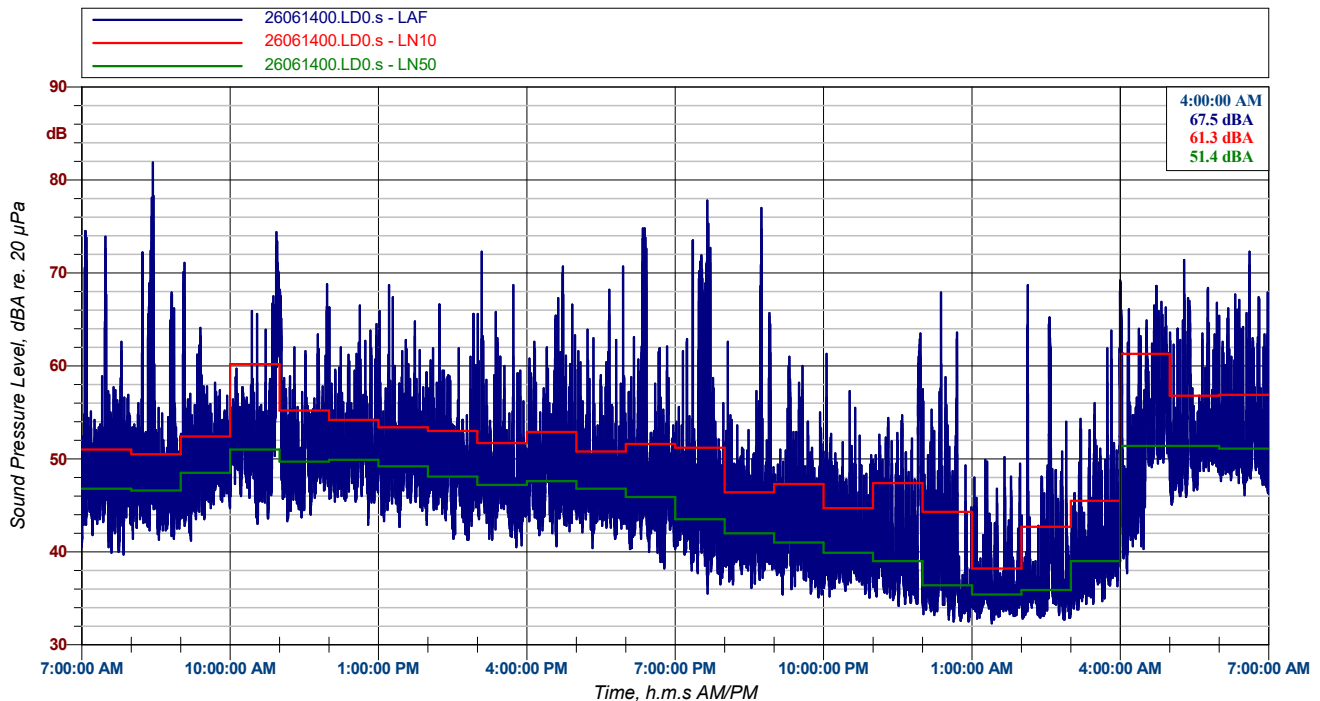
Analyzer: Larson Davis 831C s/n 10668
Preamplifier: Larson Davis PRM2103 s/n 002165
Microphone: Larson Davis 377B02 s/n 346652
Calibrator: Larson Davis CAL200 s/n 18980
Last Calibrated: March 20, 2026

Location: Location 1
Date: 6/14/2026 to 6/15/2026
Start Time: 7:00:00 AM
End Time: 7:00:00 AM
Run Time: 86400.0 seconds

Meteorology: Temperature: 46 - 72 °F
Wind Speed / Dir.: 0 - 20 MPH / Varies
Humidity: 29 - 93%

Calibration Check: Calibration Frequency: 1 kHz
Initial Calibration: 93.9 dB
Final Calibration: 93.9 dB
Last Cal. Check: 6/15/26 @ 9:43 AM

Measurements: Sunday the 14th 7AM to Monday the 15th 7AM
One Second and Hourly Ambient Noise Levels
A-Weighted Results



Noise Monitoring
Measured Hourly L10 Data

Time	L10	Time	L10	Time	L10	Time	L10
7:00:00 AM	51 dBA	1:00:00 PM	53 dBA	7:00:00 PM	51 dBA	1:00:00 AM	38 dBA
8:00:00 AM	51 dBA	2:00:00 PM	53 dBA	8:00:00 PM	46 dBA	2:00:00 AM	43 dBA
9:00:00 AM	52 dBA	3:00:00 PM	52 dBA	9:00:00 PM	47 dBA	3:00:00 AM	46 dBA
10:00:00 AM	60 dBA	4:00:00 PM	53 dBA	10:00:00 PM	45 dBA	4:00:00 AM	61 dBA
11:00:00 AM	55 dBA	5:00:00 PM	51 dBA	11:00:00 PM	47 dBA	5:00:00 AM	57 dBA
12:00:00 PM	54 dBA	6:00:00 PM	52 dBA	12:00:00 AM	44 dBA	6:00:00 AM	57 dBA

Noise Monitoring
Measured Hourly L50 Data

Time	L50	Time	L50	Time	L50	Time	L50
7:00:00 AM	47 dBA	1:00:00 PM	49 dBA	7:00:00 PM	44 dBA	1:00:00 AM	35 dBA
8:00:00 AM	47 dBA	2:00:00 PM	48 dBA	8:00:00 PM	42 dBA	2:00:00 AM	36 dBA
9:00:00 AM	49 dBA	3:00:00 PM	47 dBA	9:00:00 PM	41 dBA	3:00:00 AM	39 dBA
10:00:00 AM	51 dBA	4:00:00 PM	48 dBA	10:00:00 PM	40 dBA	4:00:00 AM	51 dBA
11:00:00 AM	50 dBA	5:00:00 PM	47 dBA	11:00:00 PM	39 dBA	5:00:00 AM	51 dBA
12:00:00 PM	50 dBA	6:00:00 PM	46 dBA	12:00:00 AM	36 dBA	6:00:00 AM	51 dBA

Figure A1

B. LOCATION 2 – AMBIENT NOISE MONITORING DATA PLOTS

JUNE 14 TO 15, 2026

19178 INDUSTRIAL BLVD DATA CENTER NOISE CONTROL



Project No: P3205
Project: Elk River Capital - Data Center Noise
Location: Elk River, Minnesota
Engineer: R.L. Skoug & A.A.J. Schmitt

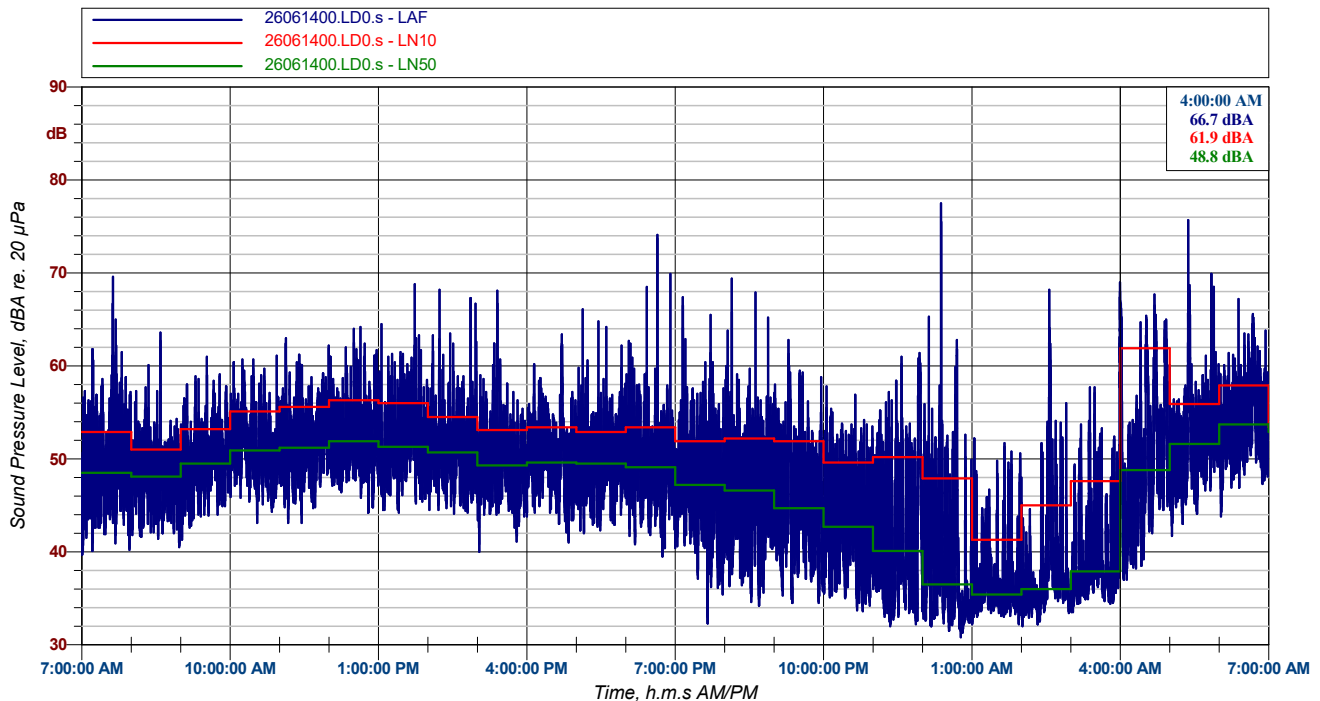
Analyzer: Larson Davis 831C s/n 12346
Preamplifier: Larson Davis PRM2103 s/n 002227
Microphone: Larson Davis 377B02 s/n 353605
Calibrator: Larson Davis CAL200 s/n 18980
Last Calibrated: March 10, 2026

Location: Location 2
Date: 6/14/2026
Start Time: 7:00:00 AM
End Time: 7:00:02 AM
Run Time: 86402.0 seconds

Meteorology: Temperature: 46 - 72 °F
Wind Speed / Dir.: 0 - 20 MPH / Varies
Humidity: 29 - 93%

Calibration Check: Calibration Frequency: 1 kHz
Initial Calibration: 94.0 dB
Final Calibration: 94.0 dB
Last Cal. Check: 6/15/26 @ 9:58 AM

Measurements: Sunday the 14th to Monday the 15th
One Second and Hourly Ambient Noise Levels
A-Weighted Results



Noise Monitoring
Measured Hourly L10 Data

Time	L10	Time	L10	Time	L10	Time	L10
7:00:00 AM	53 dBA	1:00:00 PM	56 dBA	7:00:00 PM	52 dBA	1:00:00 AM	41 dBA
8:00:00 AM	51 dBA	2:00:00 PM	55 dBA	8:00:00 PM	52 dBA	2:00:00 AM	45 dBA
9:00:00 AM	53 dBA	3:00:00 PM	53 dBA	9:00:00 PM	52 dBA	3:00:00 AM	48 dBA
10:00:00 AM	55 dBA	4:00:00 PM	53 dBA	10:00:00 PM	50 dBA	4:00:00 AM	62 dBA
11:00:00 AM	56 dBA	5:00:00 PM	53 dBA	11:00:00 PM	50 dBA	5:00:00 AM	56 dBA
12:00:00 PM	56 dBA	6:00:00 PM	53 dBA	12:00:00 AM	48 dBA	6:00:00 AM	58 dBA

Noise Monitoring
Measured Hourly L50 Data

Time	L50	Time	L50	Time	L50	Time	L50
7:00:00 AM	49 dBA	1:00:00 PM	51 dBA	7:00:00 PM	47 dBA	1:00:00 AM	35 dBA
8:00:00 AM	48 dBA	2:00:00 PM	51 dBA	8:00:00 PM	47 dBA	2:00:00 AM	36 dBA
9:00:00 AM	50 dBA	3:00:00 PM	49 dBA	9:00:00 PM	45 dBA	3:00:00 AM	38 dBA
10:00:00 AM	51 dBA	4:00:00 PM	50 dBA	10:00:00 PM	43 dBA	4:00:00 AM	49 dBA
11:00:00 AM	51 dBA	5:00:00 PM	50 dBA	11:00:00 PM	40 dBA	5:00:00 AM	52 dBA
12:00:00 PM	52 dBA	6:00:00 PM	49 dBA	12:00:00 AM	37 dBA	6:00:00 AM	54 dBA

Figure B1

Project No: P3205
Project: Elk River Capital - Data Center Noise
Location: Elk River, Minnesota
Engineer: R.L. Skoug & A.A.J. Schmitt

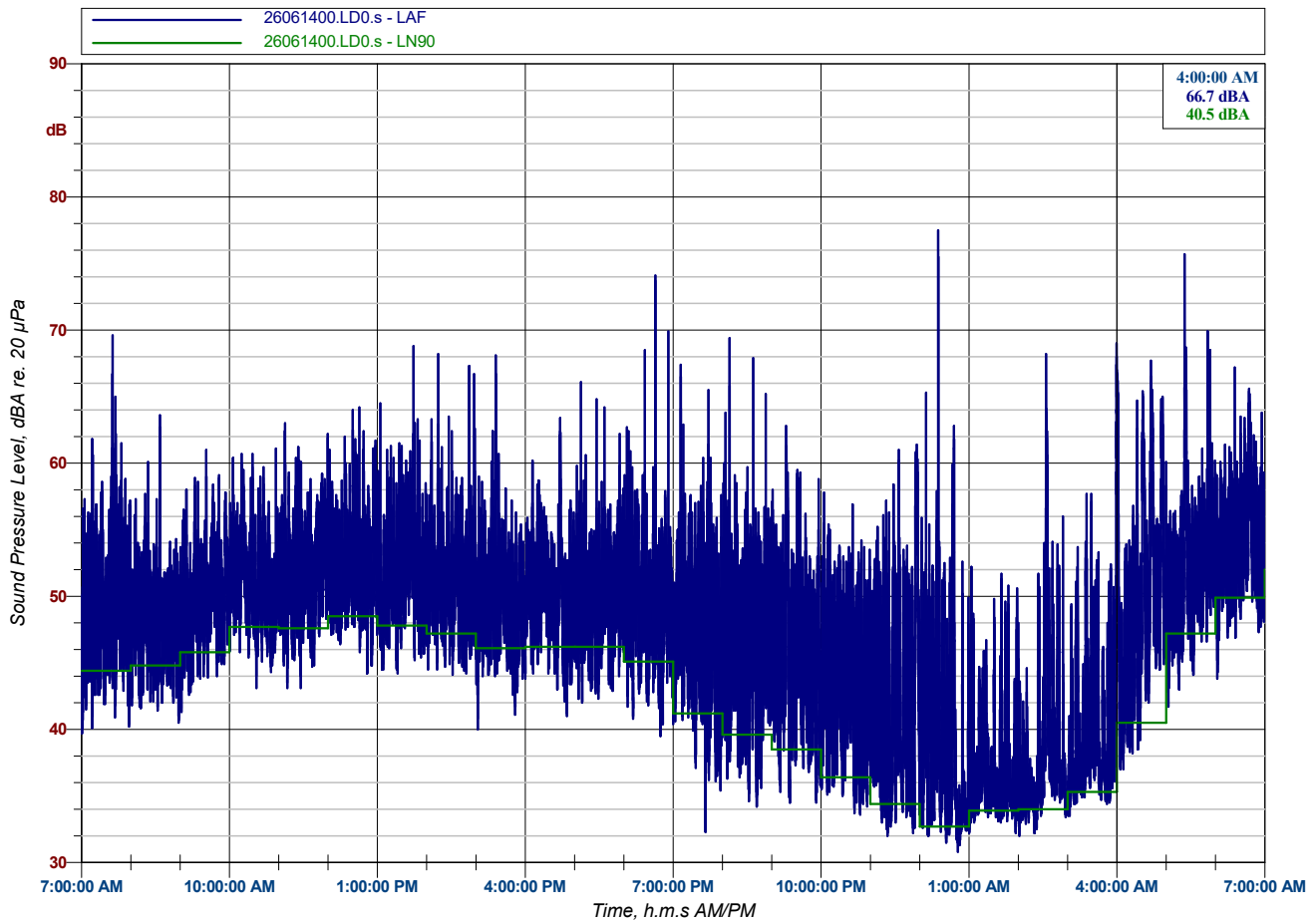
Analyzer: Larson Davis 831C s/n 12346
Preamplifier: Larson Davis PRM2103 s/n 002227
Microphone: Larson Davis 377B02 s/n 353605
Calibrator: Larson Davis CAL200 s/n 18980
Last Calibrated: March 10, 2026

Location: Location 2
Date: 6/14/2026
Start Time: 7:00:00 AM
End Time: 7:00:02 AM
Run Time: 86402.0 seconds

Meteorology: Temperature: 46 - 72 °F
Wind Speed / Dir.: 0 - 20 MPH / Varies
Humidity: 29 - 93%

Calibration Check: Calibration Frequency: 1 kHz
Initial Calibration: 94.0 dB
Final Calibration: 94.0 dB
Last Cal. Check: 6/15/26 @ 9:58 AM

Measurements: Sunday the 14th to Monday the 15th
One Second and Hourly Ambient Noise Levels
A-Weighted Results



Noise Monitoring
Measured Hourly L90 Data

Time	L90	Time	L90	Time	L90	Time	L90
7:00:00 AM	44 dBA	1:00:00 PM	48 dBA	7:00:00 PM	41 dBA	1:00:00 AM	34 dBA
8:00:00 AM	45 dBA	2:00:00 PM	47 dBA	8:00:00 PM	40 dBA	2:00:00 AM	34 dBA
9:00:00 AM	46 dBA	3:00:00 PM	46 dBA	9:00:00 PM	39 dBA	3:00:00 AM	35 dBA
10:00:00 AM	48 dBA	4:00:00 PM	46 dBA	10:00:00 PM	36 dBA	4:00:00 AM	41 dBA
11:00:00 AM	48 dBA	5:00:00 PM	46 dBA	11:00:00 PM	34 dBA	5:00:00 AM	47 dBA
12:00:00 PM	49 dBA	6:00:00 PM	45 dBA	12:00:00 AM	33 dBA	6:00:00 AM	50 dBA

Figure B2



Project No: P3205
Project: Elk River Capital - Data Center Noise
Location: Elk River, Minnesota
Engineer: R.L. Skoug & A.A.J. Schmitt

