

Metropolitan Mayors Caucus

The Municipal Role in Data Center Development

Data Center Task Force Briefing
November 2026

Table of Contents

Executive Summary 2
Introduction: Why the Municipal Perspective Matters 4
About the Task Force: Process and Participants 5
Public Distrust of AI Adds to Opposition to Data Centers 8
Municipal Oversight of Data Centers 8
A. Water Demand and Local Infrastructure 9
B. Managing Noise and Air Pollution 10
C. How Existing Municipal Regulations Shape Local Oversight of Data Centers 12
D. Weighing the Financial Benefits and Costs of Data Centers 13
E. How Municipalities Have Managed the Financial Impacts of Data Centers 14
Electricity Capacity and Costs Require Attention Beyond the Municipal Level 15
Conclusion 16
Municipal Case Studies 17
A. Case Study: Planning for and Overseeing Data Center Development in DeKalb 17
B. Setting Standards for Data Centers in Yorkville 20
C. Data Center Development, Municipal Oversight and Tax Revenue in Northlake 23
D. Establishing New Standards in Aurora 26
Endnotes 30
Acknowledgments 33

Executive Summary

The Metropolitan Mayors Caucus (Caucus) is a membership organization of the 275 cities, towns and villages in the Chicago region. In fall 2025, the Caucus convened the Data Center Task Force to examine how municipalities regulate data centers, share local experiences and identify challenges communities face in overseeing these facilities.

Data Center Task Force's Key Takeaways

1. **Data centers aren't always the biggest water users in a community, but some consume substantial amounts**. Although some data centers use less water than other commercial businesses, water consumption varies considerably depending on the cooling technology used. Municipal officials should examine each facility's projected water use in the context of local supplies, infrastructure capacity and competing demands.
2. **The noise impact associated with data centers depends heavily on where they are located.** Data centers may be well suited to established industrial areas, where equipment noise is less likely to disturb residents. However, facilities near homes can create significant concerns, particularly because cooling equipment operates continuously and backup generators operate periodically. Municipal officials should consider location, setbacks, noise studies and enforceable mitigation measures and operating standards when reviewing proposals.
3. **Municipalities have more bargaining power with data center developers than they once did**. While municipalities once competed to attract data center investment, developers are now racing to secure suitable locations amid intensifying competition for available sites. Municipal officials may be able to negotiate infrastructure improvements, financial contributions and other community benefits, but they should carefully assess long-term costs and obligations before approving agreements.
4. **Municipalities report significant economic benefits from data center development.** Municipal officials have seen substantial increases in tax revenue and other financial benefits from data centers. While these facilities can provide a major source of revenue for municipalities and other local taxing bodies, officials should also consider infrastructure costs, impacts on municipal utilities and long-term financial obligations when evaluating proposals.
5. **Municipalities need practical ways to enforce operating requirements after facilities open**. Officials should consider how to monitor noise and water use, investigate complaints and ensure operators comply with established conditions over time.

6. **State lawmakers should recognize what municipalities already regulate and where their authority is limited**. Municipal officials already use zoning, permitting and development agreements to regulate water use, noise and other local impacts and negotiate appropriate community benefits. State lawmakers should avoid duplicating or conflicting with these requirements and focus on issues beyond municipal control, especially regional grid impacts and air emissions from backup diesel generators. Additional state oversight of generator emissions and noise pollution may be warranted to address concerns that municipalities cannot fully resolve through local regulations.

Introduction: Why the Municipal Perspective Matters

As more companies seek to build data centers across Illinois, municipal officials must consider how these facilities could affect their communities and whether existing local regulations adequately address those impacts.

The Metropolitan Mayors Caucus (Caucus) is a membership organization of the 275 cities, towns and villages in the Chicago region. Founded in 1997, the Caucus pushes past geographical boundaries and local interests to work on public policy issues. The organization provides a forum for metropolitan Chicago's chief elected officials to collaborate on common problems and work toward a common goal of improving the quality of life for the millions of people who call the region home.

In fall 2025, the Caucus formed its Data Center Task Force to examine how municipalities regulate data centers, share local experiences and identify challenges communities face in overseeing these facilities. The task force brought together municipal officials, technical experts and representatives from utilities, government agencies and industry organizations.

Task force members examined the potential economic benefits of data centers, their effects on water supplies and neighboring properties, and the regulations municipalities use to address those impacts. They also discussed challenges that extend beyond municipal authority, including the effects of growing electricity demand on regional grid resilience and electricity costs.

This briefing highlights the task force's key findings, drawing on municipal experiences to identify existing local oversight practices and issues that may require state or regional attention. A more comprehensive report, expected by December 2026, will provide additional detail on the task force's findings and the approaches municipalities are taking to oversee data center development.

About the Task Force: Process and Participants

November 2025 – March 2026

The task force stemmed from a meeting of the Caucus' Environment and Energy Committee that focused on data center development. Municipal members expressed the need for continued learning and peer support in managing data center development in their communities. At the same time, the City of Aurora announced its 180-day moratorium on new data center developments and requested assistance from the Caucus. Environment and Energy Committee Chairman, Kevin Burns, Mayor of the City of Geneva called for the formation of the Data Center Task Force and served as its Chairman.

The task force held 10 meetings with municipal officials and subject matter experts and toured three data centers in the region. The Caucus also surveyed municipalities about their data center regulations and oversight practices.



Photo courtesy of Meta

Members of the Data Center Task Force toured Meta data center in DeKalb, Illinois.

Task Force Meetings and Featured Speakers

- **Nov. 7, 2025: Kickoff and municipal priorities**
  Kevin Burns, Mayor, City of Geneva and Chairman, Metropolitan Mayors Caucus Environment and Energy Committee and Data Center Task Force Chair; Edith Makra, director of Environmental Initiatives, Metropolitan Mayors Caucus

- **Nov. 20, 2025: Municipal concerns and resource needs**

- **Dec. 4, 2025: Municipal issues and regulatory challenges**

- **Dec. 18, 2025: Data center market trends and site selection**
  Ed Sitar, senior manager of economic development, ComEd; Sean Reynolds, senior managing director, JLL

- **Jan. 8, 2026: Electricity supply, demand and regulation**
  Doug Scott, chair, and Ann McCabe, commissioner, Illinois Commerce Commission; Brad Tietz, director of Government Affairs – Midwest, Data Center Coalition

- **Jan. 22, 2026: Data center technology and air permitting**
  Bill Marr, permit section manager, Illinois EPA; Brad Tietz, Data Center Coalition; Shaolei Ren, professor of Electrical and Computer Engineering, University of California, Riverside

- **Feb. 5, 2026: Water use, noise and vibration**
  Scott Kuykendall, water resources specialist, McHenry County; Jenna L. Shelton, director, Illinois State Water Survey; Michele L. Piotrowski, vice president, Engineering Enterprises Inc.; Erica Spolar, executive vice president, Hampton, Lenzini and Renwick Inc.

