Monticello Industrial AUAR Update

Open House| November 20, 2025

WHAT IS AN AUAR?

- Alternative Urban Areawide Review (AUAR) is an environmental review document outlined by state statute
  - Hybrid of an Environmental Assessment Worksheet (EAW) and Environmental Impact Statement (EIS)
  - “Uses a list of questions adapted from the EAW form, but provides a level of analysis of typical urban area impacts comparable to an EIS”
- AUAR process provides local governments with the opportunity to evaluate how different land uses may impact the community's environment
  - Used when there is no individual specific project
  - Environmental analysis before major development occurs, informing development decisions
  - Provides information useful to planning for the management and mitigation of impacts

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WHAT IS AN AUAR?

- AUAR study and process is managed by a Responsible Government Unit (RGU)
  - RGU entity for an AUAR is the local unit of government.
- Valid for 5 years for the specific scenarios studied; must be updated every 5 years
- Defines a geographic study area
- Provides development scenarios within the study area that are evaluated as part of the environmental review
- Must be updated if proposed development will be more intense than scenarios provided and studied in the AUAR
- **An AUAR is NOT a project approval document – it can be used to inform local planning and development decisions**

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WHEN IS AN AUAR REQUIRED?

- State statute (MN Rule 4410) provides for various types of environmental review:
  - Environmental Assessment Worksheets
  - Environmental Impact Statements
  - Alternative Urban Areawide Review
- Broad spectrum of uses may require environmental review at specific thresholds, such as:
  - Residential development
  - Land conversion
  - Wetland impact
  - Commercial or industrial development of specific size
  - Transmission line projects
- AUAR is an acceptable form of review for certain land uses:
  - Residential development
  - Commercial development
  - Warehousing
  - Light industrial

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WHAT IS THE EQB AND ITS ROLE IN AN AUAR?

- The Environmental Quality Board (EQB) is a Minnesota state agency that coordinates the state's environmental review program
- Provides guidance and information on state environmental rules as related to the environmental review process
- Establishes guidelines for information to be studied in an environmental review document
- Provides technical assistance to an RGU for environmental review process
- Provides a platform for information and public engagement on environmental review programs
    - Publishes the EQB Monitor – notices for public comment and public action

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WHAT IS THE AUAR PROCESS?

- RGU adopts Order to Prepare AUAR
- RGU develops AUAR
- RGU reviews and distributes Draft AUAR and Mitigation Plan for public and agency review
- Draft AUAR and Mitigation Plan available for 30-day public and agency review
- RGU revises Draft AUAR and Mitigation Plan based on comments from public and agencies
- RGU distributes Final AUAR and Mitigation Plan to agencies for final 10-day review and objection period
- If no objections, RGU Adopts Final AUAR and Mitigation Plan
  - Objections can only be filed by a reviewing state agency (or Met Council)
  - If objections, work with agency to resolve
- AUAR process may include an additional step for an AUAR Scoping Document
  - Used when a project meets certain criteria under state rules
  - Precedes the full AUAR study; requires review of draft AUAR Order
  - May suggest additional development scenarios, study area, or other issues for analysis in full AUAR

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WHAT DOES AN AUAR REVIEW?

- Project Information & Scenarios
- Land Use & Land Cover
- Climate Impacts – including Greenhouse Gas and Carbon Footprint
- Permits Required
- Geology & Soils
- Water Resources (including surface water, groundwater, and water-related utilities)
- Contamination
- Wildlife & Habitat
- Cultural Resources
- Visual Impacts
- Air Impacts
- Noise
- Transportation
- Cumulative Impacts
- Other

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WHAT IS THE MONTICELLO INDUSTRIAL AUAR?

- Monticello Tech LLC is proposing to develop a technology campus, including data center uses, on 550 acres of land located in the Monticello Orderly Annexation Area
- Following an initial concept review workshop, the City determined an environmental review process would be the appropriate next step
- Monticello Tech has proposed a development concept rather than a specific project
- As RGU for this step of environmental review, the City has determined that an AUAR should be prepared in compliance with the State's requirements.
- Consultant preparation and review
  - Prepared by Kimley-Horn
  - Reviewed by City staff and WSB (City's environmental review consultant)

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WHAT IS THE MONTICELLO INDUSTRIAL AUAR?