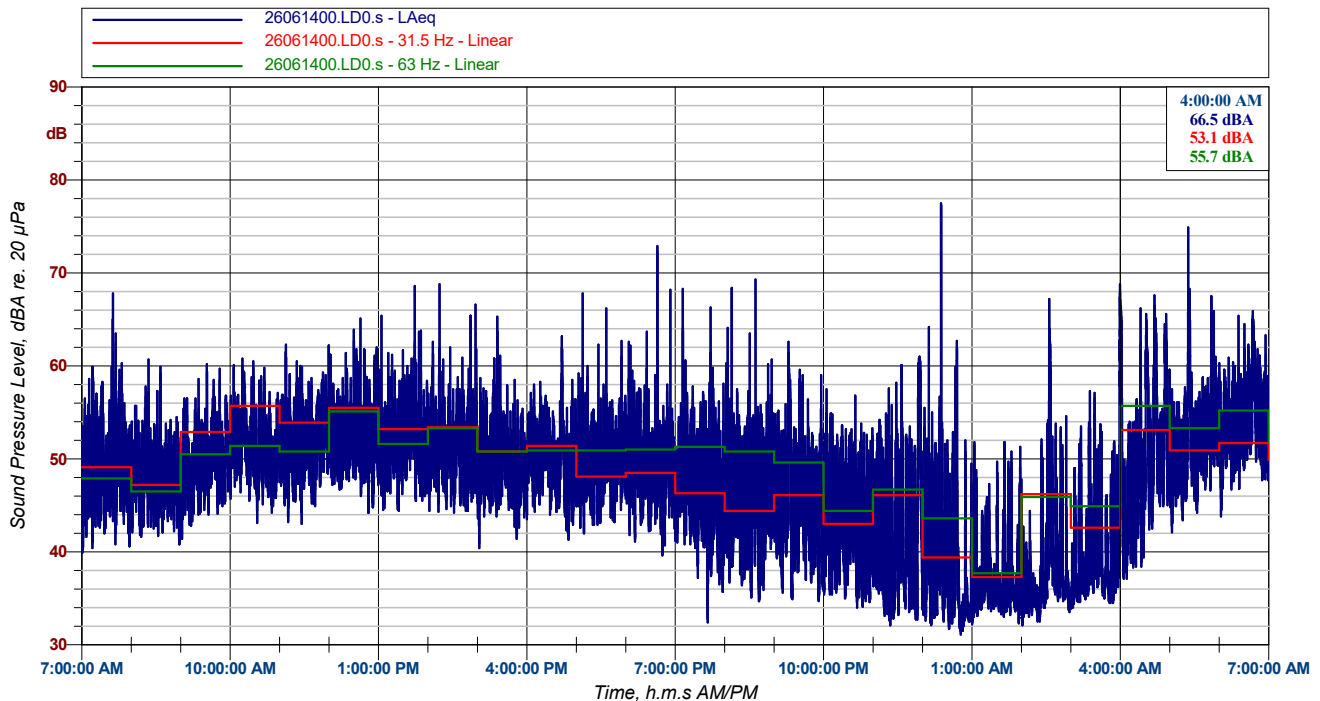
Analyzer: Larson Davis 831C s/n 12346
Preamplifier: Larson Davis PRM2103 s/n 002227
Microphone: Larson Davis 377B02 s/n 353605
Calibrator: Larson Davis CAL200 s/n 18980
Last Calibrated: March 10, 2026

Location: Location 2
Date: 6/14/2026
Start Time: 7:00:00 AM
End Time: 7:00:02 AM
Run Time: 86402.0 seconds

Meteorology: Temperature: 46 - 72 °F
Wind Speed / Dir.: 0 - 20 MPH / Varies
Humidity: 29 - 93%

Calibration Check: Calibration Frequency: 1 kHz
Initial Calibration: 94.0 dB
Final Calibration: 94.0 dB
Last Cal. Check: 6/15/26 @ 9:58 AM

Measurements: Sunday the 14th to Monday the 15th
One Second and Hourly Ambient Noise Levels
A-Weighted, and Linear Octave Band, Results



Noise Monitoring
Measured Hourly 31.5 Hz Data

Time	31.5 Hz	Time	31.5 Hz	Time	31.5 Hz	Time	31.5 Hz
7:00:00 AM	49 dB	1:00:00 PM	53 dB	7:00:00 PM	46 dB	1:00:00 AM	37 dB
8:00:00 AM	47 dB	2:00:00 PM	53 dB	8:00:00 PM	44 dB	2:00:00 AM	46 dB
9:00:00 AM	53 dB	3:00:00 PM	51 dB	9:00:00 PM	46 dB	3:00:00 AM	43 dB
10:00:00 AM	56 dB	4:00:00 PM	51 dB	10:00:00 PM	43 dB	4:00:00 AM	53 dB
11:00:00 AM	54 dB	5:00:00 PM	48 dB	11:00:00 PM	46 dB	5:00:00 AM	51 dB
12:00:00 PM	56 dB	6:00:00 PM	49 dB	12:00:00 AM	39 dB	6:00:00 AM	52 dB

Noise Monitoring
Measured Hourly 63 Hz Data

Time	63 Hz	Time	63 Hz	Time	63 Hz	Time	63 Hz
7:00:00 AM	48 dB	1:00:00 PM	52 dB	7:00:00 PM	51 dB	1:00:00 AM	38 dB
8:00:00 AM	47 dB	2:00:00 PM	53 dB	8:00:00 PM	51 dB	2:00:00 AM	46 dB
9:00:00 AM	51 dB	3:00:00 PM	51 dB	9:00:00 PM	50 dB	3:00:00 AM	45 dB
10:00:00 AM	51 dB	4:00:00 PM	51 dB	10:00:00 PM	44 dB	4:00:00 AM	56 dB
11:00:00 AM	51 dB	5:00:00 PM	51 dB	11:00:00 PM	47 dB	5:00:00 AM	53 dB
12:00:00 PM	55 dB	6:00:00 PM	51 dB	12:00:00 AM	44 dB	6:00:00 AM	55 dB

Figure B3



Project No: P3205
Project: Elk River Capital - Data Center Noise
Location: Elk River, Minnesota
Engineer: R.L. Skoug & A.A.J. Schmitt

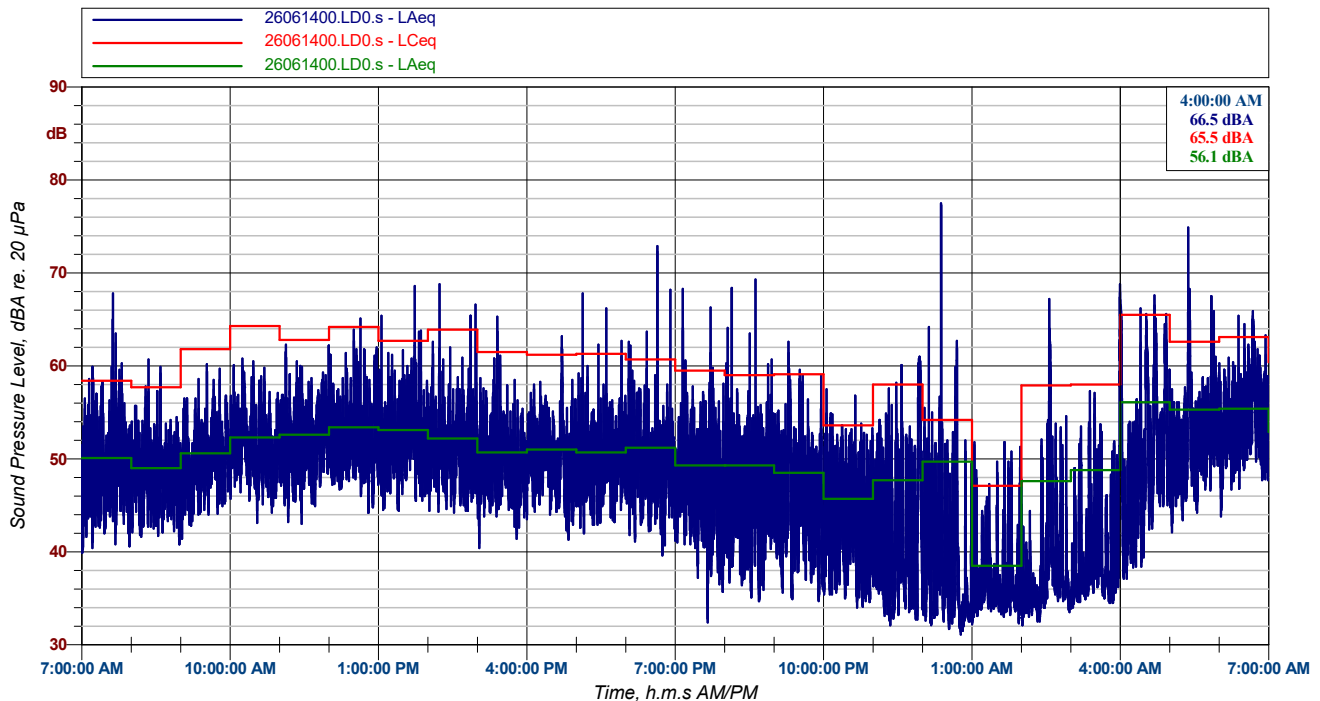
Analyzer: Larson Davis 831C s/n 12346
Preamplifier: Larson Davis PRM2103 s/n 002227
Microphone: Larson Davis 377B02 s/n 353605
Calibrator: Larson Davis CAL200 s/n 18980
Last Calibrated: March 10, 2026

Location: Location 2
Date: 6/14/2026
Start Time: 7:00:00 AM
End Time: 7:00:02 AM
Run Time: 86402.0 seconds

Meteorology: Temperature: 46 - 72 °F
Wind Speed / Dir.: 0 - 20 MPH / Varies
Humidity: 29 - 93%

Calibration Check: Calibration Frequency: 1 kHz
Initial Calibration: 94.0 dB
Final Calibration: 94.0 dB
Last Cal. Check: 6/15/26 @ 9:58 AM

Measurements: Sunday the 14th to Monday the 15th
One Second and Hourly Ambient Noise Levels
A- and C-Weighted Results



Noise Monitoring
Measured Hourly LCeq Data

Time	LCeq	Time	LCeq	Time	LCeq	Time	LCeq
7:00:00 AM	58 dBC	1:00:00 PM	63 dBC	7:00:00 PM	60 dBC	1:00:00 AM	47 dBC
8:00:00 AM	58 dBC	2:00:00 PM	64 dBC	8:00:00 PM	59 dBC	2:00:00 AM	58 dBC
9:00:00 AM	62 dBC	3:00:00 PM	62 dBC	9:00:00 PM	59 dBC	3:00:00 AM	58 dBC
10:00:00 AM	64 dBC	4:00:00 PM	61 dBC	10:00:00 PM	54 dBC	4:00:00 AM	66 dBC
11:00:00 AM	63 dBC	5:00:00 PM	61 dBC	11:00:00 PM	58 dBC	5:00:00 AM	63 dBC
12:00:00 PM	64 dBC	6:00:00 PM	61 dBC	12:00:00 AM	54 dBC	6:00:00 AM	63 dBC

Noise Monitoring
Measured Hourly LAeq Data

Time	LAeq	Time	LAeq	Time	LAeq	Time	LAeq
7:00:00 AM	50 dBA	1:00:00 PM	53 dBA	7:00:00 PM	49 dBA	1:00:00 AM	39 dBA
8:00:00 AM	49 dBA	2:00:00 PM	52 dBA	8:00:00 PM	49 dBA	2:00:00 AM	48 dBA
9:00:00 AM	51 dBA	3:00:00 PM	51 dBA	9:00:00 PM	49 dBA	3:00:00 AM	49 dBA
10:00:00 AM	52 dBA	4:00:00 PM	51 dBA	10:00:00 PM	46 dBA	4:00:00 AM	56 dBA
11:00:00 AM	53 dBA	5:00:00 PM	51 dBA	11:00:00 PM	48 dBA	5:00:00 AM	55 dBA
12:00:00 PM	53 dBA	6:00:00 PM	51 dBA	12:00:00 AM	50 dBA	6:00:00 AM	55 dBA

Figure B4

File: P3205 Elk River Capital - Summary Report for Data Center Noise Control, Jun 16, 2026 ver 2

end

NO data center

From Hannah Lubinski

Date Wed 6/3/2026 9:53 PM

To Zachary Carlton <zcarlton@ElkRiverMN.gov>

You don't often get email from [Learn why this is important](#)

Zack,

I'm emailing in reference to the data center proposal in Elk River. I urge you to NOT move it forward. It will bring zero net positive benefit to the community, in fact it will harm the community.

No one wants data centers in their community. We vote for people who listen to those in the community. This should be an easy NO to scrap the data center proposal and put in something else that would actually benefit the community.

Please research negative impacts of data centers, including increased land temperatures around the data centers, childhood cancer rates increasing, obnoxious sound levels, bright lights, and other factors. No one wants data centers in their neighborhood or places they visit frequently. I understand this isn't a hyperscale data center and maybe some of what I mentioned above isn't as aggressively applicable but it's applicable enough to make this an easy decision to say NO DATA CENTER. Especially since it's by an elementary school. Children and their health and safety are important.

Thanks for your time,
Hannah Lubinski

Online Form Submittal: Send Zack Carlton an Email

From noreply@civicplus.com <noreply@civicplus.com>

Date Tue 6/9/2026 6:38 PM

To Zachary Carlton <zcarlton@ElkRiverMN.gov>

Send Zack Carlton an Email

TO: Zack Carlton

First Name	Julie
------------	-------

Last Name	Lawrence
-----------	----------

Reply Email Address	
---------------------	--

Subject	Data Center
---------	-------------

(Section Break)

Comments	I am not okay with a data center coming to my community. It is in no way good for us - the amount of energy and water they use, the probability of pollution to the Mississippi, the ramifications of our wildlife, the noise of pollution and the costs to all of us tax payers living here (increased energy/water costs) How could the city think this is a good idea? This gives the vibe that pockets are being lined and the health of the community is for sale.
----------	---

Disclaimer

Information submitted is considered public data.

Email not displaying correctly? [View it in your browser.](#)

FW: NO DATA CENTER

From: Jody S
Sent: Thursday, May 28, 2026 5:46:19 PM
To: Justin Dunford <JDunford@ElkRiverMN.gov>
Subject: NO DATA CENTER

You don't often get email from [Learn why this is important](#)

I'm a concerned paying taxpayer, that lives in Elk River and I am completely against the data center. Has there been any thought about the resources that will be taken from the community, not just the quick high you will receive for the tiny bit of time it's constructed? We have lived here almost 13 years and in that time, have seen the taxes continue to climb, very, very high. We already have no choice for garbage or Internet. I'm not sure what the point of this data center would be. This city used to be a place I was excited about, and unfortunately now, we are counting down the months until we can leave Elk River has changed so much, it's no longer the Elk River that used to be. I'm also fighting to help save the Boundary Waters. So please, unless you have something outside of the quick high of a financial kickback, stop this madness. Very concerned resident,
Jody Shenkle

Elk river data center

From Kate A

Date Thu 5/28/2026 6:57 PM

To Zachary Carlton <zcarlton@ElkRiverMN.gov>

[You don't often get email from

Hello Elk river

I strongly appeal you to block development of data centers - for the environmental impacts including water, energy, and biodiversity. The land belongs to people not allowing large corporates to come in and use all resources and forever change the land

I work in the environmental industry and while they do siting and tests and comply with legal requirements there is still too much unknown impact and negative impact that comes into the community. It does not bring more jobs or enough positive value to allow this.

Thanks

Kate

Sent from my iPhone

Data Center case OA 26-02 & CU 26-05

From Zose

Date Mon 5/25/2026 3:00 PM

To Zachary Carlton <zcarlton@ElkRiverMN.gov>

You don't often get email from [Learn why this is important](#)

To Zack Carlton,

I read with much dismay and horror that there is a planned data center to be put at 19178 Industrial Blvd. NW.

This is beyond unacceptable for many reasons :

1. Known excess water usage by these unnecessary facilities which unfairly depletes the local ground water supplies. There are many households who rely on well water. Water pressure already dips during spring and summer due to local farms need for water. Contrary to some reports, the groundwater in the area is not a-ok fine and dandy. The water pressure is already an issue due to the continued greed driven massive overdevelopment projects.

What do we do when our wells run dry? At this point, I am looking for an attorney to sue the City of Elk River, Sherburne County and anyone else responsible for this problem when the inevitable does happen as did in the Coon Rapids/Blaine area.

2. The well known drain on power sources by data centers. Across the board it always raises electricity bills. I do not think that the rightful, legal constituents of Elk River can afford this. Nor, should they.

3. The pollution that data centers release as well as the constant drone that has been scientifically linked to health issues for the victims in the surrounding areas. Another source of a large lawsuit.

No, they do not ultimately provide enough jobs to legitimize the massive problems and destruction of quality of life that they always cause.

So, please, for once, put the rightful constituents of Elk River before any more greed driven unnecessities such as this.

Thank You,

Kathee

Online Form Submittal: Send Zack Carlton an Email

From noreply@civicplus.com <noreply@civicplus.com>

Date Sat 6/6/2026 5:02 PM

To Zachary Carlton <zcarlton@ElkRiverMN.gov>

Send Zack Carlton an Email

TO: Zack Carlton

First Name	karlaronnebaum
------------	----------------

Last Name	karlaronnebaum
-----------	----------------

Reply Email Address	
---------------------	--

Subject	Data center
---------	-------------

(Section Break)

Comments	I do not want a data center in elk river. Costs are very high in sherburne county already. This noisy air pollution data center will suck up to 100,000 houses worth of energy a month. You might get \$ up front but seems to be the consensus that the city after awhile gets stuck with the cost. Do just a fraction of research and you will see that this is a bad thing. Environmentally, with noise and air pollution. That should be a big NO right there. Plus not like it will bring in jobs once building is built they only staff around 20 people. Very few local. I know I'm not the only one. I'm saying NO to data centers Thanks and remember to use your conscious. If it feels wrong it probably is wrong.
----------	--

Disclaimer

Information submitted is considered public data.

Email not displaying correctly? [View it in your browser.](#)

FW: Proposed data center

From: Stephanie Wallace
Sent: Thursday, May 28, 2026 1:51:59 PM
To: Justin Dunford <JDunford@ElkRiverMN.gov>
Subject: Proposed data center

You don't often get email from . [Learn why this is important](#)

Hello,

My name is Stephanie Schultz and I've had the pleasure of living in Elk River for three years now. My husband and two daughters have enjoyed our neighborhood, amenities the city has to offer, and the smaller town feel while still having necessities close by.

It will be of great disappointment that the city would be allowing data centers into our community. A simple google search demonstrates the negative effects of them to towns, cities, and states. As someone with two small children, I genuinely fear for the state of our planet as these are becoming more popular . We are currently paying astronomical fees in property taxes and utilities to live in ER and the guarantee for them to increase is unacceptable.

Data centers have been shown to increase local taxes/utilities cost, deplete water sources, and are giving off emissions (electromagnetic) that have been shown to have harmful affects on people and animals.