- **Feb. 19, 2026: Property assessments, taxes and municipal revenue**
  Matthew Rasche Sr., Naperville township assessor; Mildred Terzic, director of Special Properties; Jerome F. Marconi, legal counsel; and Ira Horwitz, Incentives Department, Cook County Assessor's Office; Jeffrey Sherwin, Mayor of Northlake; Cohen Barnes, Mayor of DeKalb; Bart Olson, city administrator, Yorkville; Bill McLeod, Mayor of Hoffman Estates

- **March 2, 2026: Tour of co-location and hyper-scale data centers**
  Digital Realty Chicago ORD12 Data Center, Franklin Park; with drive-by of Aligned Data Center, and Microsoft Data Center, Northlake; CyrusOne CHI2 Chicago Aurora Data Center, Aurora; Meta's DeKalb Data Center, DeKalb

- **March 5, 2026: Municipal survey findings and oversight practices**
  Edith Makra, director of Environmental Initiatives, Metropolitan Mayors Caucus

- **March 19, 2026: State incentives, labor and community engagement**
  Lisa Clemmons Stott, chief business attraction and development officer, Illinois Department of Commerce and Economic Opportunity; Karyn Charvat, executive director, Power Forward DuPage; Patrick Young, business agent, Operating Engineers Local 150; Elbert Walters III, executive director, Powering Chicago; Erin Venard, development manager, Naperville; Alison Lindburg, director of sustainability, Aurora; Bart Olson, city administrator, Yorkville



Photo credit: Cheryl Scott

Members of the Data Center Task Force visited Digital Realty data center in Franklin Park, Illinois.

Public Distrust of AI Adds to Opposition to Data Centers

Data centers have become a visible symbol of artificial intelligence (AI), making them a focus of public anxiety about the technology.

Public frustration with data centers presents a challenge for municipalities. Local officials can address concerns about noise, water consumption and land use through zoning, permitting and other regulations. However, they have little authority over how companies develop or use artificial intelligence, even when those broader concerns contribute to opposition to local projects.



PUBLIC OPINION ABOUT AI:

52% of U.S. adults say they are more concerned than excited about the increased use of artificial intelligence in daily life.

Source: Pew Research Center, 2026, "Young Adults in the U.S. Are Increasingly Wary of AI, Concerned It Will Take Jobs,"https://www.pewresearch.org/short-reads/2026/08/18/young-adults-in-the-us-are-increasingly-wary-of-ai-concerned-it-will-take-jobs/

Municipal Oversight of Data Centers

The task force examined how municipalities are managing the local impacts of data centers, drawing on their regulatory experience and insights from technical experts. The following sections explore key considerations for municipal officials, beginning with water use and infrastructure, followed by noise and siting, economic impacts, and regulatory oversight.

A. Water Demand and Local Infrastructure

Data centers use cooling systems to manage the heat that servers and other computing equipment generate. Some facilities use evaporative cooling systems, which require a continuous supply of replacement water, while closed-loop systems recirculate cooling fluids and generally require much less water. Cooling technologies continue to evolve, with newer systems designed to use water more efficiently and reduce overall consumption. [1]

Although data centers are often viewed as major water consumers, their actual water use varies considerably among facilities. According to Northlake water department figures, the city's newest data center campus consumed approximately 998,000 gallons from 2025, which is less than either of two local laundromats. An older Northlake data center consumed nearly 41.7 million gallons during the same period.[2]

How a data center's water consumption affects a municipality

- Municipal officials must assess whether a proposed data center would use so much water or infrastructure that the municipality could struggle to serve existing customers or accommodate new homes and businesses. These considerations are particularly important in communities that rely on groundwater, where declining aquifer levels could limit the water available for residents, businesses and other users.[3]
- Even when a municipality has enough water to serve a data center, its existing infrastructure may not have the capacity to deliver it. Officials must evaluate whether treatment facilities, storage tanks, pumping stations and water mains can meet the facility's projected demand. Michele Piotrowski of Engineering Enterprises Inc. emphasized the importance of evaluating peak daily demand, water pressure, fire protection and backup water supplies, rather than average consumption alone.[4]
- Water utilities earn revenue from the sale of drinking water to customers in their community. In some cases, water distribution to data centers can provide a significant source of revenue to support utility operations and infrastructure improvements, potentially benefitting other water customers.

What municipalities can do when water consumption is a concern

- Municipalities can consider requirements to limit it**.** Task force participants cautioned against mandating specific cooling technologies, which could prevent developers from adopting newer, more efficient systems as they become available. Participants suggested that municipalities could instead establish

water-conservation standards, such as limits on Water Usage Effectiveness (WUE), while allowing developers to choose how to meet them.[5]

- Municipalities that establish water-use limits must also determine how they will monitor consumption and respond if operators exceed those limits. Yorkville City Administrator Bart Olson described one approach: The city was negotiating water-use limits for proposed data centers, with penalties for operators that exceeded those limits and additional measures if the penalties proved insufficient.[6]
- Municipalities take different approaches to monitoring data center water and electricity consumption. According to a survey conducted by the Metropolitan Mayors Caucus Data Center Task Force, Naperville reported requiring annual water and electricity consumption reports through a development agreement for a proposed data center. Yorkville reported negotiating reporting requirements through individual infrastructure and utility agreements, while Minooka requires reporting associated with its municipal electric utility tax and a revenue-sharing agreement.[7]

B. Managing Noise and Air Pollution

Data centers generate noise from cooling systems, backup generators and other mechanical equipment. The extent to which noise affects surrounding communities depends on facility design, proximity to residential properties and surrounding land uses. Unlike occasional construction noise, sound from cooling equipment may continue around the clock.[8]

Noise studies and mitigation measures

- Municipal officials have several options for evaluating potential noise impacts before approving data center development. Noise and acoustics specialists outlined the information officials should request from developers, including measurements of existing background noise, projected sound levels from cooling equipment and backup generators under worst-case operating conditions, and comparisons with applicable noise standards. Specialists also emphasized the importance of identifying nearby homes and other noise-sensitive locations. Municipal officials could use this information to evaluate potential impacts and determine whether developers need to take additional steps to reduce noise.[9]
- A data center's location and design influence how noise affects surrounding properties. Noise specialists explained that sound levels generally decrease with distance, making proximity to homes, schools, hospitals, parks and other noise-sensitive locations an important consideration. They identified setbacks, ground-level and sheltered equipment placement, and sound barriers as approaches to

reducing noise. Municipal officials could incorporate these measures into zoning requirements or establish them when reviewing individual development proposals. Officials could also examine building plans, the placement of rooftop cooling equipment and surrounding noise sources to determine whether developers need to shield equipment or make other changes to reduce noise impacts.[10]

Operating restrictions and noise enforcement

- Municipal officials have used development agreements and local regulations to establish operating requirements that limit noise after construction. These include restrictions on when backup generators may be tested, how many generators may operate simultaneously and requirements for monitoring noise after facilities become operational. Such measures address noise from equipment that operates intermittently or under different conditions throughout the year.[11]
- Municipal officials face practical challenges in enforcing noise standards. Illinois Pollution Control Board standards distinguish among different sound frequencies and land uses, making compliance more complicated to measure than a single decibel reading. Although these standards apply to data centers, municipalities may lack the equipment and technical expertise needed to determine whether facilities comply with them. During task force discussions, participants questioned whether municipal staff could reasonably measure and enforce those standards. Noise specialists explained that specialized sound meters can measure individual frequency bands, although municipalities would need access to the equipment and expertise necessary to use them.[12]
- Municipal officials also face questions about how long developers should be required to monitor noise after construction. Cooling equipment may become louder as it ages, raising concerns about whether facilities will continue meeting noise standards after years of operation. Participants raised concerns about whether post-construction noise monitoring requirements would adequately protect nearby residents over the long term. One municipality described requiring developers to monitor noise for three years after opening, prompting questions about whether that period would be sufficient to detect increases in noise as cooling equipment ages.[13]

