



BOARD REPORT

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES

FROM: DANIELLE MARION, COMMUNITY DEVELOPMENT DIRECTOR
SCOTT KOEPEL, VILLAGE ADMINISTRATOR

SUBJECT: DATA CENTER ZONING DISTRICT

AGENDA: June 2, 2026

DATE: May 26, 2026

ISSUE

Shall the Village Board update the Data Center Zoning District?

DISCUSSION

On March 31st the Village Board discussed the Data Center Zoning District and zoning for data centers in general. Since that discussion, staff initiated a text amendment to make data centers a special use in the I1 and M1 zoning districts. Additionally, the Village Board asked for staff to complete research and bring the discussion back.

As of today, data centers are permitted in the Data Center Zoning District. No land in the Village of Sugar Grove is currently zoned Data Center District. If a data center developer approached the Village they would need to request for land to be rezoned to Data Center District and then follow all the requirements of the district. While the Village Board would need to approve the rezoning, they would not be able to add additional conditions. A developer could also apply for a special use in I1 or M1, assuming the current text amendment is adopted later this month.

In 2022 the Village Board approved a text amendment to the Village Code that created a specific Data Center District and added data centers to the table of permitted uses as a permitted use with additional conditions. Since 2022 several data centers have become operational or have been entitled. Discussion around data centers has changed in the past four years. Concerns about noise, water use, and energy use are the most common.

From an Economic Development perspective, a data center provides massive fiscal benefits to the village by shifting the local tax burden away from homeowners. A single facility represents a minimum \$250 million capital investment, generating hundreds of temporary union construction jobs that provide a boost to local business owners. Once operational, the

property assessment provides a windfall of predictable tax revenue directly to local school districts and other taxing bodies. Additionally, the facilities often pay hundreds of thousands of dollars annually to the village through local utility taxes, reducing the reliance on taxes from residents.

COST

There is no cost for the discussion.

ATTACHMENTS

- Data Center Zoning District details

RECOMMENDATION

The Village Board reviews the information, ask questions and provides staff feedback.

CHAPTER 10B

DC, DATA CENTER DISTRICT

SECTION:

11-10B-1: Purpose

11-10B-2: Definition

11-10B-3: Uses

11-10B-4: Lot Size Regulations

11-10B-5: Yard And Setback Regulations

11-10B-6: Maximum Lot Coverage

11-10B-7: Structure Height

11-10B-8: Other Standards

11-10B-9: Performance Standards

11-10B-10: Submittal Requirements

11-10B-1: PURPOSE:

The DC Data Center District is intended to provide for a physical environment conducive to the establishment and operation of data centers. (Ord. 2022-1206B, 12-6-2022)

11-10B-2: DEFINITION:

DATA CENTER:	A facility used primarily for the storage, management, processing, and transmission of digital data, which houses computer and/or network equipment, systems, servers, appliances and other associated components related to digital data operations. Such facility may also include air handlers, power generators, water cooling and storage facilities, utility substations, and other associated utility infrastructure to support sustained operations at a data center. (Ord. 2022-1206B, 12-6-2022)
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11-10B-3: USES:

- A. Permitted uses: See section 11-4-22 of this title.
- B. Special uses: See section 11-4-22 of this title.
- C. Permitted accessory uses: Please refer to section 11-4-7 of this title.
- D. Additional standards and criteria for specific uses: See section 11-4-23 of this title. (Ord. 2022-1206B, 12-6-2022)

11-10B-4: LOT SIZE REGULATIONS:

- A. Minimum lot size: Not less than five (5) acres.
- B. Minimum lot width: Not less than three hundred fifty (350) feet shall be maintained at the building setback line. (Ord. 2022-1206B, 12-6-2022)

11-10B-5: YARD AND SETBACK REGULATIONS:

Every building hereafter erected or enlarged in this district shall provide and maintain a setback in accordance with the following:

- A. Setback from the boundary lines of the district: Not less than seventy five feet (75') from streets forming the boundary line of the DC District.
- B. Minimum front and corner side yards: Not less than forty feet (40') from a front or corner side lot line of a public or private street that is interior to the DC District.
- C. Minimum interior side yards: Not less than twenty five feet (25') from an interior side lot line.
- D. Minimum rear yards: Not less than fifty feet (50') from a rear lot line, unless the lot line forms the boundary line of the DC District. In that case, not less than seventy five feet (75') shall be provided.
- E. Yards adjacent residential zoning districts: Where a lot line in the DC District coincides with a front, side or rear lot line of a residential or institutional use or district, or forms the boundary line of the DC District, the minimum yard requirement in the DC District shall be an additional one foot for each foot of building height. (Ord. 2022-1206B, 12-6-2022)

11-10B-6: MAXIMUM LOT COVERAGE:

No more than seventy five percent (75%) of a lot shall be occupied with buildings, accessory structures and impervious surfaces. (Ord. 2022-1206B, 12-6-2022)

11-10B-7: STRUCTURE HEIGHT:

Not more than sixty-five feet (65'). (Ord. 2022-1206B, 12-6-2022)

11-10B-8: OTHER STANDARDS:**A. Pedestrian and Bicycle Facilities.**

1. Provision of Sidewalks and/or Trails. Sidewalks and/or trails for pedestrian and/or bicycle access shall be provided, at a minimum, along any side of a public road that abuts the property upon which the data center is located as required by the Village Engineer.

B. Building Design/Materials:

1. One hundred percent (100%) of building facades in the DC District facing a public right-of-way and fifty percent (50%) of other facades shall be constructed of masonry, brick, stone, or decorative concrete block (excluding plain concrete block), architectural steel and glass, or precast panels. Aluminum or vinyl siding shall not be allowed as a primary building material.

2. Principal building facades (all building facades that face adjacent public roads) shall avoid the use of undifferentiated surfaces by including at least two (2) of the following design elements: change in building height, building step-backs or recesses, fenestration, change in building material, pattern, texture, color, or use of accent materials.

3. When a building has more than one principal facade, such principal building facades shall be consistent in terms of design, materials, details, and treatment.

4. Walls that exceed a length of two hundred fifty feet (250') shall be articulated through changes in the plane of the facade, installation of windows, installation of landscaping, or any combination thereof.

5. Building facades sixty feet (60') or greater in length should include plane changes, projections, and/or recesses of two feet (2') or greater to provide visual interest, identity, character, and scale.

C. Mechanical Equipment and Utilities: All heating, ventilating and air conditioning equipment, generators, utility services, storage yards, satellite antennas, and mechanical equipment shall be screened on all sides of the building that are exposed to public view, as follows:

1. Roof-Mounted Mechanical Equipment:

a. Roof screens and/or parapet wall screens shall be allowed in this district, provided they are designed to blend with the architectural style, materials and color of the building. The height of the approved screening shall be equal to the height of the tallest rooftop unit installed on the building.

b. Flues, goosenecks or other equipment that is mounted on the roof shall also be screened when heights exceed four feet (4').

2. Ground-Mounted Mechanical Equipment:

a. Enclosure fences to screen service and utility areas (such as HVAC, mechanical equipment, utility services, storage yards, or satellite antennas) shall not exceed eight (8) feet in height. Landscaping may be an appropriate screening.

b. Enclosure fences to screen service and utility areas shall be designed to blend with the architectural style, materials and color of the building.

D. Landscaping Requirements: Where a Data Center shares a common lot line with a property zoned in a more restrictive zoning district, landscape screening shall be provided at the rate of three (3) shrubs per each twenty five (25) linear feet of data center property lines.

1. Street Trees: One (1) 2 1/2-inch caliper shade tree shall be installed in the right-of-way per each fifty (50) linear feet of frontage, as required by the Village Engineer.

2. Tree Preservation/Mitigation: The intent of this provision is to mitigate the loss of healthy, mature trees in the Village, by requiring replacement trees:

a. Existing trees, six inches (6") in diameter or greater, as measured at breast height (dbh), shall be preserved, when possible, according to a tree preservation plan prepared by the developer with input from the Community Development Director or designee. The tree preservation plan shall show:

b. Protective fencing planned to be installed around the critical root zone of those trees identified for preservation, on both grading and landscape plans.

c. Trees that will have their roots pruned by a certified arborist, to avoid tearing and other damage during construction.

d. Locations where limestone and other materials that might negatively affect trees planned to be preserved will be stored on the property.