As someone who is employed and works remotely, my concern for them also depleting our energy grid is also of great concern. Our environment is already at such a risk for warming and seasons changing, adding these centers to our state and our cities would only increase that as they have been shown to increase temperatures, creating "heat islands".

Our community is not the only one who is against these centers. Monticello is also against having them and as a citizen of Minnesota, I stand with them fully.

The value these centers will add to our community is minimal if none. I do not support the building of data centers into Elk River and will not be supportive of any government official who is supporting this change.

The negative impacts it will have on water supply, power grids, health of people/animals, environmental impacts (heating, pollution, carbon emissions, etc) as well as noise and thermal pollution would be devastating to our community for generations to come.

Let's not think about the current state of the world, but think about our future generations and doing better for them. Ai is convenient and easy, but it's not the solution or answer. We are against these data centers. We will not welcome them into our community. And anyone who does so is incredibly foolish and ignorant.

Sources:

Online Form Submittal: Send Zack Carlton an Email

From noreply@civicplus.com <noreply@civicplus.com>

Date Sat 6/6/2026 4:25 PM

To Zachary Carlton <zcarlton@ElkRiverMN.gov>

Send Zack Carlton an Email

TO: Zack Carlton

First Name	Teresa
------------	--------

Last Name	Dill
-----------	------

Reply Email Address	
---------------------	--

Subject	Data center
---------	-------------

(Section Break)

Comments	No Way on a data center. Please make decisions on behalf of the people. Do not line the pockets of billionaires and perhaps, "yourself." Do not fall for the community investment they will promise. They do not care about people or the environment. I am 55 years old and have lived in elk river for over 50 of those years. If this is proposal is entertained, time to move. This city and state used to be a good place to live but for over a decade working people are over taxed to subsidize nonsense initiatives... in the name of what? Poor decision making is degrading common folk quality of living. Do the right thing. It's not hard to be honest and work on behalf of the community and constituents.
----------	--

Disclaimer

Information submitted is considered public data.

Email not displaying correctly? [View it in your browser.](#)

FW: Proposed Data Center

From: Tabettha Kallsen
Sent: Thursday, May 28, 2026 1:01:55 PM
To: Justin Dunford <JDunford@ElkRiverMN.gov>
Subject: Proposed Data Center

You don't often get email from . [Learn why this is important](#)

I'd like to go on record stating I am strongly opposed to a data center in Elk River. The effects on the environment as well as the surrounding area is horrible as well as for the folks near the center. I vote NO data center!

June 5, 2026

To: Elk River City Council

Elk River Planning Commission

Re: Proposed Data Center Public Hearings

Roughly 50 years ago Elk River was predicted to have explosive growth. A solid planning foundation was developed and has evolved over time. Elk River has done a wonderful job of meeting the challenges that brought us to today.

There are 2 controversial new kids on the block – Data Centers and Detention Centers.

Re: Detention Centers

This isn't our most current issue, but there's plenty of opportunity for something like this to be next. I truly hope that never comes to be.

Re: Data Centers - tied to the latest AI technology. They are necessary. But, it's important to proceed with caution.

Numerous cities and towns all over Minnesota (many in our vicinity) are being approached for data centers - large and small. They bring subterfuge, big money, lots of promises, and misleading assurances. The latest Becker plan has fallen apart over a land sale snafu, some are being evaluated, many are declaring moratoriums. **I encourage Elk River to also declare a moratorium** to study the pros/cons and develop strong tools for managing all requests. Our quality of life, environmental concerns, long range possible complications, and the ramifications of water and electricity needs are too important to compromise with a hasty decision.

Once one of these operations gets a foot in the door, you know there'll be more and bigger ones to follow.

Q Has The **League of MN Cities** established workshops to address these matters, so there is some collaboration and continuity? It seems coordination would be essential to maintain the vitality of the entire state. We have extensive open land in MN that could be ripe for at least 1 mega data center.

RE: Elk River request

I asked at the first PC meeting about who we are dealing with. My antennae went up when I saw the public notice, which was easy to miss. It seemed odd that it was an individual making a request for something like this. Also, there was no blurb elsewhere in the Star News.

I had done some digging around on the internet with only the attorney's name available and eventually found some information tying him with E R Technologies (a shell company created to obscure the identity of the real developer).

The Elk River Municipal Utilities speaker addressed the matter of how the electric demand would be handled and that it won't affect our residential rates. He never mentioned the major housing development going in along Hwy 10 on the east side of E R. H talked about the closed loop design re: water usage and the minimal demand. Also, nothing was said re: our sewer and water capacity for that development. Q: Were these estimates included in his figuring of future demands associated with this data center request? He seemed rather supportive of the proposal and conveyed the impression it must have some positive revenue implications for the municipal. Q: What are the potential gains or advantages are there for Elk River?

The Attorney stood out in the audience with a business suit on. I don't think he really added much by way of information.

Ned Abdul was introduced and he mentioned Elk River Capital LLC and an affiliation with Swervo. He was dressed like he'd just come in from mowing the lawn. A strategy to appear non-threatening. He basically repeated much of the data center operation presented by E R Municipal and the attorney.

So, I did more internet searching.

Not much was available re: Elk River Capital LLC. It appears to be a friendly sounding business name created specifically for this request. We still don't know who the real customers are that will be using this facility.

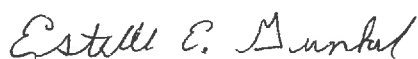
Ned Abdul is a well-known dealer in high-end real estate in the Twin Cities area. It seems he is Swervo.

I printed out the various pieces of information I found in my searches and brought them to the front desk at city hall, along with this letter. I did not make another copy for myself. I also sent this email electronically to Zack Carlton.

Thank you for scheduling multiple public hearings so word can get around and people can have plenty of opportunities to speak to this matter. There were some pretty knowledgeable people to spoke at the 1st meeting.

Thank you for considering my concerns at that meeting and in this follow-up letter.

(I cannot do a written signature on my computer. There is one on the copy left at the front desk).



Estelle E. Gunkel

17155 Quincy St NW, #121

Elk River, MN 55330

eegunkel@gmail.com

Elk River Technologies Headquarters Location

Elk River Technologies, LLC
— a Minnesota-based
limited liability company —
has its **registered address**
listed as **1010 Dale St N,
Saint Paul, MN 55117-5603**
OpenCorporates+1 . This is
the official registered agent
address on file with the
Minnesota Secretary of
State.

However, the company is
also associated with a **data
center and substation
project** in Elk River,
Minnesota. In November
2024, Elk River
Technologies sold land in
Sherburne County to
Amazon Data Services for a
data center and substation,
with the property located at
**4800 80 S 8th Street,
Minneapolis, MN 55402**
www.mndor.state.mn.us .
This site is part of a larger
\$1 billion data center
project announced in 2022,
though Elk River
Technologies is a shell
company created to
obscure the identity of the
real developer
DatacenterDynamics .

Summary of key locations:

- **Registered/Corporate**
HQ: 1010 Dale St N, Saint
Paul, MN 55117-5603
OpenCorporates+1
- **Project/Operational site
(data center land sale):**
4800 80 S 8th Street,
Minneapolis, MN 55402
www.mndor.state.mn.us

OpenCorporates

Elk River Technologies, LLC :: Minnesota (US) :: OpenCorporates

https://opencorporates.com/companies/us_mn/a24e0938-eb40-ee11-9076-00155d01c440

Bizapedia

ELK RIVER TECHNOLOGIES, LLC in Saint Paul, MN - Bizapedia

<https://www.bizapedia.com/mn/elk-river-technologies-llc.html>

Show All

If you are looking for the

Questions swirl around Xcel/Amazon land deal in Becker

The Minnesota *Star Tribune* headline sums it up:

Xcel said a nearly \$8M land sale was a good deal for ratepayers. The buyer flipped the land to Amazon for \$73M.

The land in question is an undeveloped 348-acre parcel near Xcel's massive Sherco power plant complex in Becker. The land is expected to host a huge new Amazon data center, expected to require 600 MW of electric power. That amount is roughly equivalent to the output of Xcel's nearby Monticello nuclear power plant.

I mentioned these real estate transactions in a post a few weeks ago, after running across this account in *Finance & Commerce* published back in November.

Both *Finance & Commerce* and the *Star Tribune's* Walker Orenstein outline the history of the deal:

In April 2024, Xcel sold the land to a company named Elk River Technologies, LLC. According to records maintained by the MN Secretary of State's office, the company was incorporated in August 2023. The company's address matches that of a law firm located in the IDS Center in downtown Minneapolis.

The \$7.7 million land sale from Xcel to Elk River Technologies was a no-bid deal. The transaction was so unique it required separate approval by the state Public Utilities Commission (PUC).

The PUC approved the deal under the belief that a bidding process could have produced a higher bidder who would use the property for some purpose other than the building of a massive, power-hungry data center.

Who is Elk River Technologies? Orenstein reports:

Only later did Elk River Technologies reveal it was a subsidiary of Kansas-based engineering and construction firm Black & Veatch, which has also consulted in the past for Xcel on operations at the Sherco coal plant.

Black and Veatch (B&V) is a multi-billion-dollar engineering and construction behemoth headquartered in Overland Park, Kansas. So, a consultant doing work for Xcel — consulting work paid for by Xcel's monopoly customer base — purchases land from Xcel at a below-market price.

B&V/Elk River Technologies then turned around, six months later, and flipped the land for \$73 million to Amazon, the world's 5th largest corporation measured by market capitalization.

Xcel's ratepayers didn't see a dime from B&V's more than \$65 million windfall. That works out to more than \$10 million in profit for every month B&V held the property on its books.

Needless to say, consumer advocates, the PUC itself, and many others are now raising questions about the transactions, and what B&V did, if anything, to earn this ratepayer-subsidized windfall.

We've written frequently about data centers because of their potential to completely transform the electric utility industry.

We're still in the early, literal land-rush days of the phenomenon. Minnesota has chosen to rely on state regulators, rather than a free-market, to protect consumers from government-granted monopoly providers, and the opportunists who feed upon them. Perhaps the regulators could start doing their jobs as Xcel seeks another massive rate increase this year.

Topics on this page

MINNEAPOLIS STAR TRIBUNE MINNESOTA XCEL ENERGY FINANCE & COMMERCE
MORE

Bill Glahn is a Policy Fellow with Center of the American Experiment.

Tags: Amazon, data centers, Xcel Energy

opencorporates

The Open Database Of The Corporate World

Company name or number

Search

● Companies ○ Officers

• [Log in/Sign up](#)

Elk River Capital, LLC

Company Number

812b6ad5-6d30-f111-90a1-00155d01c440

Native Company Number

1641631700028

Status

Active

Incorporation Date

Please log in to see this data

Company Type

Limited Liability Company (Domestic)

Jurisdiction

Minnesota (US)

Registered Address

- 510 1ST AVE N, Suite 600
- Minneapolis

- 55403
- MN
- USA

Agent Name

Nedal Abdul-Hajj

Directors / Officers

1 officer available, please log in to see this data

Data source and freshness

Last update from source

Last change recorded

Next update from source

Source

Please log in to see this data

Learn more about our trust and data transparency policy.

This information comes to you from **OpenCorporates** — the leading authority on legal-entity data

Read more about us and why you should trust this data in our purpose, history and principles

The OpenCorporates website is free for general-public and public-benefit use

Use the OpenCorporates API

• License this data in bulk

Similarly named companies

Found 13. Showing first 10

-  Elk River Capital, LLC (Idaho (US))
-  Elk River Capital LLC (Wyoming (US))
-  branch Elk River Capital, LLC (California (US))
-  Elk River Capital, LLC (Colorado (US))
-  ELK RIVER CAPITAL VENTURES, LLC
(Tennessee (US))
-  Elk River Capital Management, LLC (Colorado (US))
-  Elk River Capital Partners, LLC (North Carolina (US))
-  ELK RIVER CAPITAL PARTNERS, LLC
(Tennessee (US))
-  ELK RIVER CAPITAL, L.L.C. (Montana (US))
-  Capital Properties Elk River, LLC (Minnesota (US))

* While we strive to keep this information correct and up-to-date, it is not the primary source, and the company registry should always be referred to for definitive information

OpenCorporates : legal-entity data done right
Global Authority

- **Unrivalled domain expertise**
- **Driving global policy**
- **Certified B Corp**

Trustworthy data

- **100% official primary sources**
- **Quality baked in**
- **Underpinned by Legal-Entity Data Principles**

Designed for the future

- **Legal-entity data model**
- **For the needs of today and tomorrow**
- **Provenanced, standardized data**

[Learn more](#)

About us

- [About](#)
- [Blog](#)
- [Team](#)
- [Governance](#)
- [Jobs](#)

Using our data

- [Our data](#)
- [Our purpose](#)
- [Legal/Licence](#)
- [User/Cookie privacy policy](#)
- [Public records privacy policy](#)

Help

- [API Reference](#)
- [Glossary](#)
- [Status](#)

Contact

- Twitter
- Medium
- Newsletter
- Problems with our data?
- Temporary redaction

Impact

- Impact
- Grants



CITIZENS UTILITY BOARD

SAVE MONEY & ENERGY

NEWS & ADVOCACY

ABOUT

SHUTOFF HELP

DONATE

CONTACT US

How Xcel's land sale became a \$65 million flip for private investors

March 7, 2025

By [Olivia Carroll](#)

SHARE



This article is the first in a series of articles CUB intends to publish discussing the ongoing conversations around data centers and their potential impacts on Minnesota's residential ratepayers. Find other entries in the series below.

- [Legislative Update: Protecting electric ratepayers from the costs to serve data centers](#)

- [CUB spearheads nation-leading legislation to protect ratepayers from the costs to serve data centers](#)

Update September 9, 2025: The Star Tribune reported that Amazon has halted its plans to house a data center on the land outside the Sherco coal plant. [Read more here.](#)

Xcel Energy owned 348 acres of land it had used as a buffer to its Sherco coal plant for the last several decades. With the upcoming closure of the generation facility, Xcel sought to sell the buffer land and return the proceeds to its customers. In 2024, Xcel sold the land to an unknown, private corporation called Elk River Technologies, LLC, for \$7.9 million.

Less than seven months later, [Elk River Technologies](#) resold the same land to Amazon for \$73.5 million— almost ten times the amount Xcel (and therefore Xcel’s customers) received. [Local city officials reportedly](#) observed no physical changes to the land before the resale, nor did the company submit any plans to the city in preparation for future development.

As news outlets reported on the massive resale markup, the public, consumer advocates, and the Minnesota Public Utilities Commission (PUC) all asked the same questions: What happened to make the land value increase by *that* degree in such a short amount of time, and how can we ensure utility customers are appropriately compensated for future land sales? On February 28, the PUC held a hearing to discuss what went wrong.

What happened?

Under [Minnesota law](#), regulated utilities like Xcel must receive PUC approval for land sales exceeding \$1 million. Xcel filed its initial petition requesting approval of the sale in September 2022, explaining that Elk River Technologies intended to

purchase the land for the purpose of constructing a data center. The parcel is located next to Xcel's existing Sherco coal plant in Becker, Minnesota, and is well situated for data center development.

To justify why the sale was in the public interest—the standard required for PUC approval—Xcel primarily relied on a land appraisal it had received for the parcel earlier in 2022. Its market value was estimated to be worth approximately \$7.7 million based on an independent third-party evaluation. Because Elk River Technologies offered \$7.9 million, Xcel claimed the sale was a good deal, and that any additional competitive bidding process would unnecessarily delay customer refunds. Xcel also pointed to comments and testimony from the City of Becker and Sherburne County officials—the community where the land is located—who enthusiastically supported approving the sale under promises of substantial capital investment and increased tax base arising from the imminent development of a data center.

But if selling the land for \$7.9 million in April 2024 was such a great deal, how did Elk River Technologies turn around and sell it with little to no improvement months later for \$73.5 million? It seems to come down to a mix of poorly hedged bets, a lack of transparency, and a harsh introduction to the volatile market of data centers.

First, the land sale included contract terms that favored the purchaser as demand for data centers grew. Xcel initially entered into a contract to sell the land to Elk River Technologies in July 2022, pending PUC approval. As part of that contract, Xcel offered Elk River Technologies an up-to 18-month option contract for the sale—meaning the price and sale terms were locked in, but Elk River Technologies had 18 months to decide whether or not it actually wanted to purchase the parcel. In that time, Xcel could not sell the land to any other buyer or increase the price. Although the PUC approved the sale in March 2023, Elk River Technologies didn't act on the option to purchase until a year later, closing the deal in April 2024.

Xcel asserted that between entering into the sale contract with Elk River Technologies in 2022 and the actual sale of land in 2024, the market for data

centers dramatically changed as a result of artificial intelligence (AI). This market shift significantly increased the value of land well-suited for data centers (i.e., industrial land with access to existing utility and water infrastructure). But because Xcel was locked into the option contract, they were unable to renegotiate the terms of the deal by the time Elk River Technologies was willing to make the purchase.

Xcel also stated that during the 18 months before the sale, Elk River Technologies performed land assessments and other evaluations of the property in preparation for data center development. Presumably, although this work was technically completed before Xcel sold the land, it accounts for some of the value increase as well. Unfortunately, the PUC's February hearing did not reveal specifics as to what additional work Elk River Technologies did—or who paid for it, so it is difficult to know exactly how that work may have impacted Amazon's purchase price (if at all). One possible change was the installation of a water main line to the property. But the City of Becker received [\\$20.5 million from the state Legislature](#) for spending on infrastructure improvements that supposedly included plans for its construction within that budget. Notably, local officials indicated no permits were granted after Xcel sold the land nor were any visible physical improvements made.

Finally, when the PUC approved Xcel's initial sale it was not aware who Elk River Technologies actually was. Elk River Technologies is, in fact, a subsidiary of Black & Veatch, a Kansas-based engineering and construction firm with expertise [in designing and constructing data centers](#) for contracted clients. Black & Veatch has contracted with Xcel Energy before on various energy-related projects.

How do we make sure this doesn't happen again?