Air pollution and backup generators

- Data centers typically use backup diesel generators to maintain operations during power outages. These generators also operate periodically for testing and maintenance, producing emissions that can affect air quality in surrounding communities. Although Illinois EPA regulates emissions from stationary generators, municipalities can consider potential exposure when making zoning

and siting decisions. Officials may also establish requirements governing generator placement and testing schedules to reduce impacts on nearby properties.[14]

C. How Existing Municipal Regulations Shape Local Oversight of Data Centers

- Municipal governments' abilities to review individual proposals, impose conditions and address problems after construction depend on their existing regulations and the approvals developers have already obtained.[15]
- Some municipalities allow data centers by right in designated districts, while others require special use or planned unit development approval. Municipalities also use planned unit development agreements to establish requirements for individual projects.[16]
- Municipal officials need up-to-date zoning regulations to ensure data center development reflects community priorities and addresses potential impacts. Without adequate policies already in place, municipal officials may be legally obligated to approve developments that could negatively affect surrounding communities.
- The city of Aurora faced this challenge when its zoning code, which previously classified data centers as warehouses, left officials with limited authority to reject proposals or require developers to address impacts that existing regulations did not adequately cover, including noise, water consumption and emissions. After residents raised concerns about noise, emissions and vibration from existing data centers, city officials imposed a 180-day moratorium on new data center development in September 2025 to give themselves time to establish regulations addressing those impacts. The city council adopted the new regulations in March 2026.[17]
- The city of Yorkville, meanwhile, has used planned unit development approvals and updated zoning standards to address potential impacts before data centers begin operating. The city requires planned unit development approval for projects of four or more acres, allowing officials to establish project-specific requirements. After approving its first data center project in 2024, city officials adopted additional standards in 2025 requiring noise studies, minimum distances from neighboring buildings and height restrictions near residences.[18]

D. Weighing the Financial Benefits and Costs of Data Centers

Data centers can generate property tax revenue for municipalities, school districts and other local taxing bodies, while their construction creates employment opportunities that may extend beyond the host community. Municipalities may also collect utility taxes or negotiate contributions from developers toward infrastructure and other community needs. However, the financial benefits vary depending on the value of the development, local tax policies, infrastructure costs and agreements with developers.

Data centers can expand the local tax base and create opportunities to reduce the property tax burden on residents and businesses. However, municipalities receive only a portion of the property tax revenue, and officials must consider the costs, uncertainties and distribution of financial benefits when evaluating proposed developments.

How data centers affect municipal finances

- A data center's total property tax contribution does not reflect how much revenue the host municipality receives. School districts, counties and other taxing bodies also receive a share, which varies by community.[19]
- Municipal leaders can work with other taxing bodies to reduce property tax rates as the tax base grows. In DeKalb, Meta's data center and other industrial developments have substantially expanded the city's property tax base. As the tax base grew, Mayor Cohen Barnes brought together representatives of local taxing bodies, including school districts, to coordinate efforts to limit increases in property tax levies. This helped taxing bodies maintain revenue for public services while reducing property tax rates. Barnes reported that the residents and businesses benefitted as the community's combined property tax rate had declined substantially.[20]
- A data center's construction cost does not necessarily reflect its taxable property value**.** Assessors must distinguish between real estate and business equipment that may not be subject to property taxes. Naperville Township Assessor Matthew Rasche explained that assessors face challenges in valuing data centers because facilities differ considerably, comparable property sales are limited, and some expensive equipment may be classified as personal property. Property owners may also challenge their assessments, potentially resulting in reduced valuations and refunds. Municipal officials can consult assessors when estimating future revenue and account for possible changes in long-term financial planning.[21]
- Property tax incentives can affect how much revenue municipalities and other taxing bodies receive from data centers. Some developers qualify for incentives that reduce their property tax bills for a specified period. For example, Cook County's Class 6B program allows qualifying industrial properties to be assessed at a lower percentage of their market value.[22]

- Utility taxes can provide municipalities with another source of revenue. Communities that impose applicable utility taxes may collect revenue from electricity purchased by data centers. Northlake Mayor Jeffrey Sherwin reported that the city's data centers collectively generated approximately $50,000 per month in utility tax revenue. He also raised concerns that on-site electricity generation could reduce those receipts, depending on how electricity is supplied and taxed.[23]

Other economic benefits and costs municipalities should consider:

- Municipal officials can negotiate contributions from developers toward infrastructure and community needs. Depending on the approval process and applicable legal requirements, officials may seek financial contributions for roads, water and sewer infrastructure, emergency services or other public improvements. In Yorkville, municipal leaders described negotiations with data center developers over upfront contributions for schools, municipal infrastructure and potentially fire district equipment.[24]
- Data centers can provide modest regional employment opportunities**.** Developers hire construction workers to build facilities, while operators employ workers in maintenance, operations and other roles. However, the number of permanent jobs may be relatively small compared with the scale of the investment. Regional manufacturers and suppliers may also benefit. Romeoville Mayor John Noak cited Bolingbrook-based G&W Electric, which manufactures equipment used in data center infrastructure, as an example of a business that could benefit from industry growth.[25]
- Municipal officials must also weigh potential costs to residents and businesses against the financial benefits of data centers. During task force discussions, participants raised concerns about the possibility that increased electricity and water costs could offset some of the property tax benefits. They questioned whether residents would benefit financially if those additional costs outweighed the revenue generated by data centers.[26]

E. How Municipalities Have Managed the Financial Impacts of Data Centers

- **City of DeKalb**: Meta's data center had become a significant source of property tax revenue for local taxing bodies. City records show that Meta paid approximately $19.1 million in property taxes to DeKalb Community Unit School District 428 for tax year 2024, compared with approximately $2.4 million in

2022. The city's share increased from approximately $353,000 to $2.5 million over the same period. Barnes credited the growing tax base and coordination among taxing bodies with helping reduce property tax rates while maintaining revenue for public services. He noted that other industrial developments, in addition to Meta's data center, contributed to the growth of DeKalb's tax base.

- **City of Northlake**: Mayor Jeffrey Sherwin said Northlake had held its municipal property tax levy steady for eight years while data centers added taxable property value. According to Sherwin, the additional value reduced the share of the municipal levy paid by residential property owners. He also described how the city manages potential revenue fluctuations. With approximately one-third of its budget devoted to infrastructure, Northlake has some flexibility to adjust capital spending if property assessments decline or owners successfully appeal their assessments.
- **City of Yorkville**: Municipal leaders described ongoing negotiations with developers over financial contributions for schools, infrastructure and potentially fire district equipment. Mayor John Purcell cited substantial public investment needs, including a regional water supply project estimated to cost the city $150 million and a proposed $275 million school expansion bond referendum. Rather than relying solely on future property tax revenue, officials sought upfront contributions to help address those needs.[11]

Electricity Capacity and Costs Require Attention Beyond the Municipal Level

Residents and businesses in northern Illinois and other areas served by the same regional electricity market may face higher electricity costs as utilities accommodate growing demand from data centers, while municipalities that host the facilities may receive additional tax revenue and other economic benefits.

- Municipalities have limited control over the regional electricity costs associated with data centers. Northern Illinois is part of a shared electricity grid managed by PJM Interconnection, which oversees electricity markets and coordinates power transmission across all or parts of 13 states and Washington, D.C. PJM's independent market monitor estimated that anticipated electricity use by data centers added approximately $13.8 billion to the cost of securing future power in two recent auctions. Because these costs are shared across the region, residents and businesses may face higher electricity bills even in communities without data centers.[27] [28]
- Illinois could face electricity shortages as demand from data centers grows. A December 2025 study by the Illinois Commerce Commission, Illinois Power Agency and Illinois Environmental Protection Agency found that growing

electricity demand, primarily from data centers, could outpace Illinois' available power supply. The study projects that PJM could face a shortage of generating capacity beginning in 2029 unless additional power sources are developed. This could increase the risk of power outages for residents and businesses throughout the region.[29]

Conclusion

The task force's discussions highlighted the importance of evaluating data center proposals in the context of each community's needs, resources and existing regulations. Municipal officials have considerable authority to address local impacts, but some concerns, particularly regional electricity costs, require action beyond the municipal level.