3. Tree Replacement: Where it is determined that trees six inches (6") dbh or greater must be removed to allow for proposed development, tree replacement will be required:

a. Not less than one (1) 3-inch caliper tree shall be required for each six inches (6") of tree proposed to be removed, as measured at breast height. However, in no instance shall more than three (3) 3-inch caliper replacement trees be required for any tree removed.

b. Replacement trees shall be required in addition to any other landscaping that may be required by this title, except landscape screening. In this instance replacement trees can be used to count toward screening between DC development and properties planned, zoned or used for residential or institutional purposes.

c. The number of trees that an individual property can support, according to good forestry practices, shall determine the number of replacement trees that will be required on an individual lot.

E. Waste Materials: No materials or wastes shall be deposited upon a lot in such a form that they might be transferred off the property by natural causes or forces, such as water, wind or snow.

F. Security Fencing: The establishment of fences in the DC District shall be regulated as follows, and conform with the provisions of chapters 6, 9, 9A, 10, and 10A of this title:

1. Fences shall be constructed and maintained along the perimeter of the property at a height of eight feet (8').
2. Fences shall be positioned so that the finished side faces away from the lot on which it is constructed.
3. Fences shall be located and landscaped in order to meet the screening standards required in chapters 9 and 10 of this title.
4. Permitted fence materials include wood, vinyl, aluminum, and iron. No chain link or mesh type fence with inserted screening slats or screening fabric shall be acceptable. No fence shall contain barbed wire, razor wire, electrified elements, but not including motorized gates, or any components determined by the Village to constitute a public safety hazard.

G. Construction of Additional Buildings and Improvements: The Owner shall have the right, but not the obligation, to construct Additional Buildings and Improvements on the Property as part of the Planned Development, without further zoning review or approval by the corporate authorities of the Village, if:

1. The Owner submits to the Community Development Director site plans, elevations, and landscape plans depicting the Additional Buildings and Improvements; and
2. The Community Development Director determines, in his reasonable judgment, that the Additional Buildings and Improvements depicted on such plans comply with the Development Standards set forth.

H. Outdoor Illumination: All exterior lighting shall be designed and constructed as set forth in Section 11-8-5 of the Zoning Code.

I. Parking: All parking shall be designed and constructed as set forth in Section 11-12 of the Zoning Code.

J. Wastewater: Wastewater flow rates are limited to six (6) population equivalents per acre. (Ord. 2022-1206B, 12-6-2022)

11-10B-9: PERFORMANCE STANDARDS:

All uses in the DC District shall comply with the performance standards in Section 11-4-24. (Ord. 2022-1206B, 12-6-2022; amd. Ord. 2023-0516A, 5-16-2023)

11-10B-10: SUBMITTAL REQUIREMENTS:

Three (3) sets of drawings that include the information set forth below are required for processing permitted uses on the individual lot in the DC, Data Center District. Chapter 13 of this title includes requirements for processing special uses and planned developments.

- A. Site information, including:
 1. Name and address of the owner, applicant, planner, architect, engineer, and landscape architect.
 2. Date, scale and north arrow.
 3. Total acreage of the site.
 4. Title by which the property or project is to be referred.
 5. Proof of ownership.
- B. A copy of a survey, prepared by a registered land surveyor, including a legal description of the subject property.
- C. Existing and proposed zoning of the subject property.
- D. Existing zoning of adjacent parcels.
- E. Adjacent development, including buildings, drives, fences, walls, parking lots, etc., within a minimum of one hundred feet (100') of the subject property.

