



December 3, 2025

VIA EMAIL AND U.S. MAIL

Richard Ek

Petitioners' Representative

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Hermantown, MN 55810

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Sarah Lerohl

Environmental Review Program

Minnesota Environmental Quality Board

520 Lafayette Road North

St. Paul, MN 55155

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RE: Notice of Decision and Denial of Petition for an Environmental Assessment Worksheet (EAW) regarding the "Hermantown Data Center Project" (Hermantown Industrial AUAR)

Dear Mr. Ek and Ms. Lerohl,

This letter serves as the City of Hermantown's formal Notice of Decision regarding the citizen petition for an Environmental Assessment Worksheet (EAW), which was received by the Environmental Quality Board (EQB) on October 17, 2025, and forwarded to the City of Hermantown on October 21, 2025.

After a thorough review of the petition, the procedural history of the subject area, and applicable state regulations, the City of Hermantown denies the petition for an EAW.

The City's decision is based on the following Findings of Fact and Conclusions of Law, specifically relying on the substitution procedures authorized under the Minnesota Environmental Policy Act (MEPA).

Findings of Fact

1. **Prior Completion of Environmental Review:** The City of Hermantown has already completed a comprehensive environmental review for the geographic area described in the petition (the "Hermantown Industrial" area).
2. **Adoption of AUAR:** On **October 6, 2025**, the Hermantown City Council adopted **Resolution No. 2025-147**, titled "Resolution Adopting The Final Hermantown Industrial Alternative Urban Areawide Review (AUAR) Document And Mitigation Plan".

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3. **Timing:** The Final AUAR and Mitigation Plan were adopted **15 days prior** to the City's receipt of the petition for an EAW on October 21, 2025.

The adopted AUAR analyzed a “worst-case scenario” development scope of up to 1.8 million square feet of light industrial use. This analysis covered cumulative potential effects for traffic, water resources, and infrastructure typical of industrial development. The AUAR process is designed to evaluate the impacts of a scenario rather than a specific building permit application. Any future specific project—whether a data center or other industrial facility—must comply with the strict conditions of the adopted Mitigation Plan. If a specific project proposal exceeds the development assumptions or impacts studied in the adopted AUAR, the City will utilize the update procedures under Minn. R. 4410.3610, Subpart 7, rather than the EAW petition process.

Legal Basis for Denial

The denial is grounded in **Minnesota Rules 4410.3610, Subpart 1**, which governs the Alternative Urban Areawide Review (AUAR) process. This rule explicitly states:

“A local unit of government may use the procedures of this part **instead of the procedures of parts 4410.1100 to 4410.1700...** to review anticipated residential, commercial, warehousing, and light industrial development and associated infrastructure in a particular geographic area within its jurisdiction...”.

By adopting Resolution 2025-147, the City exercised its legal authority to use the AUAR process *instead* of the standard EAW petition process outlined in part 4410.1100. Because the City has already completed and adopted the environmental review for this specific geographic area under Rule 4410.3610, the petition requesting an EAW under Rule 4410.1100 is legally inapplicable. The environmental review for this area is complete.

Furthermore, under **Minn. R. 4410.3610, Subpart 2(A)**, upon completion of the AUAR review, specific development projects within the boundaries that are consistent with the development assumptions and mitigation plan are **exempt** from review under parts 4410.1100 (the petition process). *See also Minn. R. 4410.3600, Subpart 2* (“If the EQB accepts a governmental unit’s process as an adequate alternative review procedure, projects reviewed under that alternative review procedure shall be exempt from environmental review under parts [4410.1100](#) to [4410.1700](#). . .”).

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Conclusion

Because the City of Hermantown officially adopted the Final AUAR and Mitigation Plan via Resolution 2025-147 on October 6, 2025, satisfying the requirements of MEPA, the subsequent petition for an EAW is denied. The AUAR serves as the substitute form of environmental review for this area.

Sincerely,

A handwritten signature in black ink that reads "John Mulder". The signature is written in a cursive, flowing style.

John Mulder
City Administrator

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