The Caucus will release a full report in December 2026, with additional findings and recommendations. Check https://mayorscaucus.org.

Municipal Case Studies

The following case studies examine how four Illinois municipalities have worked with data center developers, including their experiences with zoning, infrastructure, community concerns and financial considerations.

A. Case Study: Planning for and Overseeing Data Center Development in DeKalb

DeKalb has approved two major data center developments: a hyperscale data center operated by Meta, announced in 2020 and now operating, and a co-location project (Project Vector) approved in December 2025.[30]

City officials had prepared for large-scale industrial development long before Meta proposed its data center. According to City Manager Bill Nicklas, DeKalb had sufficient water infrastructure and fire protection to support major industrial projects by approximately 2011. Officials had also identified land south of Interstate 88 as suitable for industrial development, away from established residential neighborhoods.

City officials have continued to update DeKalb's development policies and building regulations. They adopted an updated Comprehensive Plan in 2022, replacing the 2005 plan, and revised the city's building code in December 2024.

Land-use planning and development review

DeKalb's 2022 Comprehensive Plan identifies data centers as industrial uses, alongside manufacturing, warehousing and other high-tech industries. DeKalb officials review major industrial developments individually rather than allowing data centers to be built without additional zoning review. For the 505-acre Meta data center site, Nicklas said standard zoning requirements would not adequately address the scale of the development.

The city reviews major projects through a development review process that requires public hearings before the planning commission and city council, giving residents opportunities to comment. Nicklas also explained that officials use special-use permits to hold developers accountable for following their approved development plans.

In December 2024, DeKalb officials updated the city's building code to incorporate the 2021 International Codes and the 2023 National Electrical Code.[31] Nicklas said city officials regularly update building codes to ensure new construction meets current fire protection, accessibility and life-safety standards.

When reviewing the proposal for Project Vector, officials asked the developer to provide a line-of-sight analysis showing how the buildings would appear from neighboring

properties. They also considered the distance from nearby farmsteads and the visual separation provided by Interstate 88.

Water, noise and energy demands

DeKalb officials monitor the amount of water supplied through the municipal system and track consumption by individual customers, including data centers. According to Nicklas, the city records water pumping daily, reports monthly to the Illinois EPA and uses customer meters to evaluate water demand. With approximately four years of operating data from Meta, officials can assess the facility's actual consumption rather than rely solely on projections. Mayor Cohen Barnes reported that Meta's two main data center buildings rank seventh and eleventh among the city's largest water users, illustrating how the facility's consumption compares with other customers, including dormitories of Northern Illinois University.

Officials also consider noise and other potential impacts on neighboring properties. Barnes said the Meta data center complies with applicable local and state noise standards. When evaluating the second data center proposal, Barnes and Nicklas traveled to the equipment manufacturer's facility in North Carolina to see and hear the proposed technology firsthand and discuss its operation with company representatives. Barnes cited the visit as an example of the due diligence municipal leaders should undertake before approving development.

Electricity availability can also influence data center operations. Nicklas said Meta's DeKalb facility primarily handles data storage rather than more electricity-intensive AI computing because the available ComEd electrical infrastructure cannot accommodate the additional demand.

Economic benefits and community engagement

According to city records, the Meta data center generated nearly $77 million in property tax revenue for local taxing bodies from 2022 through 2025, with approximately 61% going to DeKalb School District 428.[32] Meta also provided more than $2.6 million in grants and sponsorships to DeKalb County-area schools and nonprofit organizations.[33]

Barnes credits the data center with helping attract other major employers, including Ferrara, Amazon, Kraft Heinz and Goodyear. He believes the project demonstrated to other companies that DeKalb could accommodate large industrial developments.

To help residents benefit from the growing industrial tax base, Barnes said city officials began convening annual meetings with local taxing bodies to discuss their budgets and property tax levies. He credited those discussions and efforts to limit levy increases with helping to reduce the aggregate property tax rate from 11.73% in 2019 to 7.89880% in 2025, even as taxing bodies received additional revenue from industrial development.[34]

Barnes also cautioned against state legislation that treats all data centers alike. Although he considers hyperscale operators such as Meta particularly valuable community partners, he said the colocation data center approved in November 2025 could generate economic benefits equal to or greater than Meta's.

Although the Meta data center encountered little public opposition, residents raised substantial concerns about the second project. Barnes and Nicklas met with council members to explain the project's potential impacts and benefits, including water consumption, noise and tax revenue. They also arranged for representatives of local schools, nonprofits, businesses and labor organizations to speak in support of the development during the public hearing. Despite opposition, the city council approved the project unanimously.

Barnes emphasized the importance of municipal leaders thoroughly investigating development proposals, communicating their findings and helping elected officials make informed decisions.

Lessons for municipalities and state policymakers

Barnes encouraged municipal leaders to understand what their communities want from economic development, investigate prospective developers and examine the potential benefits and impacts of each project.

Barnes and Nicklas also cautioned state lawmakers against imposing uniform data center requirements without considering differences among municipalities and facilities. They emphasized that local officials already monitor water consumption and oversee development through zoning and permitting, and argued that municipalities have the incentive and the obligation to define rigorous standards for development.

B.Setting Standards for Data Centers in Yorkville

After approving its first data center development in 2024, Yorkville officials took steps to strengthen local oversight as additional developers proposed projects. The first project, proposed by data center developer and operator CyrusOne, involves a roughly 230-acre campus on industrially zoned land, with eight planned buildings totaling approximately 1.8 million square feet.[35] In 2025, the city updated its zoning requirements to address building setbacks, noise, landscaping and other potential impacts. Officials also negotiated additional conditions as they reviewed individual development proposals.

Yorkville has approved three data center developments since 2024, although none are operational as of November 2026. CyrusOne has begun site and infrastructure work on its campus, while construction has not started on the other two developments.

Strengthening zoning requirements

In 2025, Yorkville officials updated the city's Unified Development Ordinance after reviewing approaches used by other municipalities. The changes established requirements addressing building setbacks, heights, landscaping and noise.

For example, Yorkville requires a minimum separation of 500 feet between data center buildings and nearby residential or commercial structures. Data centers located within 1,500 feet of a residential structure cannot exceed 70 feet in height, including rooftop equipment. The city also requires 100-foot landscape buffers along public roads and adjacent to nonmanufacturing properties, as well as eight-foot berms next to residential subdivisions.[36]

Although Yorkville permits data centers in certain industrial districts, the city requires planned unit development (PUD) approval for projects exceeding four acres. This gives city officials an opportunity to hold public hearings, consider residents' concerns and negotiate project-specific requirements before granting approval.

According to City Administrator Bart Olson, these agreements allow Yorkville to establish conditions beyond those contained in its zoning ordinance. The city has used them to address infrastructure improvements, generator testing and ongoing noise monitoring.

Establishing requirements for ongoing noise monitoring

Yorkville requires developers to submit noise studies during the development review and permitting stages. The city's sound engineering consultant reviews those studies, and the ordinance provides for either annual noise monitoring for three years after construction or continuous monitoring throughout the development's life.