- The AUAR environmental review process will provide the City with the data to inform planning decisions for two different development scenarios
  - Technology campus, including data center uses
  - Light industrial uses as outlined in the current Monticello 2040 Comprehensive Plan
- Scoping process to define scenarios and outline AUAR review information
  - Scoping Document accepted and Order to Authorize Preparation of AUAR on October 12, 2025
  - Scoping Document and comments inform the full AUAR
- Evaluate worst-case potential impacts and identify mitigation measures that may be taken to compensate for those impacts

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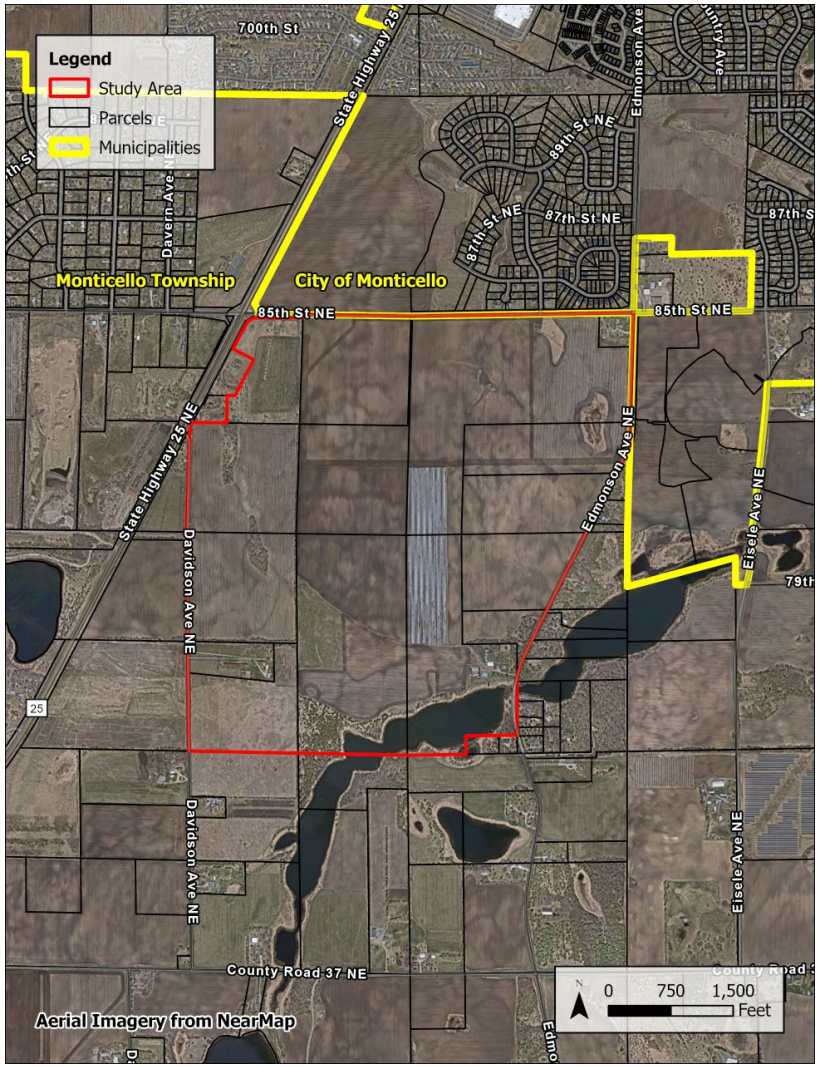
WHAT IS THE MONTICELLO INDUSTRIAL AUAR?