The outcome of this land sale is frustrating, to say the least. Had the additional \$60 million in profits gone to Xcel instead of Elk River Technologies, customers could have seen a substantially larger refund, and at a time when the utility is requesting a nearly half billion-dollar increase to rates. Although nothing can be done to revise the past sale, the PUC's February hearing sought to flesh out what

lessons could be gleaned to prevent a similar situation in the future. Xcel's primary defense was that the company acted with the best intentions, using the best information it had when it entered into the contract for sale. While this may be true, there are several recommendations Xcel and others at the PUC identified to mitigate similar risks for future land sale transactions:

- 1 Limited option contracts:** The length of time Xcel allowed for the option contract with Elk River Technologies left the utility unable to respond to significant market changes as they happened. The regulatory process can take time, and option contracts may be useful negotiation tools for dealing with transactions under uncertain timelines. However, utilities may need to take a more critical approach in future land sale negotiations to limit the amount of time the purchasing party has to make a decision.
- 2 Competitive bidding:** While no one can be expected to anticipate sudden changes in the market, relying on one firm's appraisal can be a gamble. During the PUC's initial review of the sale, the Minnesota Department of Commerce agreed to support the transaction but recommended the PUC require competitive bidding for future transactions. Requiring a competitive bidding process can help ensure transparency and fairness of the purchase price, rather than relying on a single estimate from a market appraiser.
- 3 Take promised benefits with a grain of salt:** The PUC sought to respect the wishes of the host community in making its decision to approve the sale. The information at the time of the PUC's review pointed to the sale being a reasonable purchase price, and the added benefits promised to Becker made the agreement that much more appealing. As conversations around increased data center deployment in Minnesota continue, this land sale highlights the need for caution. Data centers present an unknown future in a quickly moving, volatile marketplace. Although they often tout promises of job creation, increased tax base, and local economic development, there are currently few regulatory mechanisms in place to ensure those benefits materialize. The 348 acres in Becker may still see a data center developed by Amazon over the next few years. But regulators, lawmakers, local officials, and the general public should carefully scrutinize future projects to ensure Minnesotans are getting the best deal possible.

CUB will continue to engage in data center discussions at the PUC and the legislature as we look for ways to ensure residential utility customers are protected. Stay tuned for future articles on the data center debate.

Sign up for Our Newsletter

SUBSCRIBE



[Home](#) [Contact CUB](#) [Shutoff Help](#) [2026 Consumers Celebration](#)

332 Minnesota St, Suite W1360
St. Paul, MN 55101
651-300-4701 / 844-MINN-CUB
contact@cubminnesota.org

Via Email
June 12, 2026

Elk River Planning Department
Elk River City Council
13065 Orono Parkway
Elk River, MN 55330

RE: Written Public Comment — Proposed Data Center, 19178 Industrial Boulevard, Elk River Capital LLC — June 15, 2026 Public Hearing

Dear Planning Commission and City Council Members,

I am a 34-year Elk River resident and nature photographer submitting this written public comment for the official record regarding the proposed data center at 19178 Industrial Boulevard by Elk River Capital LLC. I respectfully request that the following concerns be addressed before any vote is taken.

1. The Zoning Amendment Sets a Permanent Precedent

This proposal requires permanently amending Elk River's zoning ordinance to add data centers as an officially allowed use under Light Industrial (L-1) zoning. This is not a decision about one building - it is a decision that would open every Light Industrial parcel in Elk River to data center development, permanently. A 33-megawatt AI data center operating 24 hours a day, consuming the power of a small city, and generating continuous industrial noise at a river confluence does not meet any reasonable definition of light industrial use. The city should establish specific, enforceable standards for data centers before amending its zoning ordinance - not after.

2. Minnesota Law May Apply — Has It Been Evaluated?

Minnesota HF 16, passed in 2025, specifically addresses data center water impacts and prohibits permit approval if a facility will cause adverse impacts to watershed health. The Elk River watershed is located within the Source Water Protection Area for both Minneapolis and St. Paul - our river flows into the Mississippi approximately 25 miles upstream from the drinking water intakes for both cities. I respectfully ask: has HF 16 been formally evaluated in relation to this proposal? Has the Minnesota Pollution Control Agency been notified?

3. Required Agency Consultations

Friends of the Mississippi River has an active state-funded habitat restoration project at Bailey Point Nature Preserve - directly at our confluence. The Mississippi River Islands Scientific and Natural Area, designated by the Minnesota DNR in 1979, sits directly downstream. Within 30 miles of Elk River there are an estimated 40 to 60 active bald eagle nests, including up to 22 at the Sherburne National Wildlife Refuge alone. Research published in March 2026 documents that chronic industrial noise - the kind generated 24/7 by data center cooling systems - can shrink a hunting eagle's listening area by 90 percent, causing raptors to abandon otherwise suitable habitat.

Have the Friends of the Mississippi River, the Sherburne Soil and Water Conservation District, and the Minnesota DNR been formally consulted regarding the environmental impacts of this proposal?

4. Existing Non-Compliance Must Be Addressed

City staff have confirmed that Elk River's existing data centers are not in compliance with current city zoning - they operate as grandfathered legal non-conforming uses. Before expanding data center use through a permanent zoning amendment, the city should address this existing non-compliance and establish clear, enforceable standards that protect residents, wildlife, and our watershed.

5. An Unanswered Question

Public comments have raised questions regarding reports of an additional data center project in Elk River. I respectfully request that the city clarify whether any additional data center facilities are currently under construction or under review, where they are located, and what public review process was followed. Residents deserve a transparent answer before July 6.

In Conclusion

I am not opposed to responsible development. I am asking that this decision be made with full transparency, full legal compliance, and full consideration of the environmental and community impacts - including those that extend beyond Elk River's city limits to our shared watershed and wildlife corridor.

The Elk River motto is "Powered by Nature." I ask the city to govern accordingly.

Respectfully submitted,

Sheila Skogen
151 5th St.
Elk River, MN 55330

Sources available upon request. This comment is submitted for the official public record.

Data Center

From Mary Knapp

Date Sun 6/14/2026 7:23 PM

To Zachary Carlton <zcarlton@ElkRiverMN.gov>

You don't often get email from . [Learn why this is important](#)

Information I have found is that residents in Minnesota and around the country tend to raise the same concerns when data centers are proposed:

- Electrical demand and whether large facilities could affect future power costs or require new transmission infrastructure.
- Noise from cooling equipment, rooftop chillers, and backup generators.
- Water consumption for cooling systems
- Limited permanent employment compared with the size of the facility.
- Lack of transparency about who the ultimate operator or customer is.
- Questions about tax benefits versus community benefits.

At a minimum, let's put a moratorium on this data center until we have more concrete facts and the taxpayers are comfortable with the idea. There shouldn't be a rush to push this action through the process. Let's take our time and get this done right.

Thank you for your time, see you Monday night!

--

Mary Knapp

Public Comment: Data Center Ordinance Request

From Sophia Kruger

Date Mon 6/15/2026 6:38 PM

To Zachary Carlton <zcarlton@ElkRiverMN.gov>

You don't often get email from . [Learn why this is important](#)

Hello,

Please see below my comment that I wish to submit regarding Item 7.4 on the agenda for the City Council meeting on 6/15/2026.

Thank you,

Sophia

Elk River City Council Meeting

June 15th, 2026 6:00pm CT

Public comment in response to:

Item 7.4: Ordinance Amendment and Conditional Use Permit: Data Center, Michael Margulies, 19178 Industrial Blvd NW

Dear City Council Members,

My name is Sophia Kruger; I reside at 22220 Monroe Street NW, Elk River, 55330. I am writing in **opposition** to the proposal requested by Michael Margulies to change the city ordinance to allow for a proposed data center at 19178 Industrial Blvd NW. I ask that the Council take this request seriously and **oppose this ordinance amendment** as well.

As a public health professional, I'm opposed to this proposed ordinance change because data centers introduce air, water, and noise pollution that will harm the environment and the health of Elk River residents, let alone increase financial strain on residents as electricity rates increase to meet the demand of these buildings.

While it's true that there is not enough empirical research yet on the direct adverse health effects of data centers--that is to say, we don't know if building a data center 58,000 square feet in size near residences and schools will directly cause a spike in the rate of new asthma cases or new anxiety diagnoses -- we can certainly paint ourselves a picture based on what we do know so far.

We know that data centers emit noise at levels around 96 decibels, which is above the 85 decibel threshold considered harmful for our hearing. Persistent noise levels below that threshold have even been shown to cause disturbances among wildlife (and in humans). That noise is emitted constantly, day in, day out, and people who live nearby data centers have reported increased anxiety, headaches/migraines, and sleep disturbances.

While it looks good on paper to build a data center with a closed loop cooling system as it's said to draw in less water than other evaporative cooling systems, the reality is that that water consumption is just moved off site. Sure, the building doesn't draw in as much water, but data centers that use this mechanism for cooling require 10-40% more electricity than traditional evaporative cooling systems, meaning that thermoelectric and/or natural gas plants that generate the power our grid needs will consume even more freshwater to meet the data center's demand. As that demand increases, residents can expect their electricity prices to increase as utilities have to contend with increased strain on their grid too.

We also know that this cooling technology has the potential to introduce chemicals--like antifreeze, antimicrobials, and nitrates--at concentrations above their regulated limits into surface water, potentially reaching drinking water sources. This is because while the cooling technology uses less water, it cycles through that water with the occasional release of some used water to make way for new water. That released water, that had been cycling through the cooling systems building up the concentration of chemicals applied to prevent harm to the server equipment, is released as surface water that can run off into ground water sources. Depending on the amount of released water and the concentration of these contaminants, we could be negatively affecting aquatic species downstream of this data center and potentially polluting drinking water sources.

We also know that data centers often use diesel or natural gas generators on-site. These generators emit nitrogen dioxide and other fine particulate matter that can negatively affect the air quality and have been linked with increases in asthma diagnoses and other respiratory and cardiovascular health conditions. This data center is proposed right across the road from Meadowvale Elementary and within earshot of surrounding neighborhoods - I am not okay with exposing children and families to more greenhouse gases that may harm their respiratory health.

With what we do know right now about the harmful impacts of data centers, we should not take lightly the request by applicants to approve zoning for data centers - and this data center specifically - in our city. Approving this ordinance would open the floodgates - who's to say how many more data centers could be developed in our town? And how will those health effects compound? How much strain on local water sources will there be if future data centers are built? Can our electrical grid keep up if more centers come to town?

There are far too many questions that we as constituents deserve answers and not only this, Michael Margulies and Ned Abdul are questionable characters. I would not trust a disbarred, formerly imprisoned, lawyer (Margulies) and a developer who has been investigated by the FBI and faced fraud convictions (Abdul); they certainly do not seem like business persons the City and its residents should trust with the development of a project that is so controversial. In the City's Planning Commission

meeting on May 26th, neither could guarantee that this proposed data center would not be used for AI in the future, and neither could say what company they'd seek to lease their building.

I ask the planning commission to seriously take these concerns into consideration before making a decision on the applicant's request to amend city zoning ordinances to allow for inclusion of data centers.

Thank you.

Sophia Kruger

June 17, 2026

Elk River Planning Commission
Elk River City Council
13065 Orono Parkway
Elk River, MN 55330

Re: Ordinance Amendment OA 26-02 — Data Centers as a Conditional Use in I-1 and I-2 Districts

Dear Chair, Commissioners, Mayor, and Council Members,

I've spoken at every public hearing on this application since it was introduced, and I'm writing now because OA 26-02 is being given attention in its own right, separate from the site-specific CUP request. I appreciate that the city separated the two on the schedule, with the ordinance amendment taking up first — that gives this body room to focus on OA 26-02 without the pressure of a concurrent site decision, and I think that's the right way to handle it. The ordinance amendment will outlive this particular project. Whatever happens with 19178 Industrial Boulevard, OA 26-02 sets the standard for every data center that comes to Elk River after it — in any I-1 or I-2 zone citywide.

I want to be upfront about what I'm asking for: a moratorium on OA 26-02, paired with a task force charged with producing comprehensive, specific conditions before any ordinance amendment is adopted. I don't think that's an extreme position. As of this spring, roughly 70 cities, counties, and states across the country had active data center moratoriums in place — most lasting six months to a year, a few longer — specifically to let local policy catch up with this technology before locking in a standard. I'd rather Elk River take that same approach now than discover the gaps later, after the standard is adopted.

Why I think this request is premature

To be clear about what's actually in front of you: OA 26-02 is a request to add data centers as a conditional use to the I-1 and I-2 use tables. It is not draft ordinance language with specific standards attached. That distinction matters. Adding the use category now and leaving the conditions — noise limits, water and discharge standards, infrastructure cost allocation, setbacks — to be worked out later, case by case, is itself the gap I'm asking you to close before adoption, not after.

It also matters because a modern AI-era data center is not the same animal as the data centers most existing zoning frameworks were written to anticipate. Power density per square foot has increased substantially. Cooling methods have shifted from simple air handling toward closed-loop and liquid systems with their own lifecycle and discharge characteristics. And the pace at which these projects move from application to construction has consistently outrun the pace at which cities can write standards to govern them. Elk River is being asked to create a

permanent, citywide use category at the same time it's processing a live application under that category — not the sequence I'd expect a new, unfamiliar use type to be handled: standards first, then applications, not concurrently.

I'd ask the Commission and Council to think comprehensively about the full range of inputs and outputs a facility like this brings, not just the ones that happen to be the loudest at this stage of the process:

- **Noise.** Not just whether a peak decibel level clears a threshold, but the chronic, continuous, often tonal character of mechanical noise from a facility that runs nights, weekends, and holidays indefinitely. The kind we're hearing about frequently in the news. The kind the attached research will address in some detail.
- **Water.** Cooling water consumption, and — separately — the full lifecycle of closed-loop systems: makeup water needs, blowdown discharge, water treatment chemistry, and what happens to that water over the life of the system, not just at startup.
- **Thermal plume.** Waste heat rejected to the atmosphere or to surface water, and what that does to the immediate microclimate or receiving water body over time.
- **Electrical grid demand and cost-shifting.** Who pays for the infrastructure a large new load requires, and whether those costs land on the developer or get distributed across the existing ratepayer base. I think ERMU has put some effort into this, but it deserves detailed review and explicit conditions.
- **Backup generator emissions.** Diesel generators sized for 100% generation in a 10-megawatt or larger facility, and what their testing and emergency run schedules mean for nearby air quality.
- **Construction and truck traffic.** The volume and duration of heavy truck traffic during build-out, separate from the comparatively low traffic the facility generates once operational.
- **Property value effects.** What happens to home and business values for immediate neighbors when an industrial use of this scale and duration moves in next door.

None of these are exotic concerns. They're the ordinary list of questions any conditional use ordinance should answer before, not after, it's adopted. Right now, OA 26-02 doesn't answer them.

Why I think a moratorium and task force is the right tool

I went looking for examples of cities that have done this well — that captured the economic benefit of hosting a data center without adversely affecting the quality of life of their neighbors and nearby businesses. I didn't find one I could point to with confidence. What I found instead was a substantial body of forward-looking guidance from planners, consultants, and developers about what a city *should* do, and a separate, growing body of reporting from residents currently living next to data centers describing dust, noise, and disrupted sleep that the "should do" literature hadn't prevented. I also looked specifically for community benefit agreements with documented, post-construction outcomes — proof that the commitments made on paper held up

once the facility was running — and didn't find that either. What exists are recently signed agreements and unproven frameworks, not track records.

I raise that not to suggest this can't be done well, but to suggest that nobody — including Elk River — currently has a reliable model to copy. That argues for slowing down and building the standard deliberately, with the right people in the room, rather than adopting language now and hoping it holds up against the next application.

Can we confidently say at what distance neighbors are not adversely impacted by noise, emissions, and thermal plume? I haven't found clear answers yet, and I don't think that question should remain unanswered when the ordinance is adopted.

A task force with broad representation — residents, industrial-zone business owners and workers, ERMU, city staff, and an outside consultant familiar with the specific demands and effects of modern data center equipment — could do the work the current timeline doesn't allow: specific, measurable conditions on noise, water, thermal discharge, infrastructure cost allocation, and emissions, instead of general language that leaves those questions to be litigated case by case. I'd also ask the task force to study whether OA 26-02 should include a citywide cap on total data center load or on the number of facilities permitted, rather than treating each application as if it were the only one the grid, water system, and neighbors will ever have to absorb. I'd tie the moratorium to that task force's work product, not to a fixed calendar date — it lifts when the report is in hand, not before.

It's also worth noting that the city is not a passive party here. Elk River's own economic development website lists data centers as a target industry, citing reliable electrical power, water capacity, and electrical reliability as reasons the city is a desirable location for them. By observation, the city is actively recruiting for this industry. What that page doesn't address — and what OA 26-02 in its current form doesn't address either — is where within the city these facilities belong, under what conditions, and with what protections for the people who will live and work next to them. If Elk River is going to market itself for this industry, it owes its residents the comprehensive standard that marketing implies, not just the invitation.

I want to be clear that none of this is a position on whether Elk River should host more data centers at all. I think the goal is straightforward: capture the economic benefit this industry can offer without exporting the cost of doing so to the neighbors of the site. I don't think that's an unreasonable thing to ask the ordinance to guarantee before it's adopted, rather than after.

I'm including a list of questions that remain unanswered about the Elk River Capital LLC project. I would appreciate these questions being addressed in preparation for the CUP proceedings.

I've also enclosed printed research on noise and vibration impacts that I'd ask the Commission and Council to review as part of this record. For additional background and documentation related to this application, I maintain elkriverdatacenter.com as a public-interest resource; it's referenced here only as a source, not as an extension of this letter's argument, which is mine alone.

Thank you for the time and attention you've given this process. I'm glad to discuss any of this further and look forward to the continued hearing on June 23.

Respectfully,

Jesse Lang
19371 Upland St NW

Unanswered questions about the Elk River Capital LLC project

Operator Identity

1. Who will operate this facility?
2. What are their qualifications and operational and compliance track record?

Nearby School & Day Care

1. The applicant's narrative identifies no schools or day care centers near the site. Meadowvale Elementary is 732 feet from the site parcel boundary; Creative Kids Academy is 440 feet from the site parcel boundary, per Sherburne County GIS measurements.
2. The application record contains no proximity analysis addressing either facility. Elk River City Code § 30-654(4) requires that a conditional use permit applicant demonstrate the proposed use will not adversely affect parks and schools.
3. Has the city evaluated whether the ordinance amendment or CUP conditions should address proximity to schools and day care centers?

Electricity

1. What is the design PUE (Power Usage Effectiveness) for this facility?
2. What is the target kW per rack (or per cabinet) for this facility's design?
3. Is any liquid-to-chip or immersion cooling planned, or is this exclusively air-cooled at the rack level?

Closed Loop Cooling

1. What is the total system volume (gallons) for the closed loop at full 33 MW build-out, separated by Phase One (initial) and Phase Two?
2. What manufacturer/model chiller units are specified, and does the spec sheet confirm an air-cooled (no adiabatic pre-cooling) configuration, or does it include an adiabatic-assist mode that would add a separate evaporative water draw?
3. What is the basis for Mr. Hanson's representation that the system will "require no additional water" — is that engineering-verified for this specific chiller spec, or a general characterization of closed-loop technology as a category?
4. What is the disposal/discharge protocol for any blowdown or partial-drain event, given the glycol and corrosion-inhibitor chemical content?
5. Is there a contractual leak-detection requirement, monitoring threshold, or reporting obligation to ERMU/the City?
6. What is the City's enforcement mechanism if a leak occurs and is *not* major enough to trigger flushing, but the system is taking in makeup water over an extended period — at what point does that cross from "an initial fill" into a use ERMU's water rules weren't written to anticipate?