City officials are working with the consultant to develop a continuous monitoring system that would allow them to access recorded measurements when residents report excessive noise, determine whether levels exceeded applicable standards and contact operators about potential violations.

As of November 2026, officials were still developing the system, and Olson said the city had not issued its first data center building permit.

Yorkville has also established generator testing restrictions. The city's zoning ordinance limits testing of emergency backup generators to nonholiday weekdays between 11 a.m. and 5 p.m. Officials have also negotiated limits on the number of generators developers may test simultaneously through individual development agreements.[37]

Responding to public opposition

One of Yorkville's most significant challenges has been the growth of public opposition to data center development.

When city officials approved the first CyrusOne proposal in 2024, relatively few residents attended public meetings or raised concerns. However, subsequent proposals drew hundreds of participants, both in person and remotely.

Olson said the intensity of public skepticism surprised officials, particularly because the city had already established requirements addressing many of the issues residents raised.

For example, Yorkville negotiated water-use limits for proposed facilities. For one large project, the developer proposed using a closed-loop cooling system and relying on municipal water primarily for domestic purposes. The city also discussed penalties for exceeding agreed-upon water-use limits.

Despite these protections, some residents questioned whether developers would comply with the requirements or whether city officials could enforce them.

In response, Yorkville has made extensive information available through its website, including development applications, plans and correspondence between developers and municipal staff. Olson also gives detailed presentations at public meetings explaining the city's requirements and how they apply to individual proposals.

Although these efforts have improved access to information, Olson acknowledged that transparency has not eliminated distrust.

Negotiating financial benefits for the community

When the city initially approved the CyrusOne project in 2024, officials agreed to reimburse approximately $10 million in water and sewer infrastructure costs over time using a portion of the utility tax revenue generated by the development.

However, when CyrusOne sought approval for changes to its development plans in 2026, Yorkville officials asked the developer to relinquish the incentive. CyrusOne agreed.

City officials also negotiated a $15 million community benefit payment, due when the first data center building permit is issued. They plan to direct the money to the local school district to help pay for school construction projects.

Olson said the city has not approved local tax incentives for its three current data center projects. He considers the potential property and utility tax revenues significant enough to support development without additional municipal incentives.

Because the facilities are not yet operating, Yorkville has not realized those anticipated revenues.

Recognizing the limits of municipal authority

Olson emphasized that municipalities already have considerable authority to regulate where data centers are located, how buildings are designed, their water use and the infrastructure improvements developers must provide.

However, he identified electricity grid connections, generator operations and related air-quality regulations as areas where municipalities have limited authority.

He expressed support for state requirements that would make data center water and electricity consumption information publicly available. Yorkville officials are already reviewing whether they can disclose certain utility information under existing public records laws.

The city has also considered whether to require developers to establish decommissioning plans or financial guarantees in case facilities close. Olson said officials discussed the issue with developers and other experts but did not establish such requirements, citing concerns about their potential cost and feasibility.

C. Data Center Development, Municipal Oversight and Tax Revenue in Northlake

Northlake has three operating data center developments, the first of which opened in 2009. A fourth is expected to begin operating soon. Mayor Jeffrey Sherwin said city officials have generally reviewed data center proposals under the city's existing industrial zoning regulations, without requiring separate city council approval.

The city's data centers are located in an established industrial area where uses such as foundries and steel mills are also permitted. A railroad yard separates the area from residential neighborhoods, while the nearby Tri-State Tollway and an O'Hare flight path contribute to an environment already exposed to substantial noise. Sherwin said residents have not raised complaints about data center noise at city council meetings, and the city has not required ongoing noise monitoring at the facilities.

Data centers rely on backup generators to maintain operations during power outages. Operators periodically test these generators to ensure they function properly, but the testing can produce significant noise. To limit potential disturbances, Northlake's city council adopted an ordinance restricting routine generator testing to weekdays between 9 a.m. and 3 p.m. The restriction applies to all generators, including those used at residences.

Water Consumption and Cooling Requirements

Water consumption varies substantially among Northlake's data centers. According to the city's 2025 water consumption records:[38]

- Microsoft's older data center, which uses evaporative cooling, consumed approximately 41.7 million gallons.
- Digital Northlake consumed approximately 9.5 million gallons.
- Aligned Data Centers, which uses closed-loop cooling, consumed approximately 998,000 gallons.
- The facilities differ in size, so the figures do not provide a direct comparison of cooling-system efficiency.

Sherwin said Microsoft's water consumption was a factor in the city's decision to restrict evaporative cooling, which consumes water as part of the heat-removal process. This spring, Northlake's city council approved Ordinance O-04-2026, establishing cooling requirements for commercial and industrial buildings. According to Sherwin, the city prohibits evaporative cooling systems in new commercial and industrial buildings larger than 25,000 square feet. The restriction is not limited to data centers.[39]

In its Caucus survey response, Northlake also compared data center water consumption with other commercial uses. Sherwin reported that two 36-megawatt data centers using

closed-loop cooling consumed approximately 998,000 gallons annually, while two local laundromats consumed approximately 2.5 million and 4 million gallons, respectively.[40]

Because Northlake supplies water to the data centers, city officials can monitor their consumption through municipal utility billing records. Sherwin noted that operators pay for the water they use, creating a financial incentive to limit consumption. He also suggested that municipalities periodically compare actual consumption with the estimates developers provide during project review.

Property Tax Revenue and Financial Considerations

Northlake reported maintaining its municipal property tax levy at approximately $6.5 million for nine years. As data center properties have increased the city's assessed property value, they have assumed a larger share of that levy, reducing the share paid by other property owners.[41]

In its Caucus survey response, Northlake reported that three data centers contributed approximately $1 million, $500,000 and $250,000, respectively, toward the city's annual property tax levy. Officials projected that a fourth development would contribute another $500,000, bringing the industry's share of the levy to more than one-third.[42]

Sherwin estimated that data center development has increased annual property tax revenue for all local taxing bodies by approximately $18 million compared with the properties' previous uses. He estimated that approximately $1.8 million of that amount goes to Northlake, with the remainder distributed among school districts, fire protection districts and other taxing bodies.[43]

All of Northlake's data centers have received Cook County Class 6b industrial property tax incentives, which reduce the assessed valuation of qualifying industrial properties. Northlake reported that 88% of its industrial area has Class 6b status. Sherwin said city officials have supported the incentives when they expect redevelopment to produce more property tax revenue than the property's previous use, even with the reduced assessment.[44]

Data centers also contribute utility tax revenue. Northlake reported collecting approximately $50,000 per month from operating facilities. Sherwin said the city has used additional revenue for infrastructure improvements and estimated that residential property tax bills are approximately $800 lower annually because data centers have assumed a larger share of the tax burden,[45] an estimate he based on a calculation that accounts for the reduced property assessments data centers receive through Cook County's Class 6b incentive program.[46]

Sherwin expressed concern that continued data center development could make Northlake increasingly dependent on a few major taxpayers. A facility closure, reduction

in assessed value or successful property tax appeal could shift more of the tax burden to other property owners.

Sherwin cited Aligned Data Centers, which operates a data center in Northlake. He said the company successfully appealed its property tax assessment, reducing its annual property tax bill by approximately $4 million.[47] An increase of roughly the same amount in Microsoft's property tax bill offset the reduction, according to Sherwin. He suggested that municipalities consider provisions allowing them to revoke industrial property tax incentives if an assessment appeal reduces a developer's tax bill by more than 10%. Northlake has not established such a requirement, according to Sherwin.