Scenario 1

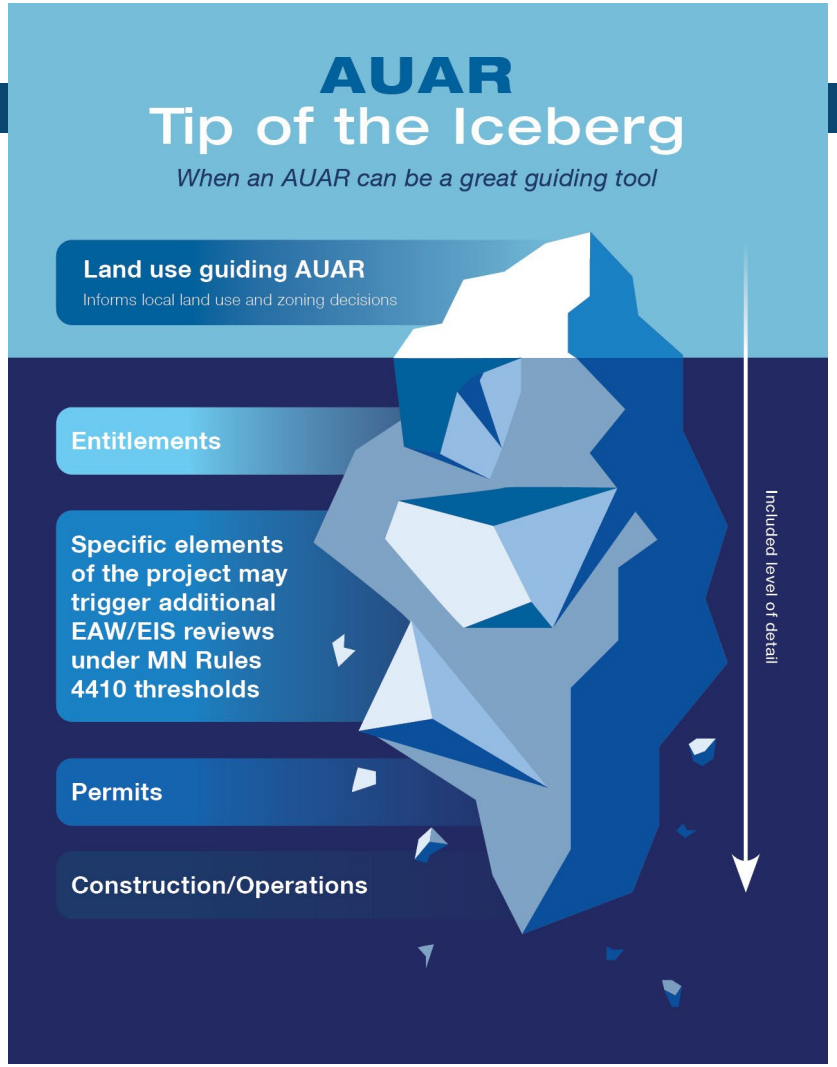
- Up to 3,000,000 SF of proposed technology park development
- Data center, research and design facilities, technology, laboratories or research park uses
- May include additional electrical substations, transmission lines, and backup generators
- Campus facility with 5-10 buildings, approximately 100,000-200,000 SF/building with ancillary support buildings
- Phased development over 10 years

Scenario 2

- Up to 5,000,000 SF of light industrial land use consistent with Light Industrial Park, including process and production manufacturing, warehousing and distribution, machine shops, office and research and development facilities, industrial engineering facilities
- Multiple buildings ranging from approximately 20,000-1 million SF.
- Generally expected to occur in the range of 50,000 – 500,000 SF buildings
- Phase development over 20 years

HOW DOES THE AUAR INFORM DEVELOPMENT DECISIONS?

- **Valuable impact and mitigation information that can be used and applied by the City for either development scenario**
- Provides a Mitigation Plan outlining specific studies, plan requirements, and other strategies to address potential development impacts
- Identifies additional studies that may be required prior to or as part of development applications
- Identifies permits and additional environmental review that may be required for scenarios
- Provides an outline and timeline for public improvements
- Information/requirements as part of development and construction



Graphic provided by Kimley Horn

WHAT DOES THE MONTICELLO INDUSTRIAL AUAR REVIEW?

