

# Wisconsin Local Government and Data Centers

Presentation to the Dane County Advisory Committee  
on Data Centers - March 10, 2026

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# Contentious Land Use Issues Over Time

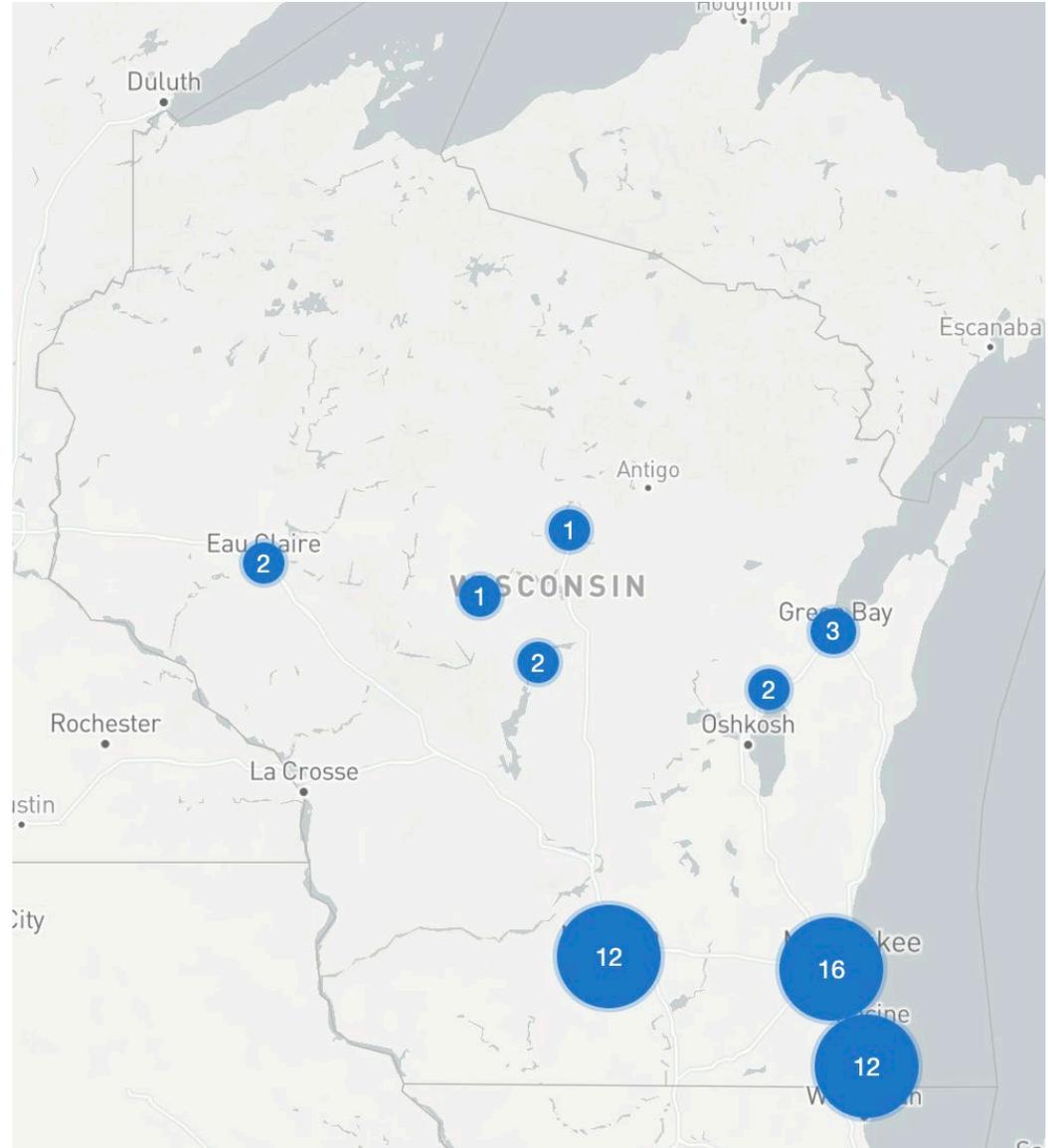
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- Suburban shopping malls
- Telecommunication cell towers
- “Big box” retail
- CAFOs
- Wind farms
- Frac sand mining
- Solar farms
- Data centers