- F. Location and size of all buildings and structures, both existing and proposed.
- G. Ground elevations of the property, both existing and proposed.
- H. Locations of floodplain, floodway, wetlands and existing vegetation.
- I. Soil analysis, if required by the Village Engineer.
- J. Building setbacks from street rights-of-way and all property lines.
- K. Yards and spaces between all structures.
- L. Location and dimensions of all fences and walls.
- M. A landscape plan, prepared by a qualified landscape architect, which includes spot elevations, or is superimposed on a half-toned grading plan to show the relationship between proposed plantings and final grades.
- N. Identification of vehicular, pedestrian and service access, including:
 - 1. Distance from the driveway opening at the curb to the prolongation of the property line of the nearest intersecting street.
 - 2. Width of proposed access drives and drive aisles.
 - 3. Identification and location of:
 - a. Curb lines.
 - b. Property lines.
 - c. Sidewalks.
 - d. Existing driveways, if any.
 - e. Parking regulations and signs.
 - f. Traffic signals.
 - g. Utility poles.
 - h. Light standards.
 - i. Fire hydrants.
- K. Off street parking and loading facilities, including the number of spaces and dimensions of spaces, drive aisles and loading zones.
- L. Location, area and height of all freestanding signs, all elevations of the proposed structure or addition, and which include:
 - 1. Proposed materials and colors for all elements of the building.
 - 2. Cross sections of the building, showing the relationships between all roof mounted mechanical equipment and the top of the screen wall.
 - 3. Location of utility meters and ground supported transformers, and proposed method of screening these elements when visible to the public.
 - 4. Location, area, and dimensions for all wall mounted signs.
- M. Photometric plan, superimposed on the site plan, showing:
 - 1. Point by point foot-candle intensities, extended to all property lines.
 - 2. Locations of light standards.
 - 3. Average maintained foot-candle intensities.
 - 4. Method of illumination.
 - 5. Catalog cuts and specifications for light standards and luminaries.
- N. Outdoor storage areas, if any, and proposed method of screening of these areas from public view.
- O. Waste disposal facilities, including trash bins, compactors, etc., and provision for screening these elements from public view.
- P. Preliminary engineering, drainage, and grading plans, if required by the Village Engineer. Final engineering plans shall, however, be approved by the Village Engineer prior to the issuance of a building permit. (Ord. 2022-1206B, 12-6-2022)

Montgomery:

Prohibited by omission

North Aurora:

I-1 Limited Industrial District – Special Use

I-2 General Industrial District – Special Use

O-R-I Office, Research and Light Industrial District – Special Use

Batavia:

O Office District – Conditional Use

LI Light Industrial – Permitted Use

GI General Industrial District – Permitted Use

*Data centers are classified as “Information Warehouse”, a subtype of the Warehouse use designation. It is intended to cover both facilities specifically designed to store and manage digital information and the warehousing of paper records.

Geneva:

Prohibited by omission

St. Charles:

Prohibited by omission

Oswego:

Prohibited by omission

Yorkville:

M-1 Limited Manufacturing District – Permitted and regulated by Section [10-4-10](#)

M-2 General Manufacturing District – Permitted and regulated by Section [10-4-10](#)

Channahon:

Neither permitted or prohibited

*If they were approached for data center development, they would likely classify it as a similar use to a power plant and require a Special Use Permit in the I2 Intensive Industrial District.

Elburn:

Prohibited by omission

Hampshire:

Prohibited by omission

Huntley:

BP Business Park District – Special Use

ORI Office/Research/Industrial District – Special Use

Lisle:

I-1 Industrial District – Permitted

Minooka:

Data Center District – Permitted

Pingree Grove:

Neither permitted nor prohibited

*Their industrial district is totally built out – any data center development proposal would have to include new annexed land, which they would review at that time.

South Barrington:

M-1 Manufacturing – Special Use

South Elgin:

I Industrial District – Facilities with a gross floor area of 150,000 square feet or more require a Special Use Permit

I Industrial District – Facilities under 150,000 square feet are permitted by right

*Classifies data centers under the broader category of warehouse uses

Sycamore:

Neither permitted nor prohibited

* If they were approached by a developer, they would create the necessary regulations at that time.

Warrenville:

West Chicago:

West Dundee:

Prohibited by omission

Winfield:

Prohibited by omission

Dekalb:

ORI Office, Research, and Light Industrial District – Permitted

LI Light Industrial District – Permitted

HI Heavy Industrial District – Permitted

Carol Stream

I Industrial District – Permitted as a Warehouse