- Analysis and review of AUAR category areas:
  - Project Information & Scenarios
  - Land Use & Land Cover
  - Climate Adaptation and Resilience – including estimates of Greenhouse Gas Emissions and Carbon Footprint
  - Permits Required
  - Geology & Soils
  - Water Resources
    - Surface, groundwater, water appropriations, wastewater, stormwater
  - Contamination
  - Wildlife & Habitat
  - Cultural Resources
  - Visual
  - Air
  - Noise
  - Transportation
  - Cumulative Potential Effects
  - Other – Power next steps, site security, Electromagnetic Field Radiation
  - **Mitigation Plan**

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ADDITIONAL STUDIES COMPLETED TO DATE

Several supplemental studies have been completed specific to this AUAR, including:

- **Wetlands** – Wetland Delineations (completed by Kimley-Horn)
- **Transportation** – Transportation Impact Assessment – for operations and construction (completed by Kimley-Horn)
- **Water and Aquifer** – Preliminary Water and Aquifer Assessments (completed by the city)
- **Wastewater** – Preliminary Sanitary Sewer Service Assessment (completed by the city)
- **Archeological Phase I Assessment** (completed by an archaeological consultant - In Situ)
- **Stormwater** – Initial drainage assessment (completed by Kimley-Horn)
- **Ongoing coordination with state agencies**

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ADDITIONAL FUTURE STUDIES

The AUAR mitigation plan identifies the following additional studies be completed (for both scenarios) once a specific project has been identified:

- Noise evaluation to confirm if specific noise mitigation measures are needed within site design
- Project specific stormwater management plan
- Phase I/II Environmental Site Assessment for potential contamination on site
- Tree survey
- Supplemental Archaeological Survey may be needed
- Specific to Scenario 1:
  - A hydrogeological analysis to site the Rapid Infiltration Basin system within the study area, then MPCA review and permit (including an EAW) prior to construction
  - Completion of a well capacity and aquifer pumping plan (city to complete outside of the study area)
  - Additional environmental reviews may be necessary for backup generators, sewer extensions, water appropriation and power needs

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IMPACT AND MITIGATION SUMMARY

Resource	Mitigation
Climate Adaption – trends in increased precipitation and heat	• Several site and building adaptions will be considered (green infrastructure, water reduction strategies, landscaping, etc.). • **Scenario 1:** Majority of technology park end users have sustainability goals around water, energy, carbon, recycling that would be implemented on this site.
Land Use – changes from agricultural to light industrial uses	• City will annex area and development would need to comply with city zoning, shoreland overlay, and land use requirements. • **Both scenarios:** would need to incorporate the conceptual future greenway corridor as site planning advances.
Geology/Soils – changes to topography, 12 types of soils on site	• Soils are suitable for buildings. • Earthwork can be generally balanced on the site to maintain the existing drainage patterns, some slope stabilization will be needed.
Water Resources – *Surface Water* - 7 wetlands on site, including one DNR Public Water Wetland in the SE corner	**Scenario 1:** anticipated to have more wetland impacts, no impact to the DNR Public Water Wetland anticipated for either scenario. Proposer to obtain appropriate permits and purchase wetland banking credits, if needed.

IMPACT AND MITIGATION SUMMARY

Resource	Mitigation
Water Resources – *Groundwater* – 5 wells may be located within the study area, NW corner of study area is located within a DWSMA – low vulnerability	**Both scenarios:** surface water runoff will be captured and treated in lined stormwater ponds prior to leaving the site to meet requirements from the City, MPCA, MDH, and the NPDES Construction Stormwater Permit. If unable to re-use, wells would be properly sealed by a licensed well contractor prior to redevelopment **Scenario 1:** DWSMA would need to be re-evaluated with the increase in flows from the aquifer.
Water Resources - *Wastewater*	**Scenario 1:** use of non-contact cooling water to remove heat from industrial systems without directly contacting materials. This would be discharged to Rapid Infiltration Basins (RIB) system that would be permitted by the MPCA and would filter before going back into the groundwater and recharge the aquifer over the next 10-20 years. MPCA's guidance on RIBs: https://www.pca.state.mn.us/sites/default/files/wq-wwtp5-64.pdf **Scenario 2:** wastewater would discharge to municipal collection system. **Both scenarios:** require new extensions to and through the site.

