Understanding Data Centers

Community & Economic Impacts

UNION COUNTY
MARYSVILLE

Economic Development



What is a Data Center?

- Data centers are facilities that store, process, and secure digital information.
- They support everyday services like banking, healthcare, cloud computing, education, and emergency systems.
- There are 3 types of data centers: Hyperscale, Enterprise, and Colocation.

Hyperscale

Data centers are large facilities built to support cloud computing at global scale. They are the backbone of AI, cloud, streaming, and apps.

Enterprise

Data centers are private, in-house data centers built to support one organization's internal needs. Honda operates one locally.

Colocation

Data centers are owned by a third-party provider. Companies rent space (racks, cages, or suites) instead of building their own data center.

Why Do We Need Data Centers?

Texts & Emails
Data centers process all our digital messages, powering the instant communication we rely on every day.

Food Production & Delivery
Data centers help ensure food makes its way from farms and warehouses to homes and businesses across the country. From monitoring crops, to managing grocery supply chains, to tracking your dinner delivery, data centers make it possible.

Healthcare
Data centers make care possible through telehealth appointments, digital medical records, and more. Hospitals, clinics, and doctor's offices rely on them to manage patient information, power medical devices, and connect patients with providers.

Emergency Communication
Data centers boost the speed and reliability of emergency calls. They help route, process, and connect 911 calls.

Education
Data centers make learning accessible anywhere through online learning, educational apps, and digital resources.

Streaming & Social Media
Data centers make accessing content across devices seamless and reliable.

E-Commerce
From online purchases to in-store swipes or taps, banks and merchants depend on data centers to process credit card transactions instantly and securely.

Transportation
From ensuring flights arrive on time, to making public transit systems more efficient, to powering autonomous vehicles, data centers help people get where they're going quickly and safely.

The AI Race: USA vs China

AI is a Strategic National Asset

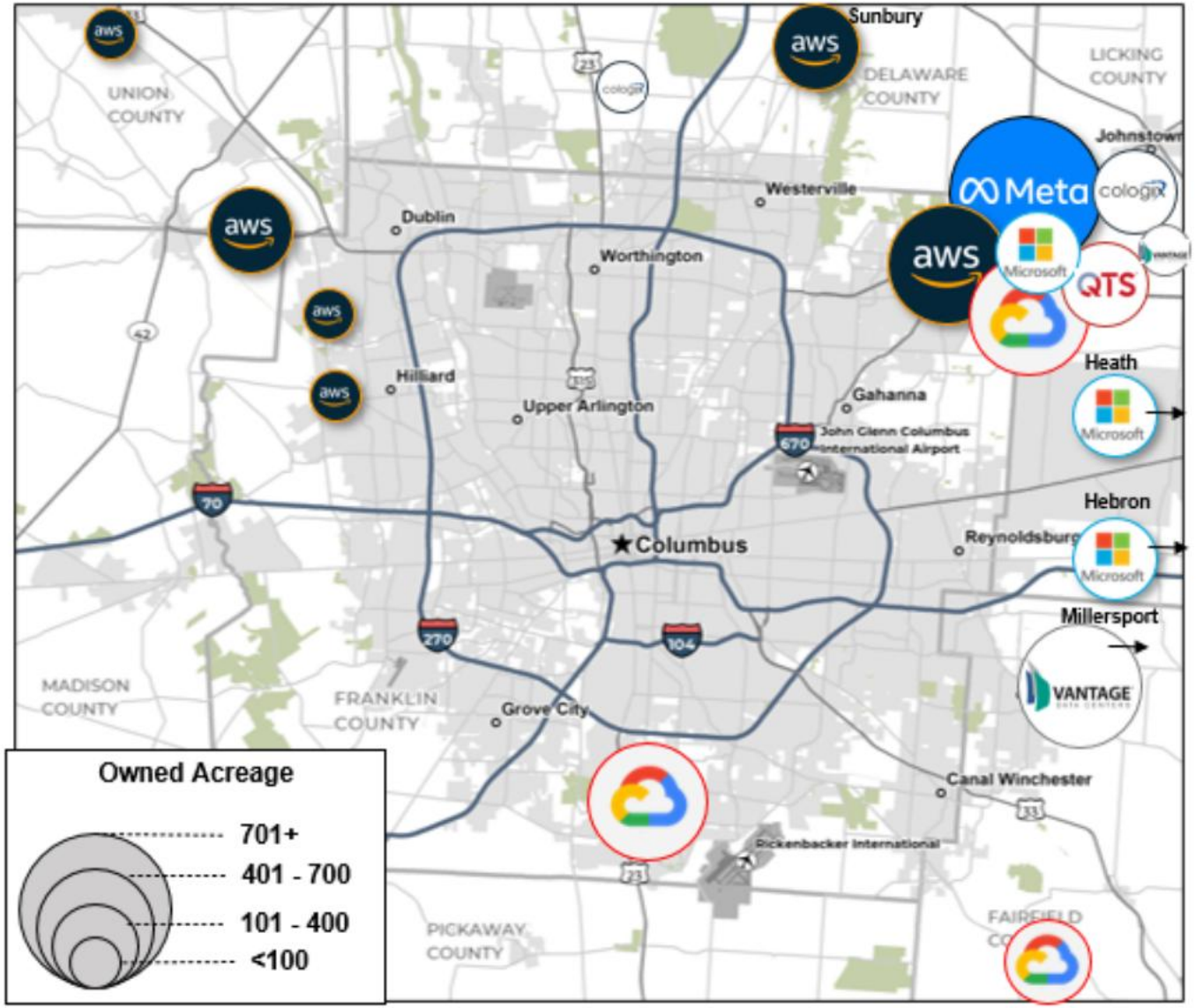
The United States and China are competing to lead in artificial intelligence, which has major implications for economic growth, national security, and global influence. Some have dubbed this race, “the new cold war.”

How Does This Relate to Data Centers?

- Advanced AI depends on high-performance data centers with reliable power, fiber connectivity, and secure infrastructure.
- The scale and speed of data center development directly affect how fast a country can innovate in AI.
- USA-based data centers keep AI data and intellectual property onshore.
- Expanding data center capacity helps ensure the USA remains competitive against Chinese AI investment.



MAJOR DATA CENTER INVESTMENTS



AMAZON WEB SERVICES
$14.1 Billion | **800+** acres of land

GOOGLE
$4.4 Billion | **1,000+** acres of land

META
$1.5 Billion | **700+** acres of land

MICROSOFT
$1.5 Billion | **700+** acres of land

$20B+

Total invested or committed to data center projects

2,000+

Acres purchased by hyperscalers in the past 2 years alone

Sources: One Columbus, JobsOhio, public announcements by company, as of 10/28/25. Reflects best publicly available information. Locations are not exact and campuses within the same municipality are combined. Dollar amounts indicate company investments and/or planned commitments announced.



AWS

Myths vs. Facts

Myth	Fact
Data centers do not pay taxes.	Data centers pay taxes through PILOTs, property taxes, and other local payments, exceeding residential and agricultural taxes.
Data centers strain schools and public services.	Data centers do not add students, generate minimal service demand, and still contribute revenue.
Data centers create no economic value.	They provide large capital investment, long-term tax revenue, and infrastructure improvements.
Agricultural land is permanently lost with no community benefit.	Conversion results in higher long-term revenue, improved infrastructure, and economic diversification.
Data centers are temporary or speculative.	These facilities are designed for decades of operation and require significant upfront investment.

Community Benefits

Benefit	Details
Large, long-term capital investment.	Investment is typically hundreds of millions or billions of dollars.
Reliable tax payments over time.	Tax payments exceed prior agricultural property tax, and data centers diversify our tax base, reducing the tax burden on residents.
Less sensitive to economic cycles and difficulties.	As seen earlier, data centers are critical to a variety of sectors and services our society uses daily.
Minimal traffic after construction and no demand on schools.	Data centers add jobs, but fewer than typical mega projects, reducing traffic and education burden on the community.
Infrastructure improvements.	Infrastructure improvements often come with the site, supporting future growth, and taxes fund other infrastructure and services in our community.
Brings new life to hard-to-market sites.	Data centers can locate on hard-to-access or odd-shaped sites.

Community Challenges

Concern	Solution
Provision of water.	The City of Marysville limits the amount of water data centers can use and charges additional fees for large users. Water cooling is only used 3% of the year.
Provision of electricity.	AES Ohio and URE are working with data centers to manage the burden on our 13-state PJM grid. Large users anywhere in the PJM grid impact our community.
Noise concerns.	Jurisdictions should ensure noise-buffering design is incorporated through the development review process.
Design/look of data centers.	Data centers look like many standard industrial multi-tenant buildings.
Landscape buffering.	Jurisdictions should ensure effective buffering during the development review process.

Water and Electric Consumption

42%	**1.5 Million**	**25%**
Of the daily water consumption in Marysville during the summer months is used by irrigation systems (watering lawns).	The Jerome Village development alone consumes 1.5 million gallons of water during the summer months.	This is approximately 25% of the entire water consumption.

Water

- Marysville limits daily consumption for data centers. This ensures water is available for future growth.
- Almond farmers in California consume 4–7x more water annually than all data centers in the USA.
- Closed-loop systems, recycling, and on-site storage are encouraging trends.

Electricity

- We are part of the PJM grid – a data center built in Ashburn, VA has the same impact on the grid system as a data center built in Ohio.
- Many factors have raised electricity rates: rising fuel costs, aging transmission lines and grids, increased demand, intermittent sources, market disruptions, and policy changes.
- Data centers have increased the need for additional electric production; however, constraints on the grid would have come to the forefront eventually.
- On-site production (natural gas, battery storage, small modular reactors) is an encouraging trend.

Top Taxpayers in Union County | 2025

A common misconception is that companies who receive tax abatements pay nothing, pushing the burden onto residents. 2025 property tax data shows the opposite.

Corporate Taxpayers

1. Honda **$3.44 million**
2. Scotts Miracle-Gro Company **$1.18 million**
3. Stillwell Jerome **$1.02 million**
4. Kenmore Place **$987,129**
5. Watkins Glen **$687,563**
6. Jerome Grand **$490,942**
7. AWS **$703,708**
8. Red Monarch, LLC **$417,612**
9. Nestle **$343,481**
10. Kroger **$334,152**

Top Taxpayers in Union County | 2025

Utility Taxpayers

1. AEP Ohio **$6.61 million**
2. Dayton Power & Light **$2.55 million**
3. Ohio Power Company **$2.02 million**
4. Union Rural Electric **$1.86 million**
5. Columbia Gas of Ohio **$951,915**
6. Ohio Edison Company **$703,748**
7. American Transmission Systems **$644,430**
8. Ohio Power **$565,104**

Jobs

Construction Phase

Large projects have upwards of 500 construction jobs during construction.

Operation Phase

Data centers typically have 25–50 full-time positions, plus an additional 25–50 contractor positions (such as security, maintenance, and staffing) supporting full-time employees.

Upkeep

Servers are replaced every 5–6 years, bringing back construction jobs during that time.



Key Takeaway:

Data centers bring a mix of white-collar and blue-collar jobs to our community. These jobs result in increased spending in Union County, from hotel stays to restaurants, boosting the entire economy.

Land Increment Tax

What Is Land Increment Tax?

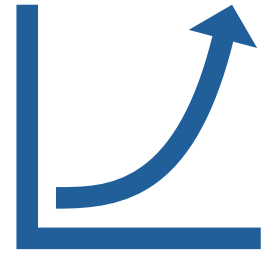
Development increases land value. A portion of that increased value is captured to support public needs. Companies that receive property tax abatements still pay land increment tax.

Why Does It Exist?

Land increment tax helps fund public infrastructure, such as roads, access improvements, and utilities, along with long-term public services. This tax ensures growth pays for itself.

How Does Land Increment Tax Work with Data Centers?

The significant real property investment ensures higher land values, which generates higher land increment tax revenue compared to other developments.



Agricultural Use

- Commercial and industrial properties are taxed at significantly higher rates than agricultural and residential land.
- Even when agricultural land is converted to residential use, property taxes increase substantially due to higher investment and resulting increases in property value.
- When property is developed, it comes out of agriculture and CAUV use, increasing land value and the property taxes collected.
- CAUV (Current Agricultural Use Value) is a property tax program in Ohio that allows agricultural land to be taxed based on its value for farming, rather than its full market value.
- CAUV protects farmland in Union County. We are committed to preserving farmland in the northern portion of the county.



Key Takeaway:

Because it reflects agricultural use rather than development potential, agricultural land values are significantly lower than market value. Even with a PILOT, the community receives more revenue than under agricultural use.

PILOT Payments

What Is a PILOT?

PILOT stands for Payment in Lieu of Taxes. It is a structured payment agreement approved by local governments and school districts that provides payments in place of, or in addition to, traditional property taxes.

Why Are PILOTs Used?

PILOTs create revenue certainty for schools and local governments, allowing communities to plan infrastructure and services with confidence.

Key Takeaway:

PILOTs ensure communities receive predictable, negotiated revenue while supporting economic development. Schools and government do not "miss out" on possible tax revenue.

PILOTs in Union County

- We aim to get close to a net 75% tax abatement to the company.
- Even with a 100% abatement on paper, the actual amount is 75% with PILOTs paid by the company.

AWS Jerome
$4,000,000
Over 10 years

→

AWS Marysville
$15,600,000
Over 15 years

→

Marysville South
$18,000,000
Over 15 years

2022 **2025** **2025**

Development Revenue

Marysville South: 15 Years

	MEVSD	OHP	City of Marysville	Union County
Land Increment	$11,493,504	$492,227	$851,932	$2,158,227
50% of Income Tax	$525,000	–	$525,000	–
PILOT	$16,115,322	$690,164	$1,194,514	–
Addl. Income Tax (50 Jobs)	$22,500	–	$22,500	–
Construction Income Tax	–	–	$1,440,000	–
Total	**$28,156,327**	**$1,182,391**	**$4,033,946**	**$2,158,227**
AG – No Development	**$214,667**	**$9,195**	**$15,915**	**$40,500**

Development Revenue

Amazon Marysville: 15 Years

	MEVSD	OHP	City of Marysville
Land Increment	$3,300,000	$142,000	$244,930
50% of Income Tax	$506,250	–	$506,250
PILOT	$13,545,000	$577,500	$1,500,000
City Land Purchase	–	–	$5,225,000
Road Extension	–	–	$5,790,000
Addl. Income Tax (50 Jobs)	$1,687,500	–	$1,687,500
Construction Income Tax	–	–	$1,800,000
Total	**$19,038,750**	**$179,500**	**$16,753,680**
AG – No Development	**$33,000**	**$1,400**	**$2,500**

Development Revenue

Amazon Jerome: 2025 Impact

Land Increment	$485,353
Monthly Water Charges	$115,982
Monthly Sewer Charges	$112,587
Income Tax	$150,000
Sewer Capacity Fees (one-time)	$364,726
Water Capacity Fees (one-time)	$2,549,976
PILOT	$400,000
Total	**$4,178,624**
AG – No Development	**$13,000**

Breakdown

- $80,017 to Union County
- $133,789 to Jerome Township
- $241,460 to JALSD
- $11,522 to Tolles
- $9,602 to Library
- $8,962 to UCHD

- $250,000 to JALSD
- $50,000 to Tolles
- $100,000 to Union County for Warner Rd Construction

Spotlight: AWS Community Impact



Workforce

AWS partners with Union County schools and training providers to prepare residents for data center, fiber, electrical, and infrastructure careers through pre-apprenticeships and hands-on learning.

Career Pathways

Programs connect students and adults to industry-recognized credentials, local contractors, and job opportunities with AWS and regional employers.

Local School Support

Amazon funded three Think Big Spaces in the Jonathan Alder School District, serving approximately 2,300 students annually with STEAM education and makerspace learning. They also sponsor and provide resources for the annual Space Night community event, which brought in over 1,500 people in 2025.

STEM

Amazon hosts annual STEM events, including Girls' Tech Day, engaging Union County students and encouraging future careers in technology.

Spotlight: AWS Community Impact

$4.1 Billion

Total investment in Union County

$645 Million

Estimated GDP contributed to Union County

2,630 Jobs

Estimated full-time equivalent jobs supported

"Our partnership with Amazon Web Services has been a game-changer for Tolles and our students. AWS's support has helped us expand our cybersecurity program, create hands-on learning experiences, and connect students directly with the skills and certifications they need to launch successful careers. Partnerships like this not only strengthen our programs, but they also open doors for students and build a stronger future for our entire community."

– Dr. Todd Hoadly

Superintendent, Tolles Career & Technical Center

Community Agreements and Requirements

- Zoning requirements – make conditional use, overlay district, and require design review approval.
- Incentive agreements, development agreements, and/or community benefit agreements are effective tools to ensure the community is protected.

- Development standards should consider buffering, noise reduction, and setbacks.
- Require off-site infrastructure improvements to encourage regional economic development.

- Encourage/consider on-site, behind-the-meter production to offset electric needs.
- Encourage/consider a closed-loop system or maximum daily water consumption.

- Encourage/consider educational partnerships with local school districts.
- Encourage/consider partnerships to improve fiber connectivity in the community.

Conclusion

- Land transitions from agricultural land to developed use, ensuring a significant increase in taxes
- PILOTs provide predictable, guaranteed payments
- Increased land value strengthens the long-term tax base
- Infrastructure improvements support future growth
- There needs to be consideration of the total impact to communities
- There needs to be consideration of development standards
- We will continue to work with developments that are much more lucrative to taxing authorities
- We will ensure developments have a net benefit to the community

Resources for Community & Citizens

Union County Marysville Resource Page:

- https://www.growunioncountyohio.com/data-center-resources

City of Marysville Data Center Resource Page:

- https://marysvilleohio.org/772/Data-Center-FAQs

City of New Albany Data Center Resource Page

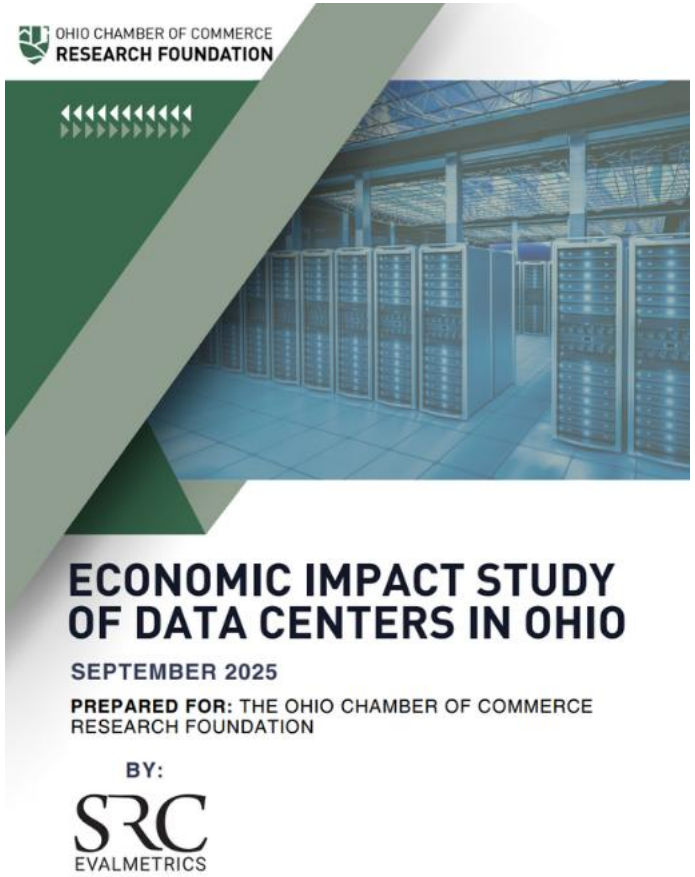
- https://datacenters.newalbanyohio.org/

National League of Cities Data Center Resource Page:

- https://www.nlc.org/wp-content/uploads/2025/09/Data-Centers-Fact-Sheet-3.pdf

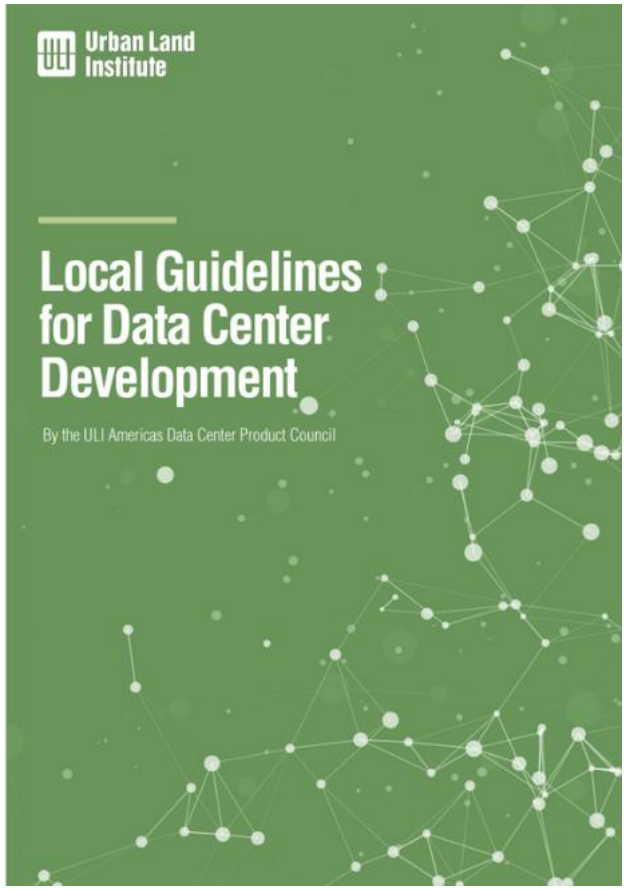
Learn More

Ohio Chamber Research Foundation Data Center Impact Study



Learn More

Local Design Guidelines Examples



Thank You

UNION COUNTY
MARYSVILLE

Economic Development