7. What chemicals or compounds will be used as part of the closed loop system?
8. What concentration of each chemical will be used?
9. What is the purpose of each chemical?
10. Has the developer built-out and used this type of cooling system before?

Generators: Capacity & Use

1. What is the nameplate capacity (kW or hp) of each generator unit?
2. How many units will be installed?
3. What is total installed generation capacity across all units?
4. Are these generators intended for any non-emergency use outside of testing and maintenance (demand capacity, peak shaving, etc.)?

Generators: Emissions

1. Has the applicant prepared a potential-to-emit (PTE) calculation for Nitrogen Oxides (NO_x), Fine Particulate Matter (PM_{2.5}), Carbon Monoxide (CO), and Hazardous Air Pollutants (HAPs)?
2. What EPA emission tier are the generator engines?
3. What fuel grade will these generators use?
4. Will any emissions control devices (diesel oxidation catalysts, particulate filters) installed?
5. Has any air dispersion modeling been performed to characterize ground-level concentrations at the property line and at the nearest receptor?

Data Center Noise: What It Is and Why the Standard Does Not Capture It

June 15, 2026 · updated June 15, 2026 · 23 min

TL;DR

Data centers emit constant low-frequency noise that is structurally different from other industrial sources — tonal, continuous, and resistant to conventional barrier mitigation. Minnesota’s applicable noise standard measures sound in a way that systematically underweights the frequency range most associated with data center complaints: in documented cases, facilities measured at 40 to 59 dB(A) on residential property — within applicable limits — while neighbors reported sleep disruption, difficulty concentrating, and avoidance of outdoor spaces.

What Data Center Noise Is and Why It Differs from Other Industrial Sources

Primary noise sources

Data center noise originates from three systems. Their acoustic character differs significantly.

Air-cooled chillers are the dominant external noise source for data centers that use air-cooled heat rejection — one common approach for facilities that do not use cooling towers or water-side economizers. Air-cooled chillers require large axial fans to reject heat continuously.¹ Those fans produce tonal noise — sound concentrated at specific frequencies — driven by blade-pass frequency: the rate at which each blade passes a fixed point. According to INVC, a commercial noise remediation consultancy, the blade-pass tones generated by chiller fans are caused by aerodynamic interactions of the fan impellers and concentrate in the low-frequency range, typically propagating substantial distances from the site.¹

Analysis: The degree of tonal character depends on equipment specifications. Variable-frequency drive (VFD) fans spread blade-pass energy across a band of frequencies rather than concentrating it at a fixed tone, reducing tonal character relative to fixed-speed fans. Whether specific equipment will produce problematic tonal noise varies by specification, which is why spectral analysis of the actual equipment

specified is more informative than dB(A) measurement alone for evaluating tonal character. The World Health Organization has concluded that A-weighted measurement systematically underweights low-frequency noise content where it is prominent, recommending C-weighting for health effects assessment in such cases.² This tonal character is what distinguishes chiller noise from broadband industrial noise.

Diesel generators are standard equipment in data centers as backup power for critical load. Diesel generators produce low-frequency noise at their engine firing frequency during both routine load testing, which is required under National Fire Protection Association Standard 110 (NFPA 110), and during actual power outages.³ Generator exhaust systems dominate low-frequency noise output in the range of approximately 31.5 to 250 Hz, with tonal components at the engine firing frequency and its harmonics — typically in the range of 75 to 90 Hz for standard 4-stroke diesel generators operating at 1500 to 1800 RPM.⁴ NFPA 110 requires monthly 30-minute operational tests at a minimum of 30% of nameplate kW rating; if a generator does not reach that threshold during monthly testing, an annual supplemental load bank test is triggered, and Level 1 systems require a comprehensive test every 36 months.³ Whether generator test events comply with applicable noise limits at nearby receivers, and whether a conditional use permit addresses the timing and frequency of such testing, are questions a noise study scope should explicitly cover.

Server and rack cooling fans operate internally; though internal noise levels in operational data centers commonly reach 90 dB(A) near server areas,⁵ the building envelope attenuates this substantially before it reaches any external receiver, making server fans less relevant to external community noise than chiller and generator sources.

What makes this noise different

Two properties of data center noise distinguish it from most other industrial sources that zoning and noise regulations were designed to address.

Tonal character. Most regulated industrial noise — manufacturing equipment, aggregate operations, truck traffic — is broadband: acoustic energy spread across many frequencies. Chiller fans and diesel generators produce tonal noise: energy concentrated at discrete frequencies. The noise concern from low-frequency tonal sources is not primarily peak annoyance in the way measured by short-duration listening tests.⁶ The concern is instead chronic exposure: research on low-frequency noise exposure indicates that because tonal noise is predictable and repetitive, habituation is incomplete, and sleep disturbance and related effects may persist at exposure levels that would not produce acute complaints — though the epidemiological evidence on this point remains limited in scope.⁷ ² Low-frequency tones also penetrate building walls and conventional acoustic barriers more effectively than higher-frequency sound. Beginning in April 2023, Williams County, North Dakota officials began receiving noise complaints from residents surrounding the Atlas Power Data Center west of Williston — a high-performance computing and cryptocurrency mining facility — shortly after it became operational.⁸ The company installed an acoustic barrier as mitigation; complaints continued, and in 2023 residents filed a civil lawsuit citing excessive

noise, property value impacts, and quality-of-life harms.⁹ A monetary settlement was reached in 2026.⁹ According to INVC’s account of the case — a vendor source — the barrier cost approximately \$5 million.¹⁰ *Analysis: INVC attributes the barrier’s failure to the physics of low-frequency tonal noise from cooling fans, which cannot be effectively attenuated by conventional barriers; the Atlas Power facility differs from a colocation data center in operational profile and scale, but the acoustic mechanism implicated — low-frequency blade-pass tones from air-cooled cooling fans — is common to facilities relying on air-cooled heat rejection regardless of workload type.* The frequency-dependence of barrier insertion loss is well established in acoustic engineering: barriers provide substantially less attenuation at low frequencies where sound wavelengths are long relative to barrier dimensions.¹¹

Continuous operation. Unlike manufacturing, construction, or most other industrial uses, data centers have no operating hours, no seasonal shutdown, and no production cycles. A data center operates continuously once commissioned.¹² Community complaints about data center noise tend to focus on continuity of exposure more than on peak decibel levels.¹³

A noise source that operates continuously overnight presents a different exposure profile than one with higher peak levels but limited to daytime hours: ambient noise levels drop at night, making the same source more perceptible and more disruptive to sleep at lower absolute levels.¹⁴ ¹⁵

The Applicable Standard and Its Structural Limitations

How Minnesota Rule 7030 works

Minnesota Rule 7030 is the applicable state noise standard. It is a receiver-based standard: the noise limit that applies depends on the land use at the location of the person or property receiving the sound, not on the zoning of the source property.¹⁶ Rule 7030 establishes minimum state standards; a municipality may impose more stringent requirements through conditional use permit conditions or local ordinance under its land use authority.

The rule establishes four Noise Area Classifications (NAC). Applicable limits under Rule 7030.0040, Subpart 2 for the three most commonly relevant categories:

NAC	Land Use	Day L50	Day L10	Night L50	Night L10
1	Residential, schools, medical, religious, educational services	60	65	50	55

NAC	Land Use	Day L50	Day L10	Night L50	Night L10
2	Commercial, retail, parks, professional services	65	70	65	70
3	Manufacturing, utilities, communication, all other	75	80	75	80
4	Undeveloped land, water areas	None	None	None	None

Daytime is defined as 7:00 a.m. to 10:00 p.m. Nighttime is 10:00 p.m. to 7:00 a.m.¹⁷ L10 is the sound level exceeded 10 percent of the time during a one-hour survey.¹⁸

For any proposed data center, the relevant question is what land uses exist in the surrounding area and at what distances. Schools, residences, medical facilities, and places of worship are all NAC 1 receivers under Rule 7030.0050.¹⁹ At any NAC 1 receiver, both nighttime limits must be satisfied simultaneously: L50 50 dB(A) and L10 55 dB(A). A measurement showing compliance on L10 alone without reporting L50 does not establish full compliance with Rule 7030.

Note: Rule 7030.0050, Subpart 3(A) provides that NAC 1 daytime standards may be applied during nighttime hours if the land use does not include overnight lodging.²⁰ Schools are NAC 1 receivers but typically do not include overnight lodging; where this exception applies, it would relax the nighttime limits at a school receptor to L50 60 dB(A) and L10 65 dB(A) — the daytime NAC 1 standards. Whether this exception or Subparts 3(B) or 3(C) apply at any given receptor depends on building construction and land use present, and should be addressed explicitly in noise study scope.

The A-weighting problem

Rule 7030 mandates measurement in A-weighted decibels, dB(A), through its incorporation of American National Standards Institute standard S1.4-1983 (ANSI S1.4-1983) by reference.²¹ A-weighting is a frequency filter applied to sound level measurements to approximate human hearing sensitivity: the human ear is less sensitive to low frequencies at moderate sound levels, so A-weighting progressively attenuates low-frequency content before it is recorded in the measurement.

The practical effect for data center noise: A-weighting applies approximately 26 dB of attenuation at 63 Hz, and more than 40 dB of attenuation below 20 Hz, relative to mid-frequency content.²² *Analysis: Chiller fan blade-pass tones typically concentrate below 250 Hz, varying by equipment; this range receives the heaviest A-weighting attenuation, meaning it contributes minimally to a dB(A) compliance reading even when present at levels sufficient to generate complaints.*

Larson Davis, a noise monitoring equipment manufacturer, notes that low-frequency humming “doesn’t contribute much to A-weighted noise levels but is often the source of complaints” — a facility can satisfy

Rule 7030's dB(A) requirement while generating tonal low-frequency content that A-weighted measurement systematically underweights.²³

This is a structural property of the measurement standard, not a function of facility size. In the context of assessing health effects from low-frequency noise, the World Health Organization concluded in its 1999 community noise guidelines — a foundational reference that predates the current data center proliferation but whose low-frequency findings have not been revised in subsequent WHO guidance — that “since A-weighting underestimates the sound pressure level of noise with low-frequency components, a better assessment of health effects would be to use C-weighting” and that “when prominent low frequency components are present, noise measures based on A-weighting are inappropriate.”²² Rule 7030 requires neither C-weighting nor any supplemental low-frequency measurement.

Documented consequence: residents near data centers in Northern Virginia's Prince William County reported persistent noise complaints while measured levels on residential property were 40 to 59 dB(A) — within applicable limits — with neighbors reporting sleep disruption, difficulty concentrating, and avoidance of outdoor spaces.²⁴

What Rule 7030 does not require

Minnesota Rule 7030 contains no requirement for:

- **C-weighted measurement.** C-weighting attenuates low frequencies much less aggressively than A-weighting, making it more sensitive to the low-frequency range where chiller fan blade-pass tones concentrate. The World Health Organization recommends C-weighting specifically for noise with prominent low-frequency components.² Independent acoustic engineers and some jurisdictions have identified C-weighted measurement or octave-band spectral limits as necessary to capture the noise character of data center cooling equipment; A-weighted limits alone have in documented cases failed to address community complaints that persisted within compliance.²⁵
- **G-weighted measurement.** G-weighting, defined by ISO 7196:1995, covers the infrasound range of 1–20 Hz — below audible hearing but perceptible through bodily sensation at sufficient pressure levels.²⁶ ²⁷ Large compressor-based cooling equipment can generate tonal energy that extends into or near the infrasound range; whether any specific installation does so depends on equipment specifications that are not established by a dB(A) noise study alone. Rule 7030 requires neither C-weighted nor G-weighted measurement; a noise study conducted under Rule 7030 therefore provides no spectral characterization of noise in these frequency ranges.²⁸
- **Octave-band or 1/3-octave-band spectral analysis.** Octave-band analysis allows identification of discrete tonal frequencies and their relative contribution to total noise levels. Without it, a compliant dB(A) reading cannot identify which frequencies are present, at what levels, or whether any tonal component is prominent. *Analysis: The WHO has identified A-weighting as inappropriate for health-effects assessment of noise with prominent low-frequency components; a noise study reporting only*

dB(A) compliance therefore provides no basis for evaluating whether chiller fan blade-pass tones are present or at what frequencies.

- **A tonal penalty.** ISO 1996-1:2016 defines a framework for adjusting measured noise levels upward — by 3 to 6 dB — when a prominent tone is audible within a noise spectrum.²⁹ The empirical basis for tonal penalties is strongest at mid and high frequencies: laboratory research found annoyance penalties of 0 dB at 50 and 110 Hz, increasing to 12 dB at 2100 Hz.⁶ *Analysis: ISO 1996-1 §6 specifies the adjustment based on tonal audibility without stating a frequency floor; the standard's text does not exclude low-frequency tones from the adjustment framework.* Peer-reviewed literature documents that a number of U.S. municipalities have independently adopted a 5 dB tonal penalty using one-third octave band analysis under ISO 1996-2, applicable to any prominent tone detected by the measurement methodology.²⁹ Minnesota Rule 7030 contains no tonal adjustment provision of any kind.
- **Post-construction verification.** Rule 7030 establishes limits but does not require post-construction measurement to confirm that operational noise matches modeled predictions. Post-construction noise monitoring can be required as a CUP condition under the city's land use authority independently of Rule 7030; the absence of a Rule 7030 requirement does not preclude the city from imposing one.

1. Industrial Noise and Vibration Centre (INVC), "Low-cost high efficiency data center noise reduction," invc.com (commercial noise remediation consultancy): "One of the most common complaints about data center noise is a low-frequency humming sound that travels long distances. The most common source is the large number of chiller or cooling fans required to control equipment temperatures 24/7. Technically, the hum is caused by the aerodynamic interactions of the fan impellers that may vary in frequency (pitch) as the fan speed changes with temperature." INVC is cited here for the mechanism description; its characterizations of specific cases are attributed to INVC where used. ↩ ↩
2. World Health Organization, Guidelines for Community Noise (Berglund, Lindvall, Schwela, eds.), WHO, Geneva, 1999: "Health effects due to low-frequency components in noise are estimated to be more severe than for community noises in general... Since A-weighting underestimates the sound pressure level of noise with low-frequency components, a better assessment of health effects would be to use C-weighting." The guidelines further specify: "When prominent low frequency components are present, noise measures based on A-weighting are inappropriate." For sleep specifically: "Low frequency noise, for example, from ventilation systems can disturb rest and sleep even at low sound levels... For noise with a large proportion of low frequency sounds a still lower guideline [than 30 dB(A)] is recommended." Note: these guidelines were published in 1999 and were written primarily in the context of traffic, aircraft, and general industrial noise. The 2018 WHO Environmental Noise Guidelines for the European Region (see below) build on this framework and do not revise the low-frequency findings. ↩ ↩ ↩ ↩
3. National Fire Protection Association, NFPA 110, Standard for Emergency and Standby Power Systems (2025 ed.), §8.4.2 and §8.4.6. Required test schedule: monthly 30-minute operational tests at a minimum of 30% of nameplate kW rating (diesel); if a generator does not reach 30% nameplate during monthly testing, an annual supplemental load bank test is required at not less than 50% of nameplate for 30 minutes followed by 75% for 60 minutes (the 2025 edition eliminated the prior 25%/30min step; some jurisdictions may still enforce earlier editions). Level 1 Emergency Power Supply Systems additionally require a comprehensive 4-hour test every 36 months under §8.4.9. Monthly transfer switch operation also required. Plain-language summary: National Fire Protection Association, "An Overview of NFPA 110," nfpa.org, January 2023: "The emergency power supply system needs to be inspected weekly, exercised monthly, and tested at least once every 36 months." ↩ ↩
4. Jubaili Bros, "Generator Noise Control: Enclosures, Silencers, and Acoustic Design," lb.jubailibros.com, July 2025: "Exhaust systems dominate low-frequency noise between 31.5 Hz and 250 Hz." Engine firing frequency for a 4-stroke diesel generator is: $(\text{number of cylinders} \div 2) \times (\text{RPM} \div 60)$; for a 6-cylinder engine at 1800 RPM this yields 90 Hz, at 1500 RPM approximately 75 Hz — both within the low-frequency range where A-weighting applies substantial attenuation. See also Engineering Research (Global Journals), vol. 14 (2014), documenting engine firing rate calculation and 90 Hz fundamental for 6-cylinder, 4-stroke, 1800 RPM generator. ↩