IMPACT AND MITIGATION SUMMARY

Resource	Mitigation
Water Resources – *Stormwater* – minimal impervious surface area within the study area today, no existing permanent stormwater management features	• Impervious surface will increase with development. On-site stormwater basins are proposed and will be sized to accommodate runoff from these impervious areas. • Infiltration basins will follow MPCA guidelines and the requirements of the NPDES Permit. • Additional detailed stormwater analysis will be provided at later stages of the design phase.
Water Resources – *Water Appropriations*	**Both scenarios:** watermain extensions and potentially a water storage tank will need to be constructed to service the study area. Both scenarios would require additional water appropriations from MnDNR. **Scenario 1:** water demand at full build is higher than Scenario 2 for water cooling purposes. An aquifer analysis has begun to understand water levels for any new potential wells. Water demands will be phased as the project is intended to be built over the next 10+ years to get to the full build out.

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IMPACT AND MITIGATION SUMMARY

Resource	Mitigation
Contamination – 1 MPCA WIMN site identified within study area (inactive stormwater permit)	**Scenario 1:** back-up generators may be needed for emergency use. Depending on specific end user needs, if 1 million gallons or more of fuel storage for backup generators are needed, separate EAW will be completed. **Both scenarios:** developer to complete a Phase I/II ESA prior to construction.
Fish & Wildlife – within 1 mile of the study area Blanding's Turtle, Monarch Butterfly, Whooping Crane, and Western Regal Fritillary habitat may be present	• Tree removal may be needed, developer to comply with City's Tree Protection Ordinance. • A conceptual greenway corridor is planned within the study area that could provide connections between and among natural open spaces and be a natural area for wildlife. • Comply with MnDNR's recommendations for minimizing impacts to Blanding's Turtle.
Cultural Resources – known archeological records and 3 historic sites in the vicinity of the study area	Coordination with the State Historic Preservation Office and State Archeologist is ongoing.

IMPACT AND MITIGATION SUMMARY

Resource	Mitigation
Visual	**Both scenarios:** Conform with the city ordinances for building height, building form, landscape screening, outdoor storage areas, and lighting to avoid impacts to neighboring properties and species. **Scenario 1:** is expected to have larger buffers and setback requirements between nearby uses around the perimeter of the buildings compared to Scenario 2.
Air	**Both scenarios:** If any potential emission generation (e.g., from generators) from future development is above the threshold for an air quality permit/environmental review, then that specific project would be subject to additional environmental review beyond what is evaluated in this AUAR.
Noise	**Scenario 1:** main source of noise, depending on the type of technology park use, could include computers and ventilation/cooling systems within the building, and the testing of generators up to once per month and operating in the case of emergency. **Both scenarios:** additional noise evaluations will be completed to identify any noise mitigation measures and comply with MPCA and city noise ordinances.

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IMPACT AND MITIGATION SUMMARY

Resource	Mitigation
Transportation	**Scenario 1:** less traffic generated during operations. Additional turn lanes anticipated at access points to accommodate traffic to and from the site. **Scenario 2:** more traffic during operations is anticipated compared to Scenario 1. Additional turn lanes anticipated at access points to accommodate traffic to and from the site. **Both scenarios:** include a future road network within the study area. Both scenarios are expected to have a new road connection off 85th Street NE into the site with only private roads/private connections internal to the site. Scenario 2 is anticipated to have a grid system of internal public roads to facilitate traffic between various tenants.
Other Effects	**Power Needs for Scenario 1:** project proposer would request the utility company complete a System Impact Study on the existing grid network to understand the existing capacity and future infrastructure power needs. **EMF:** Both scenarios propose new electronics and utilities that would emit EMF levels. Scenario 1 would emit EMF levels typical of industrial and utility applications and Scenario 2 would emit EMF levels typical of office and warehouse applications. Project's design would include EMF mitigation strategies to ensure that the EMF radiation levels remain well within the safety thresholds.

