

ORDINANCE NO. 26-15
INTRODUCTION DATE: 08-19-2026
ADOPTION DATE:

AN ORDINANCE AMENDING CHAPTER 35, LAND USE AND DEVELOPMENT REGULATIONS, SECTION 2-2 “SPECIFIC DEFINITIONS” AND SECTION 35-4-1.3 “PROHIBITED USES” OF THE REVISED GENERAL CODE OF THE TOWNSHIP OF MILLSTONE, COUNTY OF MONMOUTH, AND STATE OF NEW JERSEY TO PROHIBIT DATA CENTERS AND DEFINE WAREHOUSES

WHEREAS, the Municipal Land Use Law (“MLUL”) (N.J.S.A. 40:55D-1 et seq.) enables municipalities to adopt, and subsequently amend zoning ordinances relating to the nature and extent of the uses of land, buildings, and structures within a municipality; and

WHEREAS, Millstone Township (“Millstone” or “Township”) wishes to amend its zoning ordinance to respond to recent development trends occurring throughout the State that are incongruous with the Township’s land use and zoning policies and specific environmental features; and

WHEREAS, the recent rise in artificial intelligence (“AI”) technology has triggered an influx of development proposals across the country, including in New Jersey, for large-scale data centers designed to support AI technology and its tools; and

WHEREAS, conventional data centers designed to process web searches and cloud storage programs typically require 20 to 50 megawatts (“MW”) of energy, where the newer AI-driven data centers may request connections of 300 to 1,000 MW (per U.S. Department of Energy); and

WHEREAS, federal estimates report that New Jersey residents saw an increase in utility bills of 16.9% from 2024 to 2025, which has led New Jersey to declare a state of emergency related to utility costs; and

WHEREAS, large-scale commercial data centers also require a significant amount of water, both for onsite cooling as well as for water consumption associated with energy supply, where the International Energy Agency estimates that on average, a 100 MW data center in the United States consumes nearly 530,000 gallons of water per day, equivalent to about 6,500 households, and where the largest data centers can consume up to 5 million gallons of water per day (per the Environmental and Energy Study Institute); and

WHEREAS, the Township is significantly impacted by environmental features with approximately 21% of its land area encumbered by wetlands, which increases to approximately 28% when accounting for the required 50-foot transition buffer; and

WHEREAS, Millstone does not have public water or sewer infrastructure; and

WHEREAS, Millstone Township is located almost entirely within the State Development and Redevelopment Plan's ("SDRP") Planning Area 4B Rural Environmentally Sensitive Land with the remaining portion of the Township's land being within the Parkland Planning Area; and

WHEREAS, the 2025 SDRP identifies the specific intent of Planning Area 4B, which includes but is not limited to, the enhancement of habitats and sensitive lands, the accommodation of growth in Centers, and the confinement of sewers and public water services to Centers, of which there are none in Millstone Township; and

WHEREAS, the Township's land area spans four of the State's Watershed Management Areas, which correspond to seven watershed sub basins, affecting nearly 25% of the State's surface water; and

WHEREAS, Monmouth County has placed Millstone Township entirely within its "Limited Growth Investment Area" and its "Priority Preservation Area," the former intended for low-impact uses with an emphasis on the conservation and preservation of rural lands and the latter intended for land preservation and agricultural development; and

WHEREAS, the Township Committee is mindful of the potential impacts of large-scale commercial data center operations, including the depletion of critical groundwater resources and other effects on environmental and natural resources given the scope and intensity of such development; and

WHEREAS, municipal regulations designed for the preservation of the environment and the protection of ecological values are a well-recognized, legitimate and proper exercise of municipal authority; and

WHEREAS, the Township Committee of the Township of Millstone has determined that it is necessary, appropriate, and in the best interests of the health, safety, and welfare of its residents to amend the Township Municipal Code to classify data center land uses and development as a non-permitted use within the Township; and

WHEREAS, the Township Committee has further determined that it is accordingly necessary and appropriate to set forth a definition of "warehouses" to clarify that data centers are distinct from warehousing in the Township Code.