5. C&C Technology Group (data center infrastructure contractor), "Data Center Noise: Effective Strategies for Reduction," cc-techgroup.com: "Noise levels commonly reach upwards of 90 dB(A) near server areas." Cited for the internal noise level figure; this is a subsidiary point as the building envelope substantially attenuates this before it reaches the property boundary. ↵
6. Oliva, D., Hongisto, V., and Haapakangas, A., "Annoyance of low-level tonal sounds — Factors affecting the penalty," *Building and Environment*, vol. 123, pp. 404–414, 2017 (peer-reviewed, DOI: 10.1016/j.buildenv.2017.07.017): "Environmental and appliance sounds involving tonal components can be more annoying than broad-band noise... environmental and appliance sounds including tonal components are generally expected to be more annoying than non-tonal sounds with the same A-weighted sound pressure level (SPL)." Note: the same study found that the annoyance penalty was 0 dB below 200 Hz and increased with frequency above 200 Hz, reaching up to 12 dB at 2100 Hz. This frequency-dependence of tonal annoyance is not fully captured by flat penalty values in regulatory standards. ↵ ↵
7. Griefahn, B., "Effects of low frequency noise on sleep," *Noise & Health*, vol. 6, no. 23, 2004, reviewing primary literature including: Persson Waye, K. and Rylander, R. (2001) — in a cross-sectional study of 279 persons, fatigue, difficulty falling asleep, and feeling languid and tensed in the morning were reported significantly more often among those annoyed by low-frequency noise; and Verzini et al. (1999) — among 98 urban subjects exposed to dominant low-frequency noise from installations, air conditioning units, industrial processes, and traffic, energy content of 20–160 Hz was significantly related to sleep disturbance, concentration difficulties, irritability, anxiety, and tiredness. The review concludes: "Low frequency noise (20–200 Hz) is emitted by numerous sources in the society. As low frequencies propagate with little attenuation through walls and windows, many people may be exposed to low frequency noise." ↵
8. Williams County, North Dakota, "Williams County Update Regarding Atlas Power Data Center," press release, June 29, 2023: "Beginning in April 2023, County staff and officials began receiving noise complaints from residents surrounding the Atlas Power Data Center, located west of Williston." The release confirms \$232,000 in code violation fines levied against Atlas Power Holdings ND, LLC, and documents the county's order for installation of "acoustical panels and security fencing" as a "sight and sound barrier for the site." Atlas Power's operational profile — primarily cryptocurrency mining and high-performance computing — is described in KFYR-TV (March 2022) and North Dakota Governor's office announcement (January 26, 2022). ↵
9. KFYR-TV (Michael Anthony), "Settlement agreements going out to residents by data center next to Williston," March 13, 2026: "In 2023, residents filed a lawsuit against the company asking for damages for the noise. They claim it tanked property values and hurt their quality of life. A settlement was reached two years later." Settlement details are confidential per Atlas attorney Doug Daniels, as stated to Northwest District Court Judge Kirsten Sjue. ↵ ↵
10. Industrial Noise and Vibration Centre (INVC), "Data Center Noise Regulation: a smarter approach to a global problem," invc.com (commercial noise remediation consultancy): "This 'jaw-dropping' \$5 million structure was intended to be the definitive answer. It wasn't. It was a spectacular failure." The \$5 million cost figure and the characterization of the barrier's failure originate from INVC's account of the project. INVC is a commercial acoustics consultancy. The underlying noise complaints, enforcement action, litigation, and settlement are independently confirmed by Williams County government records and KFYR-TV reporting cited above. ↵
11. The frequency-dependence of acoustic barrier insertion loss is established in standard engineering references. The Maekawa diffraction model (1968) and the Kurze-Anderson formula define insertion loss as a function of the Fresnel number N, which is inversely proportional to wavelength: at low frequencies where wavelengths are long relative to barrier dimensions, N is small and insertion loss is low. As summarized in ScienceDirect Topics, "Noise Barrier," citing Maekawa (1968) and Kurze-Anderson: barrier attenuation is "fundamentally frequency-dependent" and "high-frequency sound waves with short wavelengths experience greater attenuation because they diffract less efficiently around obstacles." A 100 Hz tone has a wavelength of approximately 3.4 meters; practical barriers of finite height provide substantially less insertion loss at such frequencies than at mid- or high-frequency content. ↵
12. Environmental and Energy Study Institute (EESI, a nonprofit policy research organization), "Communities Are Raising Noise Pollution Concerns About Data Centers," March 23, 2026, eesi.org: "Data centers' continuous operation means that cooling systems... generate a persistent humming sound around the clock." ↵
13. Environmental and Energy Study Institute (EESI, a nonprofit policy research organization), "Communities Are Raising Noise Pollution Concerns About Data Centers," March 23, 2026, eesi.org: "Complaints about data center noise tend to focus on its 24/7 consistent presence rather than on its volume." ↵
14. LSARS (acoustic engineering firm), "Data Center Noise: How Loud, How Far, How to Address," lsars.com: "Data center noise occurs 24 hours a day, including overnight when ambient noise levels tend to be lower. A 50 dB noise during the daytime may not be annoying, whereas it would be noticeable at nighttime." Cited for the nighttime ambient principle; corroborated by the WHO 2018 Environmental Noise Guidelines for the European Region cited above. ↵
15. World Health Organization Regional Office for Europe, *Environmental Noise Guidelines for the European Region*, WHO/Europe, 2018 (ISBN 9789289053563): nighttime noise limits are established specifically because exposure during sleep hours produces adverse

health effects distinct from daytime exposure at equivalent levels; the guidelines identify sleep disturbance as a primary health outcome of environmental noise exposure and establish recommended nighttime L_{night} limits. The 2022 updated meta-analysis (PMID 35857401, *Environmental Health Perspectives*) confirms these findings remain current. ↵

16. Minnesota Rule 7030.0050, Subpart 1 (Applicability): “The noise area classification is based on the land use activity at the location of the receiver and determines the noise standards applicable to that land use activity.” Published electronically January 27, 2017. Statutory authority: MS s 115.03; 116.07; History: 11 SR 43; 18 SR 614; 41 SR 763. Noise standards table: Minnesota Rule 7030.0040, Subpart 2, published electronically December 12, 2003; statutory authority: MS s 116.07; History: 11 SR 43; 18 SR 614. L₅₀ is the level exceeded 50 percent of the time; L₁₀ is the level exceeded 10 percent of the time during a one-hour survey. ↵
17. Minnesota Rule 7030.0020 (Definitions). Subpart 3: “Daytime means those hours from 7:00 a.m. to 10:00 p.m.” Subpart 10: “Nighttime means those hours from 10:00 p.m. to 7:00 a.m.” Subpart 7: L₁₀ defined as the sound level, in dB(A), exceeded ten percent of the time for a one-hour survey. Subpart 8: L₅₀ defined as the sound level, in dB(A), exceeded 50 percent of the time for a one-hour survey. Statutory authority: MS s 116.07; History: 11 SR 43; L 1987 c 186 s 15; 18 SR 614. Published electronically December 12, 2003. ↵
18. Minnesota Rule 7030.0020, Subpart 7 (primary): L₁₀ defined as the sound level, in dB(A), exceeded ten percent of the time for a one-hour survey. Corroborated by Minnesota Pollution Control Agency, “A Guide to Noise Control in Minnesota,” 2008, leg.mn.gov. ↵
19. Minnesota Rule 7030.0050, Subpart 2: NAC 1 land use activities include “Household Units (includes farm houses),” “Medical and other health services,” “Educational services,” and “Religious activities,” among others. These encompass residences, medical facilities, schools, and places of religious assembly respectively. ↵
20. Minnesota Rule 7030.0050, Subpart 3(A): “The daytime standards for noise area classification 1 shall be applied to noise area classification 1 during the nighttime if the land use activity does not include overnight lodging.” Subpart 3(B) allows NAC 2 standards to be applied to a NAC 1 building if: (1) the building “is constructed in such a way that there are no openable windows or doors to the outside” and (2) “the interior of the building is air conditioned or mechanically ventilated.” Subpart 3(C) applies NAC 3 standards to a NAC 1 building under the same conditions. Whether any of these subparts apply at a given receptor depends on the physical construction of the building and the land uses present, and is a question noise study scope should address explicitly. ↵
21. Minnesota Rule 7030.0060 (Measurement Methodology), Subpart 4(B): “Measurements must be made using the A-weighting and fast response characteristics of the sound measuring device as specified in American National Standards Institute S1.4-1983.” Subpart 2 specifies that measuring devices must meet Type 0, I, II, or S specifications under ANSI S1.4-1983. Statutory authority: MS s 116.07; History: 11 SR 43; 17 SR 1279; 18 SR 614. Published electronically December 12, 2003. ↵
22. A-weighting frequency response values are defined by ANSI S1.4-1983, section 5.1. ANSI S1.4-1983 is incorporated by reference into Minnesota Rule 7030 via Rule 7030.0010. Rule 7030.0020, Subpart 2 defines “A-weighted” by reference to ANSI S1.4-1983 section 5.1. A-weighting correction at 63 Hz is approximately -26.2 dB relative to the 1 kHz reference level; attenuation exceeds 40 dB below 20 Hz. Tabulated values available in IEC 61672-1:2013 (the current successor standard to ANSI S1.4-1983) and in standard acoustical engineering references. ↵
23. Larson Davis (PCB Piezotronics), “Data Center Noise Monitoring,” larsondavis.com (noise monitoring equipment manufacturer): “Low-frequency humming doesn’t contribute much to A-weighted noise levels but is often the source of complaints.” Cited for the measurement consequence; corroborated by WHO 1999 above. ↵
24. Neha Gour, Ed Maibach, and Luis Ortiz (George Mason University), “5 ways data centers endanger their local communities and the country as a whole,” *The Conversation*: “In northern Virginia, some residents have complained about an industrial-scale ‘drone’ or ‘hum.’ Measurements at the data centers that were the subject of complaints found noise levels were between 40 and 59 decibels on residential property. Those noise levels are quieter than a conversation... and not loud enough to damage people’s hearing or violate local noise ordinances.” Note: the article does not cite a primary measurement source for the 40–59 dB(A) figure; the claim is attributed here to the researchers’ account as published in *The Conversation*, not to underlying measurement data. ↵
25. Acentech (acoustic engineering consultancy), Alex Odom, “Good Noise Neighbor: Data Center Design for Community Noise,” lab.acentech.com, November 6, 2025: “Some regulations therefore use C-weighted decibels (dBC), which include more low-frequency content.” The article documents an unnamed Virginia jurisdiction where data center cooling equipment noise produced community complaints while operating within A-weighted limits; that jurisdiction subsequently revised its ordinance to clarify that commercial and industrial cooling equipment is not exempt from noise limits. The jurisdiction is not named in the article. Acentech is an independent acoustic consulting firm; this source is not vendor content. ↵
26. International Organization for Standardization, ISO 7196:1995, “Acoustics: Frequency-weighting characteristic for infrasound measurements”: “Specifies a frequency-weighting characteristic, designated G, for the determination of weighted sound pressure levels of sound or noise whose spectrum lies partly or wholly within the frequency band from 1 Hz to 20 Hz.” ↵

27. Baliatsas, C., van Kamp, I., van Poll, R., and Yzermans, J., "Health effects from low-frequency noise and infrasound in the general population: Is it time to listen? A systematic review of observational studies," *Science of the Total Environment*, vol. 557–558, pp. 163–169, 2016 (peer-reviewed systematic review of observational studies, 2000–2015), summarizing Møller and Lydolf (2003): "Low frequency noise in the residential environment is described as a constant, deep and humming/rumbling sound and although complainants perceive it with their ears, the perception of bodily or external vibration is also possible." The review found associations between LFN exposure and annoyance, sleep-related problems, concentration difficulties, and headache in the adult population. ↩
28. IEC 61672-1:2013, Electroacoustics — Sound level meters — Part 1: Specifications, §5 (frequency weighting characteristics). IEC 61672-1 is the current international standard defining A, C, and Z frequency-weighting curves for sound level meters, and is the successor standard to ANSI S1.4-1983 incorporated by reference in Minnesota Rule 7030. At 63 Hz: A-weighting applies approximately –26.2 dB of attenuation relative to 1 kHz; C-weighting applies approximately –0.8 dB — a difference of roughly 25 dB at that frequency. A-weighting approximates human hearing sensitivity at moderate levels; C-weighting applies significantly less low-frequency attenuation and is more sensitive to the frequency range where chiller fan blade-pass tones concentrate; G-weighting (defined in ISO 7196:1995) covers the 1–20 Hz infrasound range. ↩
29. ISO 1996-1:2016, Acoustics — Description, Measurement and Assessment of Environmental Noise — Part 1: Basic Quantities and Assessment Procedures, §6 (adjustment for tonal character): specifies an adjustment of 3 to 6 dB to be added to measured levels when a tone is prominent, depending on tonal audibility. See also Aykol, S. et al., "Effects of noise on mental performance and annoyance considering task difficulty level and tone components of noise," *Environments*, MDPI, 2019 (peer-reviewed, PMC6582013): "There is no accepted allowable value for tonal noise, though a 5 dB penalty is incurred in a number of municipalities in the US, when detecting tone in components for a source by using a one-third octave band measurement technique determined by the ISO 1996-2:2007 standard, Annex D." ↩ ↩

Applicant's Noise Study and What the City Can Require

June 15, 2026 · updated June 17, 2026 · 18 min

TL;DR

A noise study evaluated solely against Minnesota's minimum dB(A) standard would demonstrate legal sufficiency — but would not establish whether neighbors will experience noise problems. Independent peer review with a defined scope that goes beyond dB(A) compliance is the most direct pre-approval mechanism for establishing whether the study actually addresses the frequency content most likely to affect nearby residents.

Where data center noise has become a sustained community problem the pattern is consistent: approval under minimum standards; complaints after operation begins; measurement under the same standard that failed to predict the problem; voluntary remediation; and regulatory reform — years after the fact.

The city's full negotiating leverage exists before the CUP is granted. After approval, if no enforceable noise conditions are included in the permit, the available mechanism is complaint-based enforcement under the same standard that could not capture the problem in the first place.

The Applicant's Noise Study: What It Will and May Not Show

What the study is structured to demonstrate

The applicant's noise study, due at the June 23, 2026 Planning Commission hearing,¹ will evaluate the proposed facility against Rule 7030 — the applicable legal standard and the minimum standard a study must satisfy for the CUP noise condition. A study evaluated solely against Rule 7030 would demonstrate dB(A) compliance at required receptor locations, but would not establish whether neighbors will experience noise problems. The four questions below identify what additional information a study must provide to be informative beyond bare legal sufficiency. Whether the submitted study addresses them can be evaluated when it is available. For the reasons described on this page and in [Data Center Noise: What It Is and Why](#)

the Standard Does Not Capture It, dB(A) compliance alone does not resolve the frequency-content questions most relevant to residential neighbors.

Margulies, appearing as the applicant of record at the May 26 hearing, characterized the study's intended scope as follows: the study "will not only say what the noise impact will be on the neighborhood — and hopefully that noise impact will be low, meeting the state standards the city has adopted — but if for any reason there are issues with noise standards it will tell us what type of mitigation is necessary and how to put that mitigation into effect."² The study's stated primary target is Rule 7030 compliance.

Methodological questions that determine whether the study is informative beyond bare compliance

Four questions determine whether the study provides meaningful information about the actual noise experience of nearby residents and the school, as distinct from a demonstration of legal sufficiency:

1. Spectral content beyond dB(A). Does the study report C-weighted levels, octave-band, or 1/3-octave-band results at sensitive receptors, or only dB(A)? Without spectral data the study cannot characterize whether low-frequency tonal content — the primary complaint mechanism documented at other data center facilities — is present at levels that would affect nearby residents or the school even if dB(A) compliance is confirmed.

2. Load scenario modeled. Is the noise model based on full Phase Two capacity or a lower operational assumption? The Electric Service Agreement (ESA) drafted between Elk River Municipal Utilities (ERMU) and Elk River Capital LLC establishes 23 MW for Phase One and an additional 10 MW for Phase Two, totaling 33 MW at full buildout.³ A study based on a reduced load assumption would understate worst-case operational noise. The noise study should explicitly state the load scenario modeled.

3. Nighttime limit application. Does the study evaluate compliance against the nighttime L10 limit of 55 dB(A) at NAC 1 residential receivers? The facility will operate continuously including during the 10:00 p.m. to 7:00 a.m. nighttime period when the more protective standard applies to household units and other overnight lodging. Compliance during daytime hours does not establish nighttime compliance at residential receptors.

4. Receptor placement. Minnesota Rule 7030.0060, Subpart 1 requires that sound measurements be made "at or within the applicable NAC at the point of human activity which is nearest to the noise source."⁴ The rule requires measurement at the nearest point of human activity — not simply at the parcel boundary. Meadowvale Elementary School is classified as NAC 1 under Minnesota Rule 7030.0050, Subpart 2, which places "Educational services" in NAC 1 based on land use activity at the receiver location.⁵ For a school in NAC 1 that means the school building and outdoor activity areas; for a residence the dwelling and yard. A study should confirm that receptor placement satisfies this requirement not merely that measurement was taken at the property line. Separately the chiller yard is located on the south side of the

building enclosed by a concrete masonry unit (CMU) wall with planned acoustic treatment.⁶ The acoustic performance of that enclosure — whether it is modeled as an attenuating barrier or a reflective surface — is a methodological question a peer reviewer should evaluate.

Why independent peer review requires a defined scope

Independent peer review of the applicant's noise study at applicant cost is a legally defensible and precedented CUP condition. Chandler, Arizona's data center noise ordinance, adopted December 5, 2022 following sustained community complaints beginning in 2014 at a data center in the Brittany Heights neighborhood, requires noise study review before and after construction.⁷ The Chandler ordinance arose from a residential-adjacent siting context; the conditions it establishes are referenced here as documented precedent for the mechanism of independent review, not as a direct factual parallel to the Elk River site configuration. Without independent review built into the entitlement, inadequate noise analysis produces consequences borne by neighbors rather than the applicant — and where no enforceable noise conditions are included in the CUP, the only available remedy is complaint-based enforcement after the fact.⁸ One noise analysis firm describes the result as “a post-approval nuisance complaint with no enforcement teeth.”⁹

Peer review only has enforcement teeth if the CUP condition specifies scope. A condition requiring review of “the applicant's methodology” would authorize a peer reviewer to confirm internal consistency — it would not require the reviewer to evaluate whether the methodology captures the noise content most likely to affect neighbors. Under Minnesota Statutes § 462.3595, Subd. 1, CUP conditions must reflect “standards and criteria stated in the ordinance” — but the city may also attach reasonable conditions based on factual evidence in the public record.¹⁰ *Analysis: A meaningful peer review condition should specify: C-weighted and octave-band analysis at all sensitive receptors; receptor placement at the chiller yard boundary in addition to property line; full Phase Two capacity load scenario; and nighttime limit evaluation at residential receptors.*

What the City Can Require, and Why Timing Matters

The city's authority to exceed the state floor

Minnesota Rule 7030 establishes minimum statewide noise standards. It is not a ceiling. Minnesota Statutes §§ 462.3595 and 462.357 together authorize municipalities to designate conditional uses by ordinance, to approve them subject to standards and criteria set in that ordinance, and to regulate land uses for the purpose of promoting the public health, safety, morals, and general welfare.¹¹ Municipalities may also incorporate those standards into zoning code through the ordinance amendment process.

Community Development Director Carlton confirmed at the May 26 hearing that the ordinance amendment process is specifically the vehicle through which the city can establish performance standards for data centers, including noise mitigation requirements.¹²

Specific conditions with documented precedent

The following conditions are supported by precedent in jurisdictions that have addressed data center noise:

Pre-construction baseline measurement by an independent acoustician, establishing ambient noise levels at all sensitive receptors before construction begins. Without a pre-construction baseline there is no objective reference point against which post-construction compliance can be verified. Chandler's ordinance requires baseline measurement as a condition of permit.¹³

Independent peer review of the applicant's noise study at applicant cost, with defined scope including: C-weighted and octave-band analysis at sensitive receptors; receptor placement at the chiller yard boundary; full Phase Two capacity (33 MW); and explicit nighttime limit evaluation.

Post-construction verification testing by an independent party, at applicant cost, after the facility reaches operational load. Measured results at sensitive receptors to be compared against modeled predictions. A defined remedy trigger — specific exceedance threshold and timeline — must be included for the condition to be enforceable. As LSARS (IOVerge LLC), a commercial noise analysis services firm, documents: "Without these items in the entitlement, the noise problem becomes a post-approval nuisance complaint with no enforcement teeth."⁹ Documented timeframes in other jurisdictions include 60 days from occupancy (Albemarle County, Virginia draft ordinance)¹⁴ and six months from certificate of occupancy (PennFuture Model Data Center Ordinance).¹⁵

Generator load testing restrictions. NFPA 110 requires periodic load testing of emergency generators. Without a CUP condition testing may occur at any hour including nighttime. Chandler's ordinance limits generator testing to weekday daytime hours with advance notice to adjacent property owners.¹⁶ Whether a parallel condition is appropriate for this facility is a question for the city to consider in setting CUP scope.