ESTIMATED TIMELINE & NEXT STEPS FOR MONTICELLO INDUSTRIAL AUAR

• Scoping Document Review:	July-October 2025
• Scoping Document Acceptance and Order to Prepare AUAR:	October 13, 2025
• Review of AUAR:	Currently on-going
• Council Authorizes AUAR for distribution:	November 10, 2025
• Distribute Draft AUAR & Mitigation Plan for review:	November 11, 2025
• Draft AUAR & Mitigation Plan available for 30-day comment period:	November 18, 2025
• **AUAR Open House:**	**November 20, 2025**
• AUAR Review – Joint City Council & Planning Commission:	December 15, 2025
• Draft AUAR & Mitigation Plan revision:	December 2025
• Final AUAR & Mitigation Plan distribution and 10-day objection period:	December/January 2026
• **Adoption of Final AUAR and Mitigation Plan:**	**January 2026**

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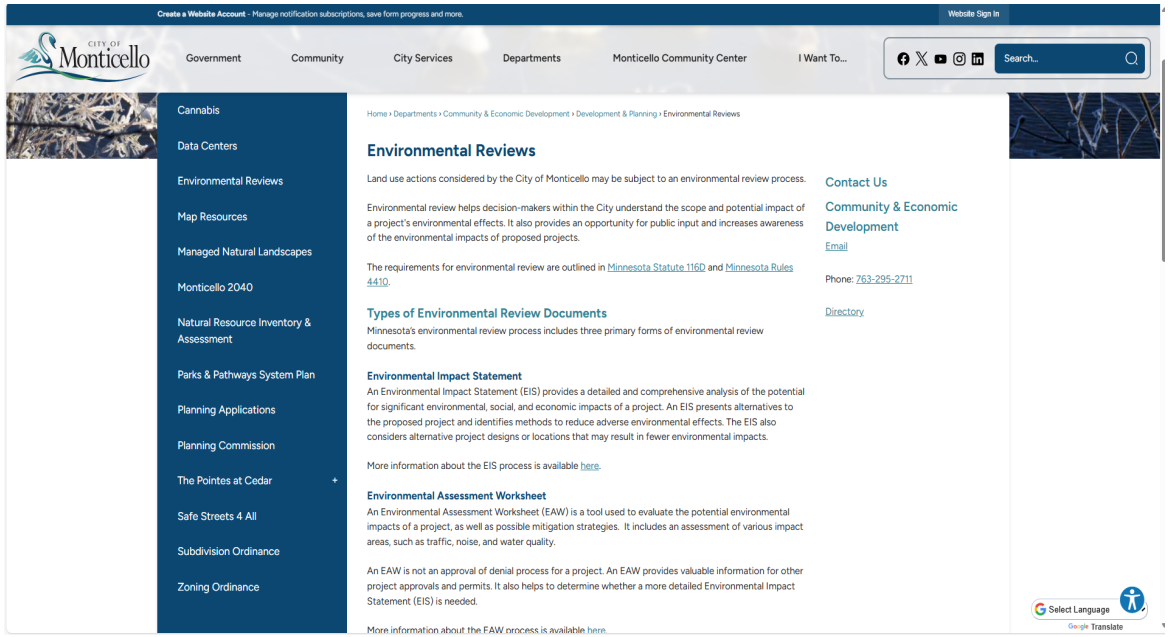
WHERE CAN I FIND MORE INFORMATION & COMMENT?



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Search: Environmental Reviews, Public Notices

Comments are due by December 18, 2025
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All comments are public data and will be included in the AUAR document

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