Community Benefits and Developer Commitments

Northlake did not negotiate community benefits agreements for its earliest data center developments, according to Sherwin. City officials focused primarily on the anticipated property and utility tax revenue.

Based on Northlake's experience, Sherwin recommended that municipalities seeking specific community contributions establish those obligations in enforceable development agreements rather than relying on voluntary commitments.

Electricity Supply and Municipal Revenue

Sherwin raised concerns about proposals that would allow data centers to generate electricity on-site rather than purchase power through the utility. He said additional generating equipment could introduce noise and air emissions concerns. On-site generation could also reduce the utility tax revenue Northlake receives from electricity purchases.

Sherwin favors requiring data center developers to contribute to regional electricity infrastructure improvements rather than relying on individual facilities to generate their own power.

D. Establishing New Standards in Aurora

Aurora, Illinois, updated its zoning regulations and adopted new operating standards for data centers in March 2026, giving city officials greater oversight of development and tools to address concerns about noise, water use and energy.

Aurora had historically classified data centers as warehouses, allowing developers to build them in designated zoning districts without obtaining special approval from the city council. Because data centers were permitted under the existing zoning classification, officials had limited grounds to deny proposals that met applicable requirements. Rejecting an otherwise compliant project could expose Aurora to legal challenges from developers.[48]

Five data centers were operating in Aurora when officials began reconsidering this approach. After residents complained about noise from an existing facility, state regulators confirmed that it exceeded Illinois noise standards. However, Aurora lacked the specialized equipment and local enforcement authority needed to address the violations directly.

In September 2025, the city council approved a 180-day moratorium on new data centers and warehouses, giving officials time to examine existing regulations and consider additional requirements. The Metropolitan Mayors Caucus held an Environment and Energy Committee meeting on data center impacts in September of 2025 and asked municipal attendees if the Caucus should convene a Data Center Task Force to study the topic further and provide guidance to local governments. The City of Aurora supported this idea and began to do research through the Task Force meetings. Additionally, Aurora assembled a team of municipal officials with expertise in planning, zoning, sustainability, development and law to research regulatory approaches and evaluate potential changes. City staff talked to other communities in Illinois, municipalities in other states, and data centers as part of their research.

In March 2026, the city council approved four ordinances establishing new requirements.[49]

Expanding Local Review and Oversight

The city established a separate zoning classification for data centers, defining them as facilities that house servers and other equipment used to store, manage and process digital data. Aurora based its data center definition on language that was in the Illinois Compiled Statutes, related to the prior tax credits the state offered qualifying data centers.[50] [51] The city of Aurora also began requiring developers to obtain conditional-use approval, giving residents an opportunity to participate in public hearings and requiring city council approval before new projects could proceed.[52]

Aurora also established standards addressing several concerns, including:

- Noise: According to Alison Lindburg, Aurora's director of sustainability, Illinois noise standards require specialized equipment to measure sound at different frequencies, and enforcement falls to state regulators. To give municipal officials a more practical way to address noise complaints, Aurora adopted its own limits based on decibel measurements that can be taken with standard sound meters. Because these limits are part of Aurora's ordinances, officials can enforce them directly. Developers must also conduct noise studies before construction, identify measures to reduce potential impacts and demonstrate compliance after construction. Additional requirements address the placement of noise-generating equipment, including backup generators and cooling systems. Aurora also established rules governing where developers can place noise-generating equipment, including backup generators and cooling systems. Aurora set local noise requirement that are quieter than the state standards, with a maximum of 57 dB during daytime hours and 47 dB during nighttime hours.



Photo credit: Cheryl Scott

Members of the Data Center Task Force view the sound barrier at CyrusOne CHI2 data center in Aurora.

- Water use: New data centers must meet water-efficiency standards, including a water usage effectiveness (WUE) limit of 0.2. Aurora also prohibits evaporative cooling systems that use potable water, although developers may use nonpotable water for evaporative cooling.
- Energy efficiency and sustainability: New facilities must meet a power usage effectiveness (PUE) standard of 1.2 and incorporate renewable energy generation or battery storage. Aurora requires developers to provide renewable energy generation equivalent to at least 25% of a facility's peak electrical demand or battery storage equivalent to 50% of peak demand for at least 15 minutes, with provisions for alternative arrangements when on-site installations are impractical.[53] Aurora also prohibits data centers from using nuclear-based energy, including small modular reactors.
- Ongoing monitoring: New and existing data centers must report annual water and energy consumption and undergo annual noise testing. Aurora also established continuous vibration monitoring requirements for new data centers. Operators must reimburse the municipality for the cost of noise testing.
- Biometric privacy: Aurora incorporated protections related to the Illinois Biometric Information Privacy Act (BIPA) into its local requirements. Operators must provide annual documentation of compliance with applicable biometric privacy standards.[54]
- Aurora also requires developers to enter into development agreements establishing project-specific requirements. Lindburg said state law limits the fines municipalities can impose for ordinance violations. Aurora could use a development agreement to negotiate larger financial penalties and establish additional consequences if operators fail to comply with agreed-upon requirements.

Incorporating Community Input

Officials sought resident input as they developed the new requirements, particularly those living near existing data centers who had experienced noise and other impacts.

To reach a broader cross-section of the community, officials held a public forum attended by approximately 150 to 200 people, conducted an online survey and met with neighborhood groups. They also attended community events to speak with residents where they were already gathering, rather than relying solely on city-organized meetings. They also maintained a website with information about the moratorium, proposed regulations and opportunities to participate in public meetings:

Residents throughout Aurora, not just those living near existing data centers, raised concerns about electricity costs, water consumption and other potential impacts. They also expressed differing views about future development. Some wanted officials to

prohibit additional data centers, while others favored allowing them under stricter requirements.[55]

Aurora officials also consulted data center operators and representatives from other municipalities to help determine which requirements would be practical to implement and enforce. Residents had additional opportunities to comment during public hearings and city council meetings.

Addressing Long-Term Operations and Future Uses

Aurora's new requirements extend beyond the initial review and construction of data centers.

In addition to annual monitoring and reporting, officials established provisions addressing what happens if a data center closes or its owner converts the property to another use.

Developers must provide for the removal of specialized mechanical equipment, including diesel backup generators, when facilities are decommissioned.

Aurora also requires developers to reserve space that could accommodate additional parking if a building is converted to another use. Data centers typically require relatively few employees and parking spaces, but a future occupant may have different needs.

Balancing New Requirements with Existing Development

Although Aurora adopted more stringent requirements in March 2026, the changes do not apply uniformly to all data centers.

As of November 2026 interview, Aurora had five operating data centers and another five under construction or in the permitting process. All five additional projects were proceeding under the previous development requirements rather than the new performance standards.[56]

However, annual noise, water and energy reporting requirements apply to existing data centers as well as new facilities, giving officials additional information about ongoing operations.

Aurora has not yet approved a new data center under the revised regulations. As a result, officials have not yet been able to assess how effectively the new performance standards would address noise, water consumption and other impacts in practice.

Officials also weighed the economic benefits of data centers as they considered how to regulate future projects. In addition to generating property tax revenue, Lindburg reported that one facility with approximately 100 megawatts of capacity generated about $1 million in municipal utility tax revenue in 2025, contributing to Aurora's general fund.

