

BOROUGH OF MENDHAM
MORRIS COUNTY, NEW JERSEY

RESOLUTION #159-2026

**RESOLUTION DEFENDING PROPERTY TAXPAYERS, LOCAL CONTROL, AND
COMMUNITY CHARACTER AGAINST STATE PREEMPTION OF MUNICIPAL AUTHORITY
OVER DATA CENTER DEVELOPMENT**

WHEREAS, the State of New Jersey has long recognized the principle of municipal home rule and the authority of local governments to make land use and zoning decisions in the best interests of their residents; and

WHEREAS, municipalities are uniquely positioned to evaluate the impacts of proposed development upon local infrastructure, public safety, environmental resources, neighborhood character, and quality of life; and

WHEREAS, local property taxpayers have a direct and substantial interest in ensuring that development occurring within their communities is consistent with local planning objectives and does not impose undue financial burdens upon current and future residents or negatively impact local property values; and

WHEREAS, the rapid growth of artificial intelligence, cloud computing, cryptocurrency, and digital storage technologies has resulted in increasing demand for the construction of large-scale and hyperscale data center facilities throughout the United States; and

WHEREAS, state regulatory frameworks, incentive programs, and utility policies may significantly influence the siting, scale, and feasibility of such facilities, including through mechanisms that may affect local zoning authority and municipal land use discretion; and

WHEREAS, large-scale data center development may place increased demand on regional electric systems and capacity markets, including interconnection pricing structures, which may contribute to upward pressure on electricity costs and utility rates borne by residential and commercial ratepayers in New Jersey; and

WHEREAS, such facilities may consume extraordinary amounts of electricity and water, require substantial utility infrastructure, generate significant noise from cooling systems and backup generators, and alter the character of surrounding communities; and

WHEREAS, large-scale data center developments may require upgrades to electrical transmission systems, substations, water infrastructure, transportation networks, and emergency services, creating potential costs and burdens that may ultimately affect local taxpayers and utility ratepayers; and

WHEREAS, concerns have been raised nationwide regarding the long-term effects of hyperscale data centers upon electric grid reliability, energy affordability, environmental sustainability, water resources, and local infrastructure capacity; and

WHEREAS, the New Jersey Property Taxpayers Coalition advocates for policies that protect property taxpayers, preserve municipal home rule, and ensure that local residents retain meaningful control over development decisions affecting their communities; and

WHEREAS, no municipality should be compelled by State mandate, regulatory action, tax incentive program, utility policy, or other governmental action to accept development that local residents and elected officials determine is inconsistent with the best interests of their community; and

WHEREAS, decisions regarding whether, where, and under what conditions large-scale data centers should be permitted are matters best determined by local elected officials and local land use boards accountable to the residents they serve;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Mendham County of Morris, State of New Jersey, that:

1. The Municipality hereby reaffirms its commitment to protecting local property taxpayers, property values, community character, environmental resources, and the principle of municipal home rule.
2. The Municipality opposes any legislation, regulation, executive action, administrative policy, tax incentive program, utility subsidy, or other governmental initiative that would preempt, diminish, or otherwise interfere with the authority of municipalities to regulate, restrict, condition, or prohibit the siting of large-scale or hyperscale data center facilities within their borders.
3. The Municipality urges the New Jersey Legislature to enact legislation expressly preserving and protecting municipal authority to determine whether such facilities are appropriate within their communities and to establish reasonable local standards governing their location and operation.
4. The Municipality further urges State policymakers to ensure that local property taxpayers, utility ratepayers, and municipal governments are not required to subsidize, directly or indirectly, the development of large-scale data centers through public incentives, infrastructure expenditures, utility rate increases, or other financial assistance programs implemented without meaningful local consent.
5. The Municipality recognizes the importance of continued cooperation among taxpayers, local officials, civic organizations, and groups such as the New Jersey

Property Taxpayers Coalition in promoting responsible development policies that protect local communities, preserve municipal home rule, and safeguard property taxpayers and property values from unnecessary financial burdens and adverse impacts.

6. The Municipality calls upon the Governor, the Legislature, the Board of Public Utilities, and all relevant State agencies to carefully evaluate the impacts of large-scale data center development upon energy demand, water resources, infrastructure capacity, municipal services, property taxpayers, community character, and electricity affordability before adopting policies intended to encourage or facilitate such development.
7. The Municipality encourages municipalities throughout New Jersey to join in defending local land use authority and the principle that decisions affecting the future character of a community should remain in the hands of local residents and their elected representatives.
8. The Municipal Clerk is hereby directed to transmit certified copies of this Resolution to the Governor of New Jersey, the President of the Senate, the Speaker of the General Assembly, the Municipality's representatives in the Legislature, the New Jersey Board of Public Utilities, the New Jersey Department of Environmental Protection, the New Jersey State League of Municipalities, the New Jersey Association of Counties, the New Jersey Property Taxpayers Coalition, and neighboring municipalities.

BE IT FURTHER RESOLVED that the Mayor and Council declare that the protection of local taxpayers, the preservation of community character, and the defense of municipal home rule are essential public purposes that must not be subordinated to the interests of large-scale industrial development.

Dated: September 9, 2026

ATTEST

BOROUGH OF MENDHAM

Lauren McBride, Borough Clerk

James R. Kelly, Mayor