# 51 Current Data Centers in Wisconsin

Source: datacentermap.com

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# State Policy

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- 2023 Wis. Act 19
  - Creates Sales and Use Tax exemptions for a “qualified data center”
    - “one or more buildings or an array of connected buildings owned, leased, or operated by the same business entity ... or its affiliate and ... all of the following apply:
      - The buildings are rehabilitated or constructed to house a group of networked server computers in one physical location or multiple locations in order to centralize the processing, storage, management, retrieval, communication, or dissemination of data and information.
      - The buildings create a minimum qualified investment ... [different amounts based on population of county] within 5 years from the date on which the corporation certifies the data center as eligible to claim the exemption ....”
- 2025 Wis. Act 16
  - Data Center TIF exemption given to Cities of Port Washington and Beaver Dam
    - Exemption from 12% rule for TIDs

# State Agency Regulatory Framework

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- PSC
  - Rate Issues
  - Generation/transmission issues
- DNR
  - Wetland permits
  - Stormwater permits
  - Air permits
  - Sewer Service Area Amendments
  - WEPA Compliance
- DOT

# Local Government Authorities

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- Planning
- Annexation
- Zoning
- and more!

# Comprehensive Plans

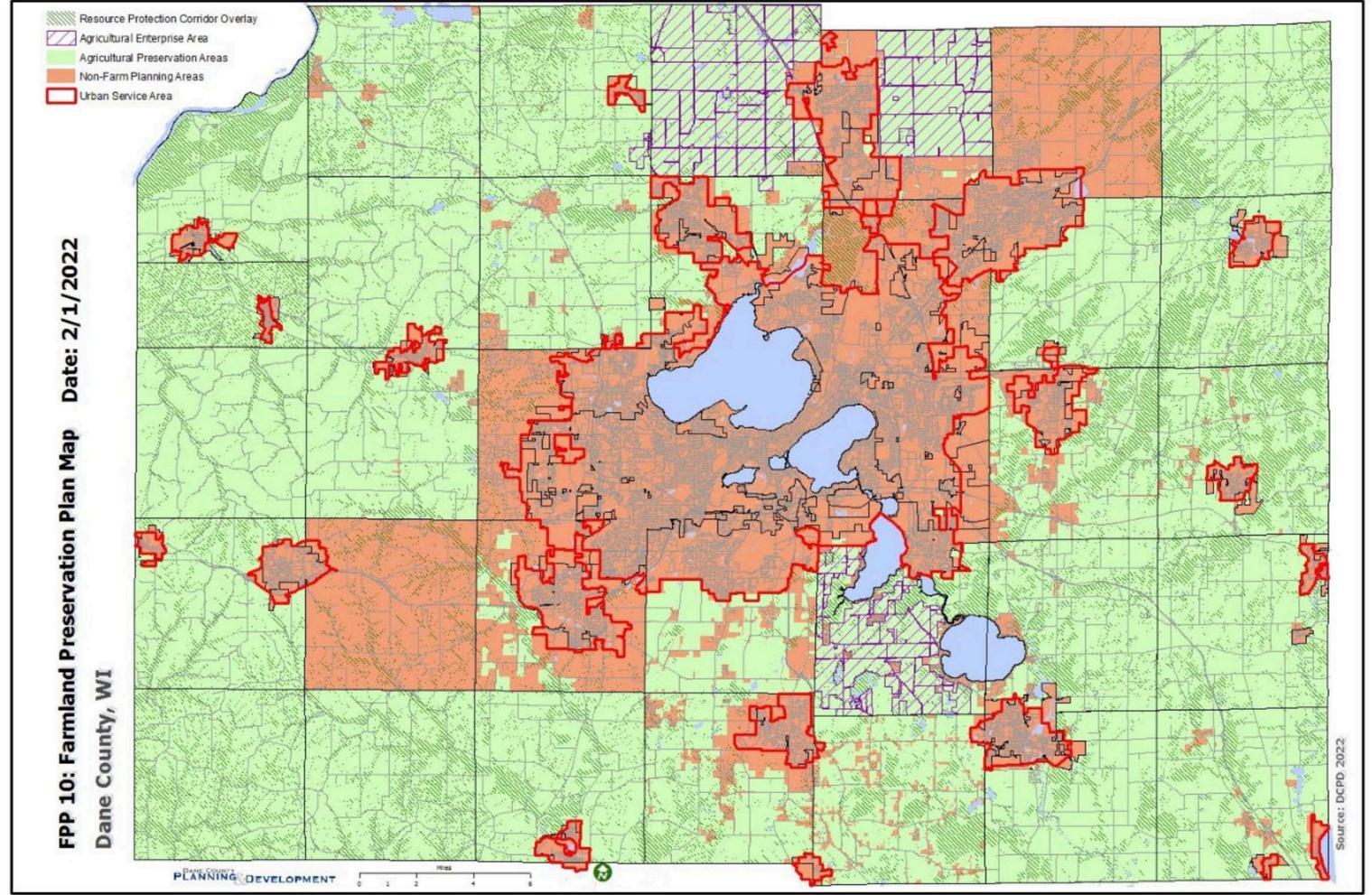
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- Issues and Opportunities
- Housing
- Transportation
- Utilities and Community Facilities
- Agricultural, Natural and Cultural Resources
- Economic Development
- Intergovernmental Cooperation
- Land Use
- Implementation