Endnotes

[1] Scott Kuykendall, water resources specialist, McHenry County Department of Planning and Development, presentation on data centers and water use in Illinois, Metropolitan Mayors Caucus Data Center Task Force meeting, Feb. 5, 2026
[2] City of Northlake, Usage Report 2025, municipal water consumption records provided by Mayor Sherwin, 2025, entries for Microsoft Data Center (41,659,302 gallons), Digital Northlake Data Center (9,460,242 gallons) and Aligned Data Center (997,902 gallons).
[3] Scott Kuykendall, McHenry County Department of Planning and Development, and Jenna L. Shelton, Illinois State Water Survey, presentations to the Metropolitan Mayors Caucus Data Center Task Force, Feb. 5, 2026.
[4] Michele L. Piotrowski, vice president, Engineering Enterprises Inc., presentation on water issues for municipal utilities, Metropolitan Mayors Caucus Data Center Task Force meeting, Feb. 5, 2026.
[5] Metropolitan Mayors Caucus, Data Center Task Force meeting notes, March 5, 2026. Discussion concerning cooling technologies and water-conservation requirements.
[6] Metropolitan Mayors Caucus Data Center Task Force discussion, Feb. 5, 2026.
[7] Metropolitan Mayors Caucus, Data Center Survey Results Summary, Nov. 3, 2026. Responses from City of Naperville, Jan. 27, 2026; United City of Yorkville, Feb. 5, 2026; and Village of Minooka, Feb. 9, 2026.
[8] Metropolitan Mayors Caucus Data Center Task Force, February 5, 2026, presentation by Erica Spolar, executive vice president, Hampton, Lenzini and Renwick Inc., and subsequent discussion. Covers sources of data center noise, sound propagation and potential impacts on surrounding properties.
[9] Metropolitan Mayors Caucus Data Center Task Force, February 5, 2026, presentation by Erica Spolar, Hampton, Lenzini and Renwick Inc. Covers existing and projected noise levels, worst-case operating conditions, noise-sensitive locations and comparisons with applicable noise standards.
[10] Metropolitan Mayors Caucus Data Center Task Force, February 5, 2026, Spolar presentation and discussion. Covers noise propagation, setbacks, equipment placement, shielding and sound barriers.
[11] Metropolitan Mayors Caucus Data Center Task Force, February 5, 2026, discussion about generator testing restrictions and post-construction noise monitoring requirements established through planned unit development agreements.
[12] Metropolitan Mayors Caucus Data Center Task Force, February 5, 2026, Spolar presentation and subsequent discussion. Covers Illinois Pollution Control Board noise standards, sound-measurement equipment and challenges associated with municipal enforcement.
[13] Metropolitan Mayors Caucus Data Center Task Force, February 5, 2026, discussion involving Bart Olson and other participants. Covers Yorkville's three-year monitoring requirement and concerns about increases in noise as equipment ages.
[14] Metropolitan Mayors Caucus Data Center Task Force, Jan. 22, 2026, presentation by Bill Marr, permit section manager, Illinois Environmental Protection Agency Bureau of Air; and Feb. 5, 2026, discussion of generator placement and operating restrictions.
[15] Metropolitan Mayors Caucus Data Center Task Force, March 5, 2026, municipal regulations survey presentation and discussion. Covers municipal zoning authority, development approvals and limitations associated with existing zoning classifications.
[16] Metropolitan Mayors Caucus Data Center Task Force, March 5, 2026, municipal regulations survey presentation and discussion. Covers by-right development, conditional- and special-use approvals, and planned unit development agreements.
[17] City of Aurora, “New Data Center and Warehouse Regulations,” 2026, https://www.aurora.il.us/Property-Business/Zoning-and-Planning/New-Data-Center-and-Warehouse-Regulations; Katlyn Smith, “Aurora adopted a data center moratorium. Will other cities follow suit?,” Daily Herald, October 25, 2025, https://www.dailyherald.com/20251025/news/aurora-adopted-a-data-center-moratorium-will-other-cities-follow-suit/; City of Aurora, “City Council Approves Regulations on Data Centers,” March 25, 2026, https://www.aurora.il.us/News-articles/City-Council-Approves-Regulations-on-Data-Centers.
[18] Metropolitan Mayors Caucus, Data Center Task Force Survey Results, presented March 5, 2026, responses concerning zoning classifications and planned unit development approvals. See also United City of Yorkville,

Unified Development Ordinance, Section 10-4-10, “Energy Industrial Uses,” Ordinance No. 2025-53, effective June 27, 2025, https://online.encodeplus.com/regs/yorkville-il/doc-viewer.aspx?secid=373.

[19] Metropolitan Mayors Caucus Data Center Task Force, February 19, 2026, presentation by Matthew Rasche Sr., Naperville Township Assessor, and subsequent municipal panel discussion on taxes and revenue.

[20] Metropolitan Mayors Caucus Data Center Task Force, February 19, 2026, comments by DeKalb Mayor Cohen Barnes; City of DeKalb, Fiscal Year 2025 Adopted Budget, “Assessed Valuations and Property Tax Relief”; City of DeKalb, City Council Regular Meeting Agenda, October 27, 2025, pp. 2–3; City of DeKalb, Meta Tax Impact. https://www.cityofdekalb.com/DocumentCenter/View/18519/Ord-2024-059-Passed-120924-Budget-FY25
https://www.cityofdekalb.com/AgendaCenter/ViewFile/Agenda/_10272025-2763
https://www.cityofdekalb.com/1620/Meta-Tax-Impact

[21] Metropolitan Mayors Caucus Data Center Task Force, February 19, 2026, presentation by Matthew Rasche Sr. on property valuation, business equipment and assessment appeals.

[22] Metropolitan Mayors Caucus Data Center Task Force, February 19, 2026, presentations by representatives of the Cook County Assessor's Office; Cook County Assessor's Office, Class 6B incentive program.

[23] Metropolitan Mayors Caucus Data Center Task Force, February 19, 2026, comments by Northlake Mayor Jeffrey Sherwin on utility taxes and on-site electricity generation.

[24] Metropolitan Mayors Caucus Data Center Task Force, February 19, 2026, comments by Yorkville municipal officials on proposed developer contributions.

[25] Metropolitan Mayors Caucus Data Center Task Force, February 19, 2026 regarding regional manufacturing and supply-chain opportunities.

[26] Metropolitan Mayors Caucus Data Center Task Force, November 20, 2025, meeting presentation, “Challenges.”

[27] PJM Interconnection, “Who We Are,” https://www.pjm.com/about-pjm/who-we-are; Monitoring Analytics, 2025 State of the Market Report for PJM, Vol. 1, “Introduction,” 2026.

[28] Monitoring Analytics, 2026 Quarterly State of the Market Report for PJM: January Through March, Section 1, “Introduction,” 2026, p. 3.
https://www.monitoringanalytics.com/reports/PJM_State_of_the_Market/2026/2026q1-som-pjm-sec1.pdf.