Annual noise monitoring for the first five years of operation, during peak operational periods, with results submitted to the city. Chandler's ordinance requires annual noise study submission for five years after construction completion.¹⁷ This creates a post-approval record and a mechanism for identifying operational changes — such as additional racks or increased load — that alter the facility's noise profile.

The ordinance amendment is the more consequential proceeding

Ordinance Amendment OA 26-02 (OA 26-02) would add data centers as a conditional use in all I-1 and I-2 industrial zones citywide. As Carlton described at the May 26 hearing, this is a permanent, city-wide change: any parcel in an I-1 or I-2 zone would be eligible for a data center application upon adoption.¹⁸

As of the May 26 hearing, no draft ordinance language for the new § 30-1293(d) section had been presented to the Planning Commission. The standards discussed — size, cooling method, noise mitigation, screening, setbacks — were identified as potential elements, not adopted requirements.¹⁹

The CUP governs one facility at one location. The ordinance, as Carlton confirmed, governs every future data center application in every I-1 and I-2 zone in Elk River.¹⁸ As of the May 26 hearing, no size caps, aggregate capacity limits, or noise thresholds had been drafted into the ordinance text.¹⁹

*Analysis: An ordinance that designates data centers as a conditional use without specifying noise performance standards establishes no baseline against which a future applicant's proposal must be evaluated; any conditions exceeding Rule 7030 compliance would require negotiation on each individual CUP application, with no binding floor established in the zoning code.*¹⁰

The window for requiring more protective standards

The documented pattern in jurisdictions where data center noise became a sustained community problem follows a consistent sequence: approval under minimum standards; community complaints after operation begins; measurement under the same standards that failed to predict the problem; voluntary operator remediation such as acoustic shrouds or louvres — which instrumentation and measurement authorities describe as ineffective against low-frequency tonal content, a frequently documented complaint source²⁰ — and eventual regulatory reform years after the fact.

In Chandler, Arizona, complaints began in 2014. Regulatory reform occurred in 2022 — eight years later.²¹ In Prince William County, Virginia, the county noise ordinance exempted heating, ventilation, and air conditioning (HVAC) equipment from regulation entirely; Amazon eventually added acoustic shrouds voluntarily.^{22 23} The county board removed the HVAC exemption in February 2023, with supervisors describing the ordinance change as a first step.²⁴

The city's full negotiating leverage — the ability to require specific noise analysis, impose enforceable conditions, and establish verification mechanisms — exists before the CUP is granted. After approval, where no enforceable noise conditions are included in the permit, the available mechanism is complaint-based enforcement under the same standard that could not capture the problem in the first place.

1. Zack Carlton, Community Development Director, City of Elk River, May 26, 2026 Planning Commission hearing (diarized transcript):
"I'm talking with the applicant; he is working to prepare a noise study, which will be ready for the June 23rd, 2026 planning commission meeting." ↩

2. Michael Margulies, May 26, 2026 Planning Commission hearing (diazized transcript): “The noise study will not only say what the noise impact will be on the neighborhood — and hopefully that noise impact will be low, meeting the state standards the city has adopted — but if for any reason there are issues with noise standards, it will tell us what type of mitigation is necessary and how to put that mitigation into effect.” ↵
3. Elk River Municipal Utilities / Elk River Capital LLC, Market-Based Electric Service Agreement for 19178 Industrial Boulevard NW (Revised), executed 2026: Section 5.2 establishes capacity at 23 MW for Phase One and an additional 10 MW for Phase Two (33 MW total at full buildout); Section 5.7 states ERMU has no obligation to upgrade its facilities for any electric load above the design load level detailed in Section 5.2. Document on file, Elk River Municipal Utilities; also entered into the public record of ERMU Board proceedings, May 2026. ↵
4. Minnesota Rule 7030.0060 (Measurement Methodology), Subpart 1: “Measurement of sound must be made at or within the applicable NAC at the point of human activity which is nearest to the noise source. All measurements shall be made outdoors.” Statutory authority: MS s 116.07; History: 11 SR 43; 17 SR 1279; 18 SR 614. Published electronically December 12, 2003. ↵
5. Minnesota Rule 7030.0050 (Noise Area Classification), Subpart 1: “The noise area classification is based on the land use activity at the location of the receiver.” Subpart 2 table: “Educational services” is listed under NAC 1. Statutory authority: MS s 115.03; 116.07; History: 11 SR 43; 18 SR 614; 41 SR 763. Published electronically January 27, 2017. The Meadowvale Elementary School parcel is separately confirmed as R-1 Single Family Residential under the City of Elk River Zoning Map (adopted October 3, 2022).²⁵ ↵
6. Nedal Abdul-Hajj, May 26, 2026 Planning Commission hearing (diazized transcript): “We tried to strategically place them in the corner, as you see in the rendering, which is the furthest away from the residential component and kind of blocked by the building. We’ve also shown an acoustical CMU concrete wall that surrounds the chiller yard, which will ultimately be added with acoustical treatments once we get the sound engineer’s mitigation recommendations.” ↵
7. City of Chandler, Arizona, Ordinance No. 5033, adopted unanimously December 5, 2022, effective January 5, 2023. Zoning code: Chapter 35, Section 2214. See also City of Chandler, “Chandler’s data center ordinance now in effect,” January 11, 2023. ↵
8. Environmental and Energy Study Institute, “Communities Are Raising Noise Pollution Concerns About Data Centers,” March 23, 2026, eesi.org: “Because there is a lack of reliable data from sound level meters and because most county or community noise ordinances are written to address noisy block parties (rather than data centers), most noise complaints go nowhere.” Kyle Hart of the National Parks Conservation Association is quoted: “because data center noise spans multiple frequency ranges, particularly in the low-frequency range, it is difficult to measure with a decibel meter and without reliable measurements it is difficult to enforce local noise ordinances for nearby residents.” ↵
9. LSARS (IOVerge LLC), a commercial noise analysis services firm, “Data Center Noise: How Loud, How Far, How to Address,” lsars.com: “Without these items in the entitlement, the noise problem becomes a post-approval nuisance complaint with no enforcement teeth.” The checklist items referenced include: baseline ambient measurement, predicted operational noise at sensitive receptors, compliance analysis, specified mitigation conditions, post-construction verification testing, and a defined remedy if measured noise exceeds predicted levels. ↵ ↵
10. League of Minnesota Cities, “Land Use: Conditional Use Permits,” lmc.org: “Cities may only grant CUPs for uses specifically listed in the zoning ordinance as conditional uses in a particular zoning district.” And: “A zoning ordinance typically details general standards that apply to all conditional uses... If a proposed conditional use satisfies both the general and specific standards set out in the zoning ordinance, the applicant is entitled to the conditional use permit.” Under § 462.3595, each CUP applicant must show their proposal satisfies “the standards and criteria stated in the ordinance” — conditions not written into the ordinance as standards must be negotiated case-by-case. ↵ ↵
11. Minnesota Statutes § 462.3595 (Conditional Use Permits), History: 1982 c 507 s 25; 2005 c 4 s 110. Subd. 1: “The governing body may by ordinance designate certain types of developments... as conditional uses under zoning regulations. Conditional uses may be approved... by a showing by the applicant that the standards and criteria stated in the ordinance will be satisfied. The standards and criteria shall include both general requirements for all conditional uses, and insofar as practicable, requirements specific to each designated conditional use.” Subd. 3: a conditional use permit “shall remain in effect as long as the conditions agreed upon are observed.” The authority to set conditions — including performance standards exceeding state minimums — flows from the ordinance standards and criteria required by Subd. 1, and is grounded in the general municipal zoning authority of Minnesota Statutes § 462.357, Subd. 1: “For the purpose of promoting the public health, safety, morals, and general welfare, a municipality may by ordinance regulate... the uses of buildings and structures for trade, industry, residence, recreation, public activities, or other purposes.” History: 1965 c 670 s 7 (as amended through 2024 c 85 s 104). ↵
12. Zack Carlton, May 26, 2026 Planning Commission hearing (diazized transcript): “Through the ordinance amendment process is where the city can establish different limitations or performance standards for a specific use. In this case some examples could be size,

- cooling methods, noise mitigation, screening both visually and with noise, lighting, setbacks from property lines, setbacks from residential areas.” ↵
13. City of Chandler, Ordinance No. 5033 (2022), Chapter 35, Section 2214. City of Chandler, “Chandler’s data center ordinance now in effect,” January 11, 2023: “Requires a pre-construction sound study to establish noise baseline with results provided to residents prior to a scheduled neighborhood meeting.” Noise mitigation must “ensure noise levels from a data center does not exceed levels observed during baseline study” — the baseline becomes the operative noise limit. ↵
 14. Albemarle County, Virginia, draft data center ordinance (2025; process indefinitely paused October 1, 2025), published at engage.albemarle.org: “Post-construction sound study within 60 days of occupancy or upon request. Mitigation measures are required if limits are exceeded.” engage.albemarle.org/data-center-regulations ↵
 15. PennFuture, Model Data Center Ordinance (pennfuture.org): “An as-built sound study shall be conducted six months after issuance of the certificate of occupancy and prior to the final escrow release for any land development phase. An as-built sound study may also be required thereafter by the [municipality]. If it is determined by the as-built sound study that there is a violation of the aforesaid noise limits, it shall be considered a violation of this [ordinance].” [pennfuture.org/Files/Admin/Model-Data-Center-Ordinance\(1\).pdf](https://pennfuture.org/Files/Admin/Model-Data-Center-Ordinance(1).pdf) ↵
 16. City of Chandler, Ordinance No. 5033 (2022), Chapter 35, Section 2214. City of Chandler, “Chandler’s data center ordinance now in effect,” January 11, 2023: “Establishes backup generator routine maintenance and testing time limitations, including notification protocol.” ↵
 17. City of Chandler, Ordinance No. 5033 (2022), Chapter 35, Section 2214. City of Chandler, “Chandler’s data center ordinance now in effect,” January 11, 2023: “Requires the data center to conduct an annual noise study during peak operation times for five years once construction of the data center is complete.” ↵
 18. Zack Carlton, May 26, 2026 Planning Commission hearing (diarized transcript): “In this case I-1 and I-2 — a data center could be allowed in any parcel within those two zoning districts.” ↵ ↵
 19. Zack Carlton, May 26, 2026 Planning Commission hearing (diarized transcript): Standards discussed as potential elements of the ordinance — “size, cooling, noise mitigation, screening, lighting, setbacks, etc.” — were presented as illustrative, not as adopted requirements. No draft § 30-1293(d) language was submitted to the commission. ↵ ↵
 20. Larson Davis (division of PCB Piezotronics, Inc., a subsidiary of Amphenol Corporation), “Data Center Noise Monitoring,” larsondavis.com: “Low-frequency tones from data centers (fan hum) are often particularly bothersome because they are not reflected well in A-weighted measurements (a common frequency weighting applied to noise measurements that attenuates low-frequency noise). Low frequency humming doesn’t contribute much to A-weighted noise levels but is often the source of complaints.” Larson Davis distinguishes mid- and high-frequency broadband noise — addressable by traditional acoustic barriers — from low-frequency tonal content, for which A-weighting systematically underrepresents the problem. Industrial Noise and Vibration Centre (INVC), a UK-based noise remediation consultancy, further characterizes acoustic louvers as providing “virtually none” attenuation at low frequencies and states that “neither of these options can attenuate the classic data center hum.” ²⁶ ↵
 21. Environmental and Energy Study Institute, “Communities Are Raising Noise Pollution Concerns About Data Centers,” March 23, 2026, eesi.org: Complaints in Chandler began in 2014; city adopted zoning code amendment in 2022. ↵
 22. Data Center Dynamics, “Prince William residents complain of ‘catastrophic noise’ from data centers,” July 19, 2022: “The Prince William County board specifically excluded air-conditioning noise from regulation in a 1989 ordinance... As a result, the County has no legal ability to control noise at any level from data center cooling equipment.” ↵
 23. Environmental and Energy Study Institute, “Communities Are Raising Noise Pollution Concerns About Data Centers,” March 23, 2026, eesi.org: “Amazon, the owner of some of the facilities, has decided to retrofit its data centers with acoustical shrouds as part of its noise-reduction efforts.” ↵
 24. Prince William County Board of County Supervisors, Ordinance 23-07, adopted February 28, 2023 (7–1 vote), amending County Code Section 14.4(b) to remove the commercial HVAC nighttime noise exemption with a one-year sunset clause. Board Chair Ann Wheeler stated: “This is just a first step, that’s why it had a sunset clause in it. This was the quickest, easiest thing we could do, which was take away the exemption for commercial air conditioning at night.” Brentsville Supervisor Jeanine Lawson described it as “a great first step.” Sources: pwcva.gov official news release, “Prince William Board of County Supervisors Votes to Initiate Amendments to County Code Regarding Data Centers,” February 28, 2023; and “Prince William board moves to lessen data center hum,” *Inside Nova*, March 8, 2023. ↵
 25. City of Elk River, Zoning Map (adopted October 3, 2022), elkrivermn.gov: Meadowvale Elementary School parcel is classified R-1 Single Family Residential. elkrivermn.gov/DocumentCenter/View/368/Zoning-Map-1032022 ↵

26. Industrial Noise and Vibration Centre (INVC), a UK-based noise remediation consultancy, [“Low-cost high efficiency data center noise reduction,” invc.com](#): “Acoustic louvres typically provide modest attenuation (virtually none at low frequencies)... Neither of these options can attenuate the classic data center hum.” INVC distinguishes two noise types: mid/high-frequency broadband (addressable by barriers and louvres) and low-frequency tonal hum (not addressable by conventional methods). ↩

© 2026 [elkrivertdatacenter.com](#) · [About & Terms of Use](#)



Request for Action

To
City Council

Item Number
7.4

Meeting Date
June 15, 2026

Prepared By
Zack Carlton, Community Development Director

Item Description
Ordinance Amendment and Conditional Use Permit:
Data Center, Michael Margulies, 19178 Industrial
Blvd NW

Reviewed by
Chris Leeseberg
Cal Portner
Justin Dunford

Action Requested

Open the public hearing, receive public comment, and continue the hearing to July 6, 2026.

Background/Discussion

The applicant, Michael Margulies, representing Elk River Capital, LLC (Swervo Development), has submitted two land use applications in support of a proposed data center at 19178 Industrial Blvd NW. The property is located within the city's I-I (Light Industrial) zoning district and is approximately 3.23 acres. The property includes an existing 62,000 SF industrial building that operated as an injection molding facility until late last year.

The applicant proposes modifying the existing building to house a data center. Proposed changes include demolishing 5,000 SF of the building to improve the loading dock area and adding cooling equipment along the south-west corner of the building. The data center proposes closed-loop cooling, which does not require large volumes of water but instead uses glycol-based cooling equipment to keep the technology at a safe operating temperature.

Submitted applications include an ordinance amendment to add data centers as an allowed use within the zoning district and a Conditional Use Permit (CUP), anticipating that the use would require a CUP for zoning approval.

Ordinance Amendment Application

As data centers are not currently allowed in the I-I zoning district, an ordinance amendment is required. Data centers meet the type of industry, tax base, and job/economic base for use in this district. This process allows the city to proactively establish development standards for data centers anywhere within the district. Examples of standards that may be included are limiting their size, maximum energy use, cooling system, noise mitigation, and buffering requirements. The city is not required to add data centers as an allowed use, and the amendment process is designed to give elected and appointed officials an opportunity to review the benefits and challenges before making a final decision. Under current zoning codes, adding data centers to the I-I district also allows their use in the I-2 zoning district.

Conditional Use Permit Application

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity

The CUP application allows the city to review a specific project on a specific site. The application is reviewed against established standards within the ordinance. As a part of this process, the city would include specific conditions of approval to address potentially negative impacts of a project. These conditions must directly relate to the proposed project. With this particular application, city staff and city officials would be reviewing the project against the standards established by the ordinance amendment and the CUP process.

Public Hearing

The city recognizes that data centers have raised important questions and concerns in our region and across the state. The city is seeking input from the public as we review these applications. A public hearing is an important step in this process, and staff would like to collect questions and comments from the community to help inform the decision-making process. As data center technology is rapidly changing and can be technical at times, staff will review the feedback alongside the specific details of these applications.

The Planning Commission held a public hearing on May 26, 2026, and will address public comments from both meetings (PC & CC) during the June 23, 2026, Planning Commission meeting. The developer is also completing a noise study, which will be available for review in the June 23, 2026, Planning Commission packet and after the meeting.

Upcoming Meetings

The Planning Commission will hold another public hearing on June 23, 2026. Staff expects the Commission to make a recommendation on both the ordinance amendment and CUP applications on that date. However, the statutory review timeline does allow an additional extension to July 28, 2026, if necessary.

With a Planning Commission recommendation on June 23, 2026, the City Council meeting on July 6, 2026, would be the first opportunity for a decision to approve or deny the applications.