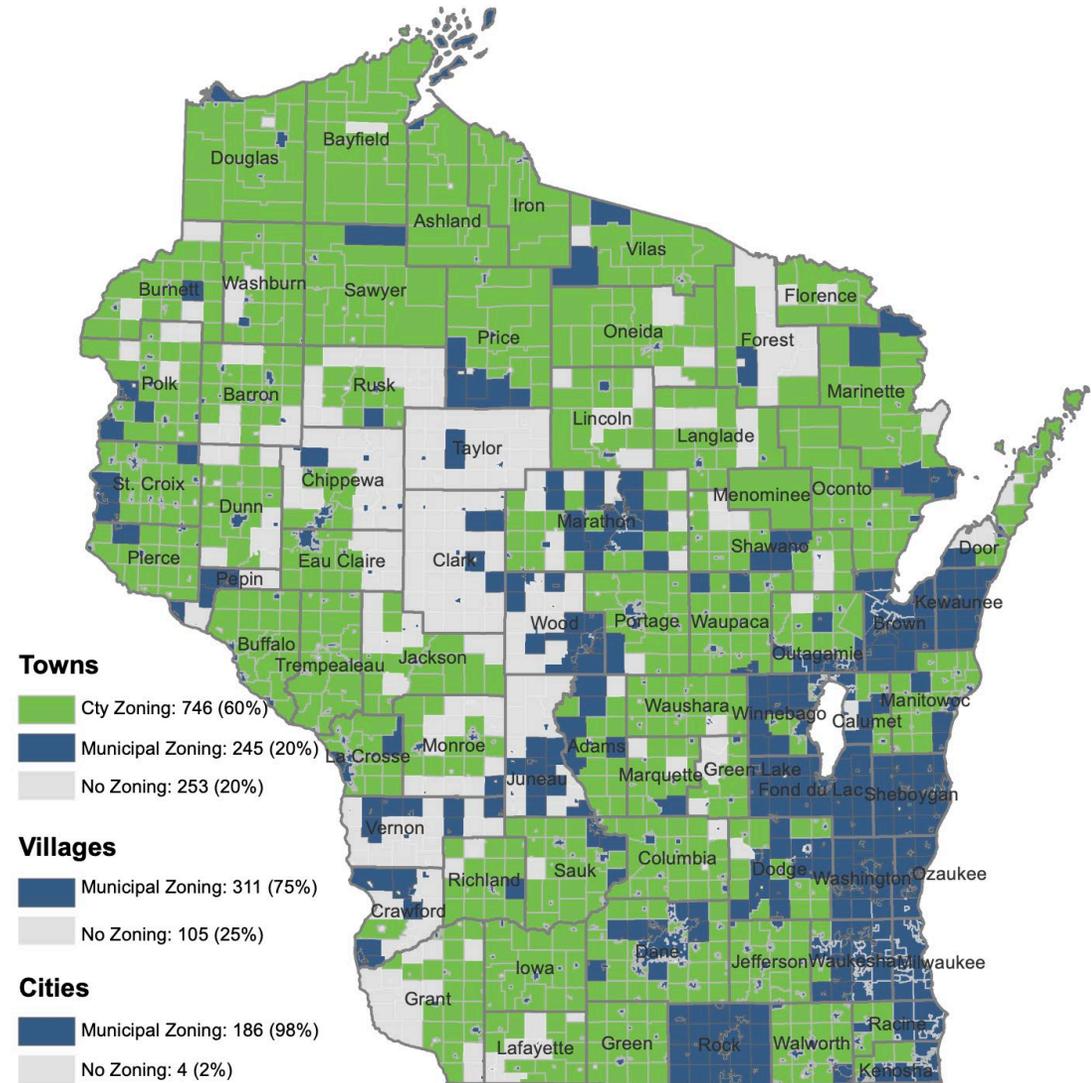
# Other Plans:

# Farmland Preservation

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# General Zoning

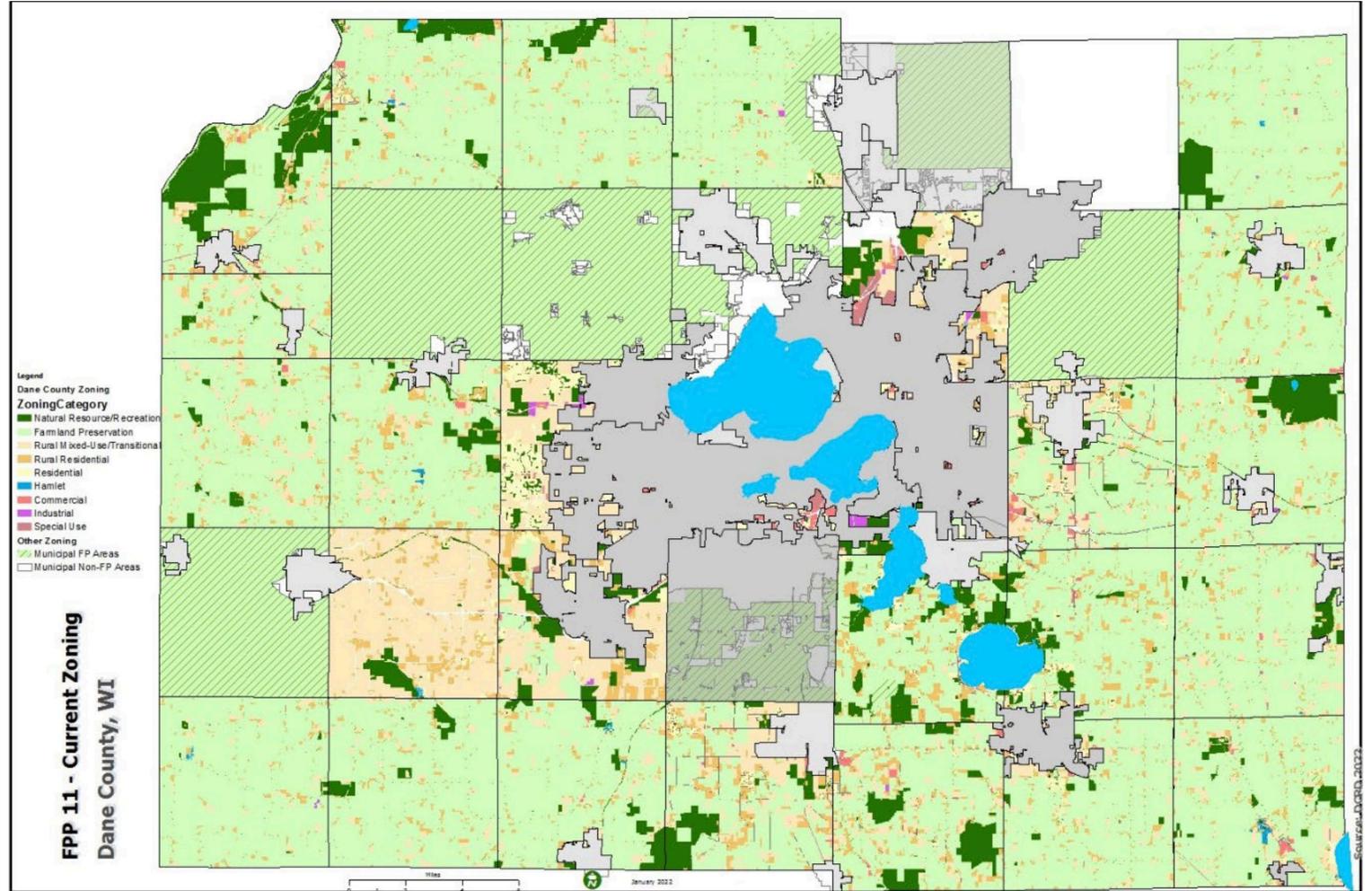


Cities, villages, and towns adopt general zoning ordinances under s. 62.23(7), 60.61 or 60.62. Counties and towns adopt county general zoning under s. 59.69. Those seeking the most current data may consult the [Comp Plan and Land Regs Inventory spreadsheet](#), which continues to be updated. They may also visit the local government website or contact the [clerk](#) for information on its comp plan and land regulations. Please email [comp.planning@wisconsin.gov](mailto:comp.planning@wisconsin.gov) with any corrections.



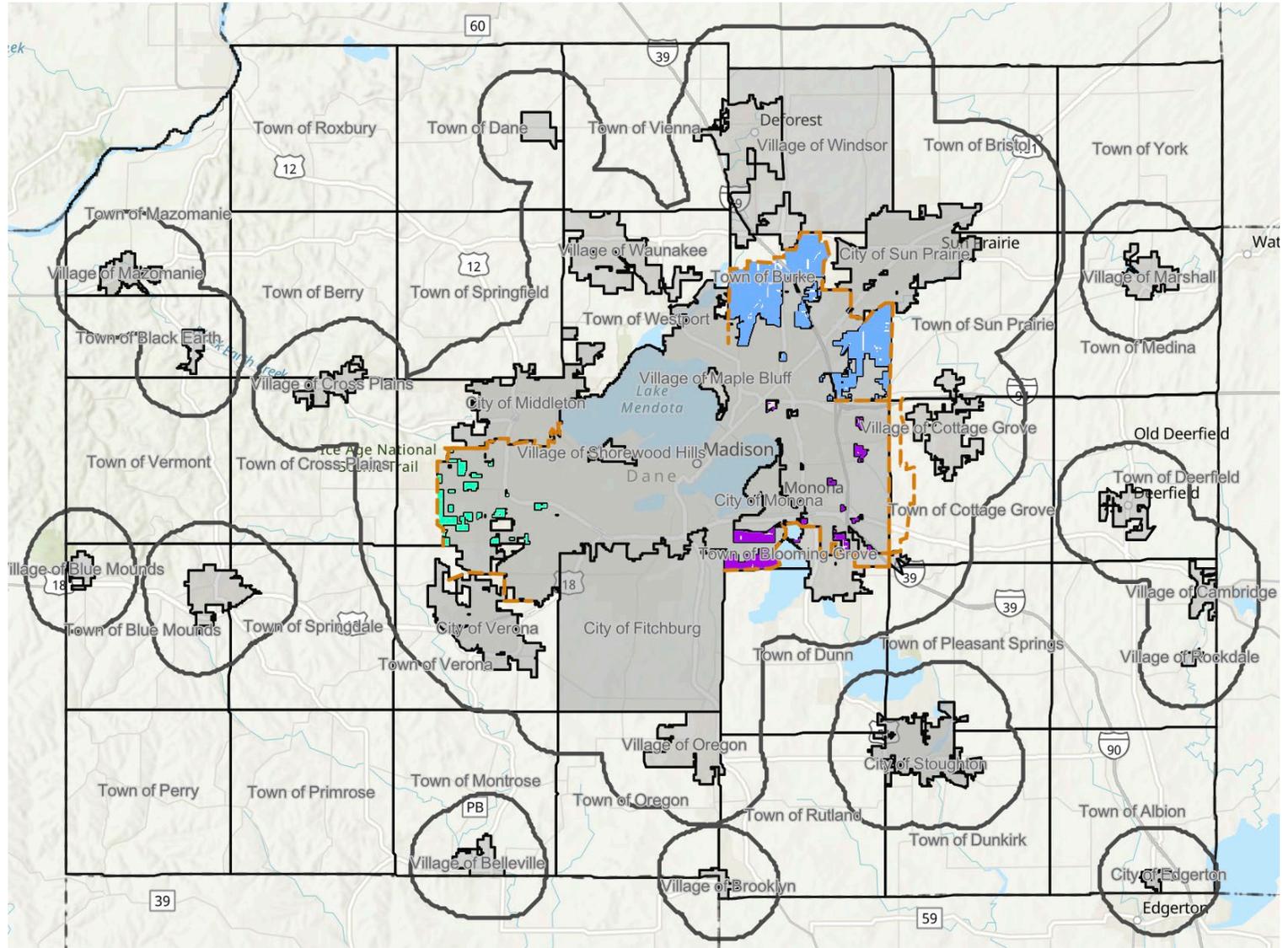
# Special Zoning: Farmland Preservation

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# Extraterritorial Authorities

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# Municipal Boundaries/Cooperation

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- Annexation
  - Direct annexation by property owners (Wis. Stat. § 66.0217)
- Incorporation
- Cooperative Boundary Agreements
  - Wis. Stat. § 66.0307
- Other Intergovernmental Agreements
  - Wis. Stat. § 66.0301
- Revenue Sharing
  - Wis. Stat. § 66.0305

# Zoning Options

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# Steps in the Zoning Process

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- What does the local comprehensive plan say?
  - Need to amend?
- Other plans?
- Temporary Moratorium?
  - Any existing "data centers"
  - City of Madison 1 year moratorium

# Steps in the Zoning Process

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- Definitions
  - What is a “data center”?
    - “a secure, physical facility or building that houses a network of computing and storage resources used by organizations to store, process, and distribute large amounts of data and applications.”
- What does the current zoning ordinance say (or not say) about a use that could be considered a “data center”
  - Allowed use in an industrial or commercial district?
  - Conditional use in certain zoning districts?
- Should the community allow “data centers”
  - No?
  - Yes?
    - Permitted or conditional use?
    - Allow “data centers” of a specific size/type as a permitted use or conditional use in certain districts?