[29] Illinois Commerce Commission, Illinois Power Agency and Illinois Environmental Protection Agency, 2025 Illinois Resource Adequacy Study, December 15, 2025.
https://ipa.illinois.gov/content/dam/soi/en/web/ipa/documents/20251215-illinois-ra-study-2025-final.pdf

[30] City of DeKalb. Regular City Council Meeting Minutes, December 8, 2025. Documents the approval of the second data center development, known as Project Vector, including the annexation and development agreement.
https://www.cityofdekalb.com/DocumentCenter/View/20217/2-120825-Regular-Minutes

[31] City of DeKalb, Municipal Code, Chapter 24: Building Code, amended December 9, 2024.
https://www.cityofdekalb.com/DocumentCenter/View/134/Chapter-24-Building-Code-120924?bidId=

[32] City of DeKalb. Meta Tax Impact. Property tax distributions to local taxing bodies, 2022–2025. Reports $76,754,261 in total property taxes, including $47,125,732 for DeKalb Community Unit School District 428.
https://www.cityofdekalb.com/1620/Meta-Tax-Impact

[33] Hettinger, Johnathan, Shiva Sheikhfarshi and Bernard Dzamah-Kumah. Hosting Data Centers: Lessons From Three Illinois Communities—Aurora, DeKalb and Elk Grove Village. University of Illinois Urbana-Champaign, Climate Jobs Institute, November 5, 2026, p. 12. Reports that Meta provided more than $2.6 million through more than 100 grants and sponsorships to DeKalb County-area schools and nonprofit organizations since 2021, citing Meta's own reporting.
https://ler.illinois.edu/wp-content/uploads/2026/11/Data-Center-Case-Studies-Report-1.pdf

[34] City of DeKalb. Regular City Council Meeting Agenda, October 27, 2025, pp. 2–3, “Consideration of the Annual Property Tax Levy.” Documents the reduction in the aggregate property tax rate from 11.73464 per $100 of equalized assessed value in 2019 to 7.96687 in 2024, a 32% decrease.
https://www.cityofdekalb.com/AgendaCenter/ViewFile/Agenda/_10272025-2763

[35] United City of Yorkville, Planning and Zoning Commission Memorandum, Cyrus One Planned Unit Development and Preliminary Plan, June 6, 2024.
https://www.yorkville.il.us/ArchiveCenter/ViewFile/Item/5718. See also United City of Yorkville, C1 Yorkville –

Cyrus One CHI-11 West (Final Plat), 2026. https://www.yorkville.il.us/951/C1-Yorkville-Cyrus-One-CHI-11-West-Final.

[36] United City of Yorkville, Unified Development Ordinance, Section 10-4-10, Data Center Standards. https://online.encodeplus.com/regs/yorkville-il/doc-viewer.aspx?secid=373.

[37] Metropolitan Mayors Caucus, Data Center Task Force meeting discussion, February 5, 2026, regarding generator testing restrictions in planned unit development agreements.

[38] City of Northlake, Usage Report 2025, municipal water consumption records provided by Mayor Sherwin, 2025, entries for Microsoft Data Center (41,659,302 gallons), Digital Northlake Data Center (9,460,242 gallons) and Aligned Data Center (997,902 gallons).

[39] City of Northlake, Illinois, City Code, § 7-7A-20, "Cooling Requirements for Commercial and Industrial Buildings," Ordinance O-04-2026 American Legal Publishing.https://codelibrary.amlegal.com/codes/northlakeil/latest/northlake_il/0-0-0-29005

[40] Metropolitan Mayors Caucus, Data Center Task Force Survey, City of Northlake individual response, 2026, response comparing annual water consumption at two 36-megawatt data centers and two laundromats.

[41] Metropolitan Mayors Caucus, Data Center Task Force Survey, City of Northlake individual response, 2026, responses concerning the municipal property tax levy and data center property tax contributions. https://northlakecity.com/application/files/8817/6651/9889/2026_City_of_Northlake_Budget_Document.pdf

[42] Metropolitan Mayors Caucus, Data Center Task Force Survey, City of Northlake individual response, 2026, responses concerning individual data center contributions to the municipal property tax levy and anticipated revenue from additional development.

[43] Jeffrey Sherwin, Mayor, City of Northlake, interview, November 2026.

[44] Metropolitan Mayors Caucus, Data Center Task Force Survey, City of Northlake individual response, 2026, responses concerning Cook County Class 6b incentives and industrial property assessments.

[45] Metropolitan Mayors Caucus, Data Center Task Force Survey, City of Northlake individual response, 2026, response concerning monthly utility tax revenue.

[46] Jeffrey Sherwin, Mayor, City of Northlake, interview November 14, 2026. Sherwin calculated the estimated $800 in annual residential property tax savings by adjusting a $2,000 estimate reported by the Better Government Association and Chicago Tribune to reflect the difference between the standard 25% industrial assessment rate and the 10% rate available through Cook County's Class 6b incentive program.

[47] Jeffrey Sherwin, Mayor, City of Northlake, interview, November 2026.

[48] City of Aurora, "New Data Center and Warehouse Regulations," 2025-26. https://www.aurora.il.us/Property-Business/Zoning-and-Planning/New-Data-Center-and-Warehouse-Regulations.

[49] City of Aurora, "City Council Approves Regulations on Data Centers," March 25, 2026. https://www.aurora.il.us/News-articles/City-Council-Approves-Regulations-on-Data-Centers.

[50] Illinois Compiled Statutes, 20 ILCS 605/605-1025, "Data center investment program." https://www.ilga.gov/documents/legislation/ilcs/documents/002006050K605-1025.htm.

[51] City of Aurora, Zoning Ordinance, Chapter 49, Sections 49-103.3 and 49-104.3, as amended March 2026. https://aurora-il.municipalcodeonline.com/book/print?name=CHAPTER_49_ZONING&type=ordinances.

[52] City of Aurora, Zoning Ordinance, Chapter 49, Sections 49-103.3 and 49-104.3, as amended March 2026. https://aurora-il.municipalcodeonline.com/book/print?name=CHAPTER_49_ZONING&type=ordinances.

[53] City of Aurora, Zoning Ordinance, Chapter 49, Section 49-104.3(c)(25), water and energy performance standards, as amended March 2026. https://aurora-il.municipalcodeonline.com/book/print?name=CHAPTER_49_ZONING&type=ordinances.

[54] City of Aurora, "City Council Approves Regulations on Data Centers," March 25, 2026. https://www.aurora.il.us/News-articles/City-Council-Approves-Regulations-on-Data-Centers.

[55] City of Aurora, Data Center & Warehouse Moratorium Survey Responses, February 2026. https://www.aurora.il.us/files/sharedassets/mainsite/v/1/environment/documents/data-center-and-warehouse-moratorium-survey-responses-summary_redacted.pdf.

[56] City of Aurora, "City Council Approves Regulations on Data Centers," March 25, 2026. https://www.aurora.il.us/News-articles/City-Council-Approves-Regulations-on-Data-Centers.

Acknowledgments

The Metropolitan Mayors Caucus (Caucus), a non-profit regional council of governments inclusive of 275 municipalities in northeastern Illinois, convened the Data Center Task Force to gather and share information to support municipalities considering data center development. Environment and Energy Committee Chairman, Kevin Burns, Mayor of the City of Geneva, also chaired the Data Center Task Force.

The Caucus' environmental and energy initiatives are guided by the Greenest Region Compact, a set of consensus sustainability goals that is formally adopted by 161 municipalities, six counties and all 10 sub-regional councils of governments. The Executive Board of the Caucus supports the GRC and the Caucus' climate action plans to empower municipalities of all sizes and strengths to take sustainable actions that improve quality of life in the region.

Metropolitan Mayors Caucus

Kevin Burns, Mayor, City of Geneva, Illinois, and Environment and Energy Committee Chairman, Metropolitan Mayors Caucus

Edith Makra, Director of Environmental Initiatives

Neil James, Executive Director

Cheryl Scott, Senior Sustainability Specialist

Briefing prepared by Diesing Communications, Inc.

Contact:

Edith Makra
emakra@mayorscaucus.org, 630-327-4193

Kevin Burns,
kburns@geneva.il.us, 630-742-8916



Metropolitan Mayors Caucus

Municipal leaders collaborating to move the region forward

433 W. Van Buren St., Suite 450
Chicago, IL 60607

www.mayorscaucus.org