BE IT ORDAINED by the Township Committee of the Township of Millstone, County of Monmouth, State of New Jersey as follows (additions are **bold underlined**, and deletions are **~~bold-strikeouts~~**.)

SECTION I.

CHAPTER 35 (LAND USE AND DEVELOPMENT REGULATIONS) is hereby amended as follows:

Section 35-2-2 SPECIFIC DEFINITIONS

(Note to Codifier: Other than the definitions set forth below, the remaining definitions have not changed.)

The following words and terms are defined for the purposes of this chapter:

DATA CENTER

A facility whose primary services are the storage, management, and processing of digital data or electronic data, including but not limited to, artificial intelligence applications; and that is used to house computer and network systems, including associated components such as servers, network equipment and appliances, telecommunications, and data storage systems, systems for monitoring and managing infrastructure performance, Internet-related equipment and services, data communications connections, environmental controls, fire protection systems, and security systems and services. A data center is not a warehouse. This definition shall not include service rooms or equipment spaces that are incidental and subordinate to a primary permitted use on the same lot.

DATA CENTER, MICRO/MINI

A small-scale data center deployment, also known as "nodes", that generates computing power intended to be sold to AI service providers. These facilities are positioned, situated, or attached to unrelated structures including, but not limited to, residential and commercial buildings, and create a distributed network designed to support and supplement larger, centralized data centers and may include ancillary equipment and infrastructure consistent with the definition of a Data Center.

WAREHOUSE AND DISTRIBUTION CENTER

An establishment primarily used for the indoor storage and/or distribution of physical goods, products, or materials to retailers, non-residential users, or to wholesalers. Accessory consolidation, repackaging, and value-added services of or to goods, produces, or materials is included. This definition shall not include trailer/truck storage/parking yards, container storage, flex space, or data centers.

The remaining definitions set forth in Section 35-2-2 shall remain unchanged.

SECTION II.

Section 35-4-1.3 Prohibited Uses

The definitions of section 35-4-1.3.b.1 shall be moved to Section 35-2-2 “Specific Definitions.”

Section 35-4-1.3 Prohibited Uses shall be as follows:

- a. All uses not expressly permitted in this chapter are prohibited.
- b. For the purposes of clarity, and not in any manner diluting the all-encompassing prohibition of Subsection a. above, this Subsection b shall provide for specifically prohibited uses.

1. Prohibition of Cannabis Use

All cannabis cultivators, cannabis delivery services, cannabis distributors, cannabis manufacturers, cannabis retailers, and cannabis wholesalers are hereby prohibited from operating anywhere in the Township of Millstone, except for the delivery of cannabis items and related supplies by a licensed cannabis delivery service based and initiated from a cannabis delivery service licensed location outside of the Township of Millstone.

2. Prohibition of Data Centers

All data centers (which include data centers and micro/mini data centers), and any and all related and accessory uses, shall be prohibited from operating anywhere in the Township of Millstone. Nothing herein shall prohibit ordinary, customary, and incidental computer servers, telecommunications equipment, data storage equipment, or information technology equipment that is accessory to and used solely in support of an otherwise permitted principal use on the same lot, provided that such equipment does not constitute a data center or micro/mini data center as defined in §35-2-2.

SECTION III.

All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.

SECTION IV.

If any section, subparagraph, sentence, clause or phrase of this Ordinance shall be held to be invalid, such decision shall not invalidate the remaining portion of this Ordinance.

SECTION V.

The Ordinance shall take effect upon adoption and publication according to law and filing with the Monmouth County Planning Board.

EXPLANATORY STATEMENT: This Ordinance amends Chapter 35 (Land Use and Development Regulations (various sections) to add definitions for “data center,” “data center, micro/mini,” and “warehouse and distribution center.” This Ordinance additionally amends Chapter 35 to prohibit data centers and micro/mini data centers in all lands within Millstone Township.