    - Need for special district?

# If Zoning Allows Data Centers

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- What are the
  - Zoning Standards and Requirements?
  - Size?
  - Location?
  - Design standards?
  - Performance standards?
  - Environmental standards?
    - Noise
    - Air quality
    - Water resources (wetlands, stormwater, supply)
  - Sustainability standards?
  - Other conditions?

# Non-zoning tools

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- Regulatory
  - Licensing ordinances
  - Subdivision/land division ordinances
  - Official maps
  - Road access/driveway ordinances
  - Etc.
- Conservation easements/deed restrictions
- Fiscal Devices
  - Tax increment financing
- Municipal utilities
  - Water
  - Electric
- Coordination/facilitation
- Infrastructure improvements

# Development Agreements

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- Commonly used as part of the development process
- Governed by contract law
  - Private vs. public distinction
  - What's in a name?
    - “Pre-annexation agreement” is a development agreement
  - “Contract zoning” is illegal in Wisconsin
    - “A contract made by a zoning authority to zone or rezone or not to zone is illegal and the ordinance is void because a municipality may not surrender its governmental powers and functions or thus inhibit the exercise of its police or legislative powers.”
      - *State ex rel. Zupancic v. Schimenz*, 46 Wis. 2d 22, 174 N.W.2d 533 (1970)
- Other states have laws expressly enabling development agreements
  - Wisconsin does not have such a law

Questions?

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