Financial Impact

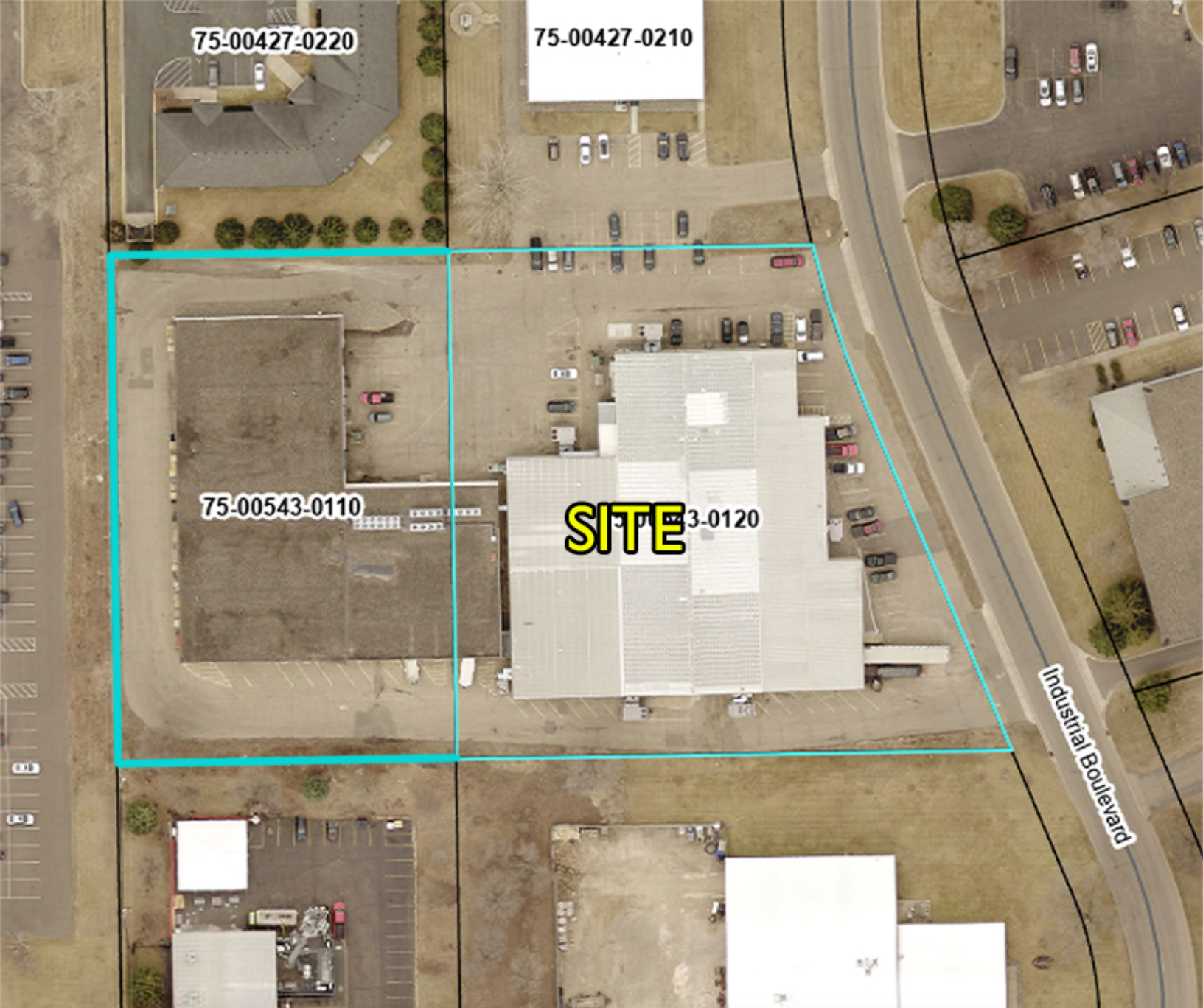
None.

Mission/Policy/Goal

Appropriately govern in an ever-changing environment.

Attachments

1. Location Map
2. Narrative
3. Site Plan
4. Floor Plan
5. Public Comments as of 6-10-2026
6. Map of I-1 and I-2 Zones



Project Location Map

Michael Margulies

Conditional Use Permit

Case No: CU 26-05



19178 Industrial Blvd NW – Conditional Use Permit Narrative

Applicant seeks a Conditional Use Permit under Section 30-651 *et. seq.* of the Elk River City Code to allow 19178 Industrial Blvd NW (the “Property”) to be used as a data center (the “Proposed Use”).

Property Description and Use. The Property is a 3.223 acre parcel of land currently improved with two connected one-story concrete block and metal sided buildings with a total foundation area of 63,190 square feet. The buildings were constructed in phases during the period 1978-1997. The Property is in an entirely industrial area of the City and there are no residential properties located within 500 feet of any boundary of the Property. It has been used for industrial and manufacturing purposes since 1978.

Zoning Status. The Property is currently zoned L-1 (Light Industrial). By separate application, Applicant is seeking to amend the Elk River City Code Section 30-1293(d) to add data center use as a conditional use in the L-1 (Light Industrial) Zoning District.

Exterior Modifications. Applicant does not intend to make any modifications to the exterior modifications to the exterior of the buildings or to the site except to demolish approximately 5,000 square feet of the building to create a more efficient loading dock area.

Proposed Use. The Proposed Use is a 58,000 square foot data center to be leased to one or more data center operators.

Employment. The Proposed Use will create approximately 100 construction jobs during the period of construction for repurposing the building. The construction will take approximately six to nine months. Repurposing construction will commence in Summer, 2026.

Upon commencement of operations, the Proposed Use will employ approximately 40 persons divided among three eight-hour working shifts. It is expected that no shift will have more than ten employees on site.

Parking. The Property currently has 72 parking stalls. City Code does not have a specific parking requirement relative to data centers. City staff suggests that Elk River City Code Section 30-903(11) (Warehouse/Manufacturing) and specifically Section 30-903(11)(a) provides the best guidance for parking for this use.

Section 30-903(11)(a) requires the following parking:

“... one parking space for each two employees on the major shift or one parking space for each 2,000 square feet of floor area, whichever is greater, plus one space for each company motor vehicle when customarily kept on the premises.”

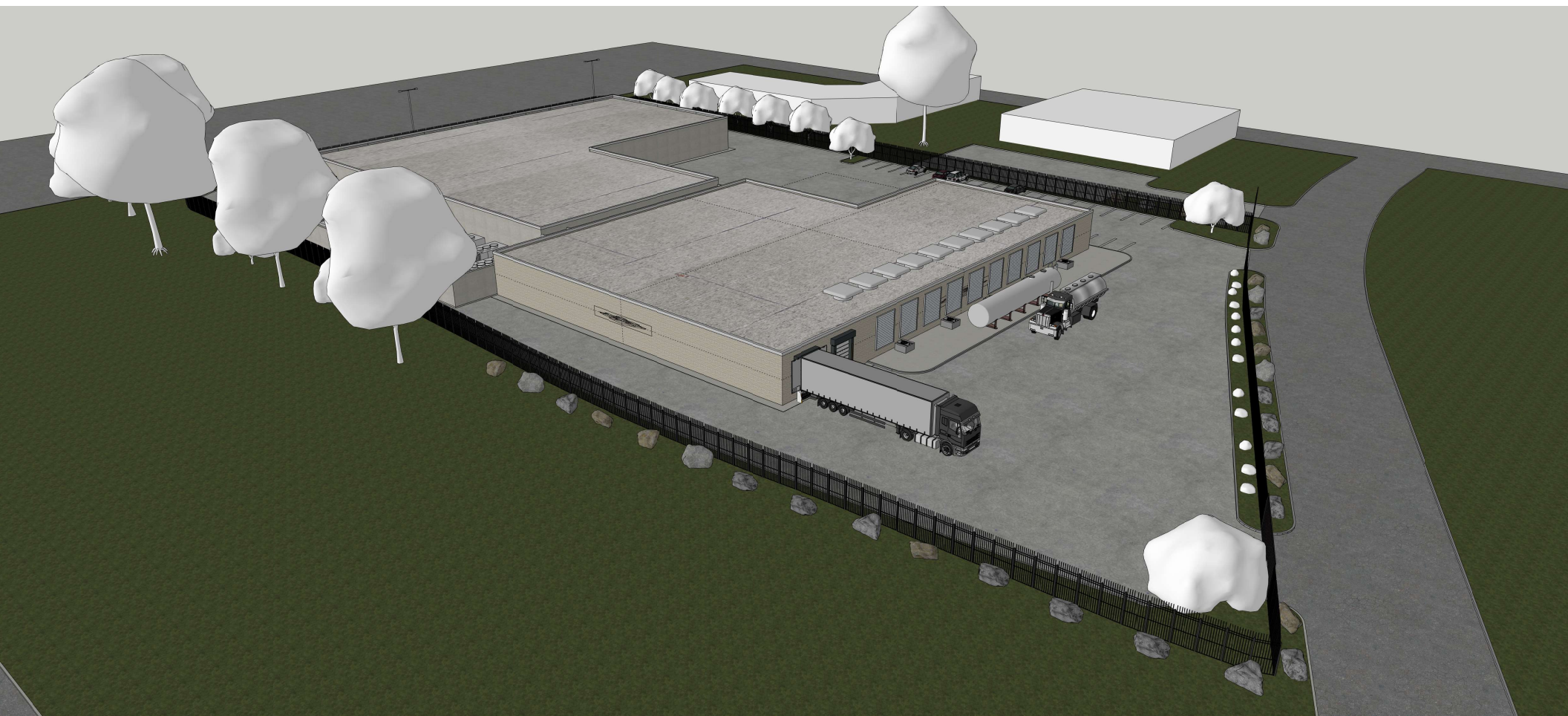
The likely maximum number of employees during the major shift is 10, thereby requiring 20 parking spaces. Alternatively, assuming approximately 58,900 square feet of floor area, the parking requirement would be 29 spaces. Therefore, current available parking is more than double the required parking.

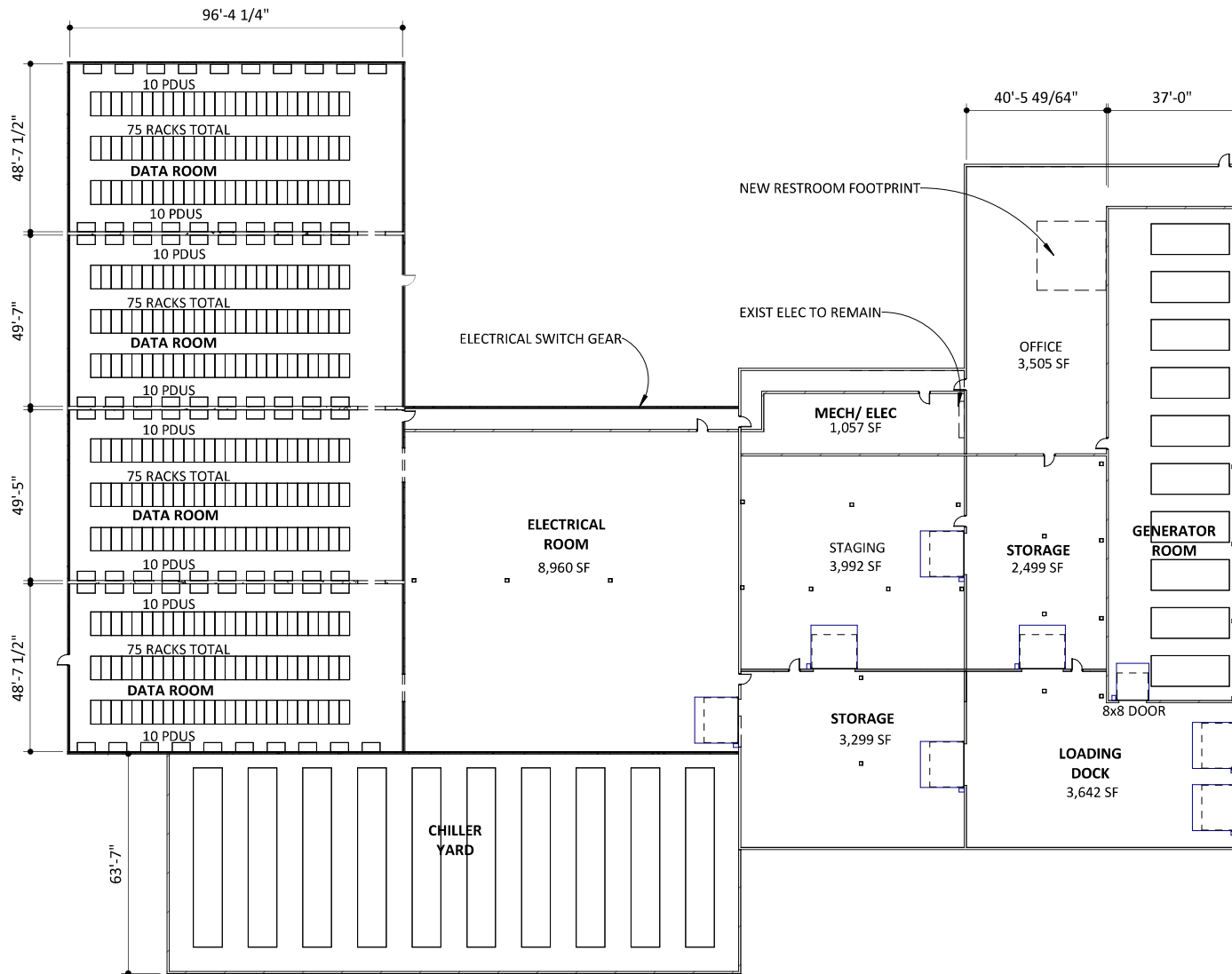
Satisfaction of Conditional Use Permit Requirements. Elk River City Code Section 30-654 sets forth the standards that must be met in order for a Conditional Use Permit to be issued. The Property and the Proposed Use satisfy all of the required standards. Specifically, the Proposed Use:

1. Will not endanger, injure or detrimentally affect the use and enjoyment of other property in the immediate vicinity or the public health, safety, morals, comfort, convenience or general welfare of the neighborhood or the City;
2. Is consistent with the Elk River Comprehensive Plan;
3. Will not impede the normal and orderly development and improvement of surrounding vacant property;
4. Will be served adequately by and will not adversely affect essential public facilities and services including streets, police and fire protection, drainage, refuse disposal, water and sewer systems, parks and schools; and will not, in particular, create traffic congestion or interference with traffic on adjacent and neighboring public thoroughfares;
5. Will not involve uses, activities, processes, materials, equipment and conditions of operation that will be detrimental to any persons or property because of excessive traffic, noise, smoke, fumes, glare, odors, dust or vibrations;
6. Will not result in the destruction, loss or damage of a natural, scenic or historic feature of major importance; and
7. Will fully comply with all other requirements of this Code, including any applicable requirements and standards for the issuance of a license or permit to establish and operate the proposed use in the city





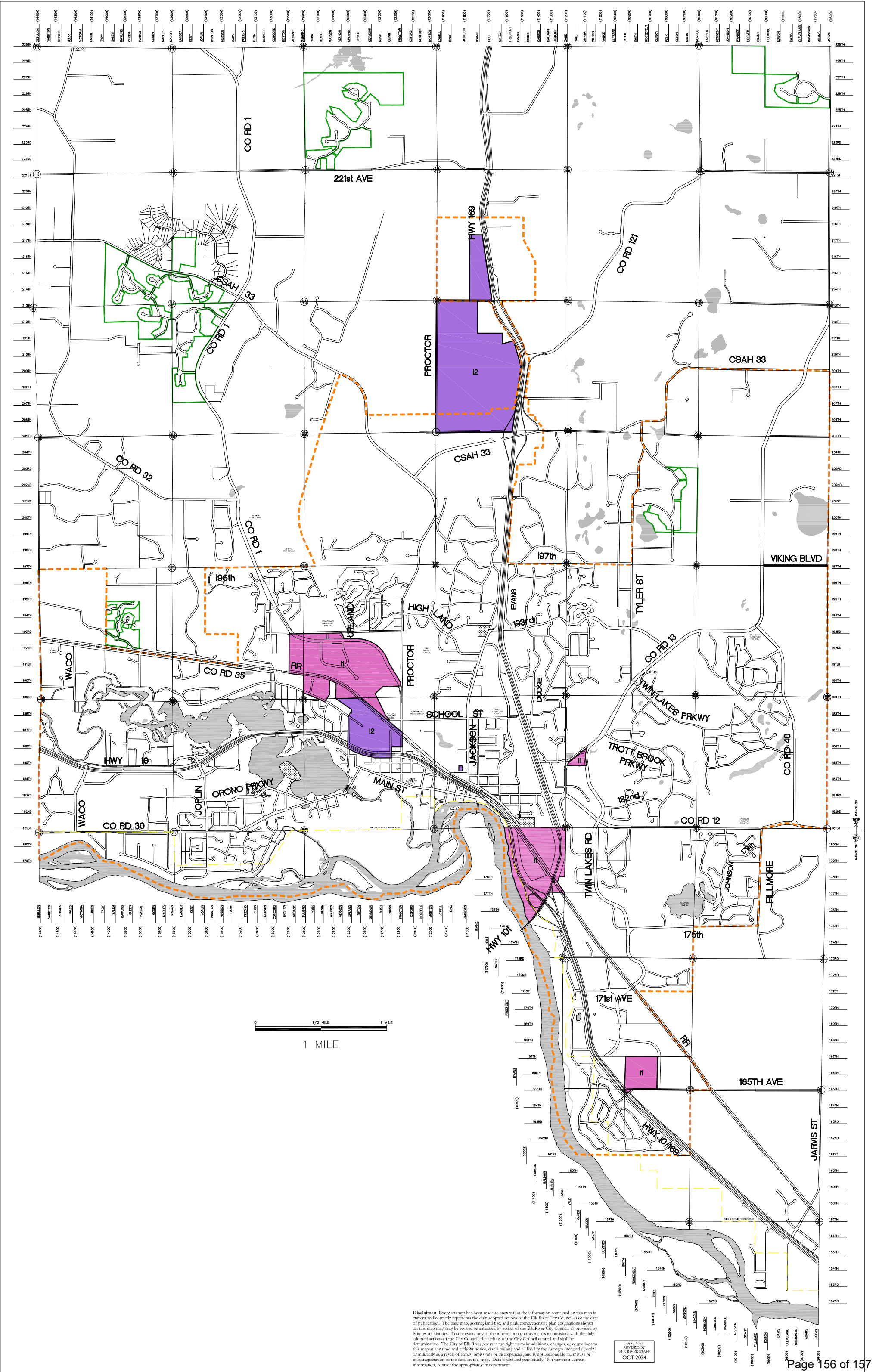




1
A1

FIRST LEVEL FLOOR PLAN

1/32" = 1'-0"



Disclaimer: Every attempt has been made to ensure that the information contained on this map is current and correctly represents the duly adopted actions of the Elk River City Council as of the date of publication. The base map, zoning, land use, and park comprehensive plan designations shown on this map may only be revised or amended by action of the Elk River City Council, as provided by Minnesota Statutes. To the extent any of the information on this map is inconsistent with the duly adopted actions of the City Council, the actions of the City Council control and shall be determinative. The City of Elk River reserves the right to make additions, changes, or corrections to this map at any time and without notice, disclaims any and all liability for damages incurred directly or indirectly as a result of errors, omissions or discrepancies, and is not responsible for misuse or misinterpretation of the data on this map. Data is updated periodically. For the most current information, contact the appropriate city department.

BASE MAP
REVISED BY
GLENN STAFF
OCT 2024



Request for Action

To
Planning Commission

Item Number
9.1

Meeting Date
June 23, 2026

Prepared By
Zack Carlton, Community Development Director

Item Description
Roles and Responsibilities of the Planning Commission

Reviewed by
Katie Porath

Action Requested
No action required.

Background/Discussion

With the new commissioners that have been appointed over the last year, staff felt it would be a good opportunity to review the roles and duties of a Planning Commissioner. We will also discuss the planning process, the Comprehensive Plan, and how it all fits together.

Financial Impact
None.

Mission/Policy/Goal
Together we win.

Attachments
None

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity