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**NINA MOINI:** Google is hosting an open house tonight for its proposed data center in Hermantown in northern Minnesota. The project has become a hot button issue for the small town of 800 residents and is one of many data center proposals popping up in greater Minnesota. Our Dan Kraker has been following this story in Hermantown and is here to tell us more. Thanks for being here, Dan.

**DAN KRAKER:** Yeah, happy to be with you, Nina.

**NINA MOINI:** For starters, where is Google in the process of getting this project approved?

**DAN KRAKER:** Yeah, so the city of Hermantown took the first step to approving this project last October, when the city council approved a zoning change for the data center. But it still needs additional approvals from the city. So last month, the city tabled a vote on a proposed tax abatement plan. The city has proposed up to \$80 million in property tax breaks, in exchange for Google extending utilities to the site and paying tens of millions of dollars to the city and school district. So the council still has to vote on that, and then also on another special use permit.

And then, Nina, there's also an environmental review process that's still ongoing. The city recently released a second draft of an environmental study. And that's currently out for public comment. And then beyond that, the Minnesota Public Utilities Commission, the PUC, still has to sign off on a deal between Google and Minnesota Power to supply the huge amounts of electricity that the data center would require. So there are still several hurdles that Google has to clear here before it can move forward.

**NINA MOINI:** Sounds like it. So what issues have some of the local residents and maybe some of the groups in the area raised about the proposed project, understanding it's pretty early in the process?

**DAN KRAKER:** Yeah, well, there's a whole host of them. It really started with a lot of anger and frustration over the public process, over what many people saw as secrecy and a lack of transparency around this proposal, especially early on last year. Then there are also concerns about the energy use I mentioned, also water use. So these facilities create a ton of heat. So you have to cool all those computer servers down. And you do that by either using a lot of electricity or a lot of water.

And then there are also concerns about impacts on a local trout stream in the area, on noise and light pollution from the facility. And then I think more generally, Nina, there's this broad concern about this facility really changing the fabric of this community, what it looks and feels like. I mean, Google is proposing to build four huge buildings, each about the size of five football fields, up to 50 feet tall, in what's a pretty quiet, rural area outside of Duluth. So I think people are really concerned about the quality of life.

**NINA MOINI:** What steps are you seeing some of these residents and groups take to try to stop this project, Dan?

**DAN KRAKER:** Well, they formed a group last year called Stop the Hermantown Data Center. And that group has filed two lawsuits to try to stop the project, including one that argues that the environmental review of the project has not been adequate. Then there's a group of folks who have gathered signatures to form a commission to write a new charter for the city, which they argue would provide more transparency for residents. There's been lots of activity at city council meetings, as you can imagine. There's even one data center opponent who's running for a seat on the city council.

**NINA MOINI:** So what does Google and those in favor of the data center say are some potential benefits of the project?

**DAN KRAKER:** Well, the big one is potential tax and revenue benefits. So the city is offering a property tax break, as I mentioned. But still, beyond that, the project would generate millions of dollars in tax revenue for the city and the school district over the project's lifetime. And then Google is also offering \$40 million in payments to the schools over 28 years. And Google's also offered to pay \$130 million to extend water and sewer and utilities to the site.

And then jobs is the other big consideration here. The project would create about 100 permanent jobs if the data center is fully built out. But more importantly, unions argue it would also create hundreds, if not thousands of construction jobs over the several years it would take to build the facility. And that's why we've really heard local unions step up as a vocal proponent of the proposed data center.

**NINA MOINI:** And why is Google hosting this event now?

**DAN KRAKER:** Well, I think, really, because of the pushback and anger that this proposal has received from local residents. And Google says it wants to provide information on the project and transparency, which people in Hermantown have really pushed for. So tonight, the company is going to have company officials on hand to answer questions about some of those concerns that we talked about, like energy use and water use, how they're going to mitigate noise from the data center, other concerns folks have raised.

It'll be interesting. I'm expecting a lot of people on both sides of the issue. That's what we've seen at recent council meetings, people wearing their color of shirts to signify what side they're on. I'm curious to see if Google's attempts to respond to people's concerns have any impact or if people are really already entrenched in their positions.

**NINA MOINI:** All right, Dan, thanks for keeping an eye on this for us.

**DAN KRAKER:** Yeah, you're welcome, Nina.

**NINA MOINI:** That's *MPR News* reporter Dan Kraker.