The State of Ohio Data Centers in 2026

Economic Contribution, Tax Policy, and Community Benefits



OHIO CHAMBER OF COMMERCE
RESEARCH FOUNDATION

SRC EVALMETRICS

SRC EvalMetrics, LLC

November 2026

About this report. The Ohio Chamber of Commerce Research Foundation commissioned SRC EvalMetrics to estimate the economic contribution of Ohio's data-center industry, to examine the state sales and use tax exemption and local property taxes, and to describe what communities can negotiate when a data center arrives.

Independence and reliance. The Ohio Chamber of Commerce Research Foundation (the "Client") commissioned and funded this report. SRC EvalMetrics, LLC ("SRC") prepared it, with Section 7 by Justin M. Ross, Ph.D., and Section 8 and Appendix H by Amanda Woodrum, ReImagine Appalachia. The authors retained sole control over the methods, assumptions, findings and conclusions. The views expressed are the authors' and do not necessarily reflect those of the Client or the authors' institutions. This report is for information only and is not financial, tax or legal advice. To the fullest extent permitted by law, SRC and the contributing authors disclaim all liability to any third party for any use of or reliance on this report.

Scope and limitations. The analysis relies on third-party data, including IMPLAN 2024 Data for Ohio, public records, regulatory filings and industry databases. SRC checked these against original sources where available but did not audit them. The economic estimates were prepared by SRC and were not reviewed, endorsed or verified by IMPLAN Group LLC. Projections and scenarios through 2030 involve uncertainty, and actual outcomes may differ materially, and SRC has no obligation to update this report. The results describe 2025 and are not directly comparable with earlier studies that defined the industry or its jobs differently; How the Estimates Were Made explains the differences. Economic contribution estimates are in 2025 dollars; exemption costs, reported investment and property tax bills are in the dollars of the year shown.

Structure. The main report has an Executive Summary, nine sections and a short account of how the estimates were made. The Technical Appendix (Appendices A to I) is a separate volume. It is not published with this report; readers who would like a copy can request it from the Ohio Chamber of Commerce Research Foundation at **research@ohiochamber.com.**

Contents

4 **Executive Summary**

4 **Ohio's data-center boom, in brief**

11 **Main report**

11 1. Introduction

14 2. Scope and how to read the numbers

16 3. Ohio's data-center industry today

20 4. Economic contribution of data-center operations

26 5. Economic contribution of data-center construction and capital spending

29 6. The sales and use tax exemption: cost, revenues and the repeal question

35 7. Property taxes and data centers

45 8. A community benefit framework for data-center development

52 9. Conclusions

53 **How the Estimates Were Made**

58 **About the authors**

59 **References**

Executive Summary

Ohio's data-center boom, in brief

Central Ohio has become one of the three largest data-center markets in the United States. By mid-2026 it had about 3,500 megawatts of data-center capacity in operation, behind only Northern Virginia and the Portland—eastern Oregon market. As of mid-2026, another 2,000 megawatts is under construction, a 78 percent increase in six months.

Growth on this scale raises practical questions for legislators and communities:

- What do data centers add to Ohio's economy?
- Are the state's tax breaks worth what they cost?
- What should communities ask for in return?

This report, prepared by SRC EvalMetrics for the Ohio Chamber of Commerce Research Foundation, addresses all three.

At a glance

- **$9.1 billion of Ohio GDP in 2025.** Data-center operations and construction together contributed about $9.1 billion to Ohio's GDP in 2025. About half, **$4.7 billion**, came through Ohio suppliers and household spending. Operations account for about two-thirds and recur every year; construction accounts for about one-third and is temporary.
- **About 69,600 jobs supported in 2025.** Operations supported 43,459 Ohio jobs, and construction and equipment spending supported another 26,145. Combined, these activities supported about 69,600 annual-average jobs, including direct, supplier, and household-spending effects. The estimate rises to about **97,900** if servers are purchased through Ohio distributors instead of directly from out-of-state manufacturers.
- **High-paying, ongoing operating jobs.** The 2025 operating total includes 14,257 direct industry payroll jobs, with average annual wages and benefits of $147,700. Total operating employment could reach about 61,500 jobs by 2030, with a range of 50,600 to 73,200. Operating activity supports jobs on an ongoing basis, while construction activity is tied to projects.
- **A construction wave.** About $109 billion in construction and equipment spending from 2025 through 2030 supports an estimated 257,100 job-years, peaking at 56,600 jobs in 2029. The estimate rises to about 382,000 job-years if servers are purchased through Ohio distributors.
- **The sales tax exemption has grown with investment.** Ohio's sales tax exemption for data-center equipment cost the state about **$555 million** in 2024 and about **$1.57 billion** in 2025, well above the state's published estimates, as qualifying investment rose to **$27.2 billion**.
- **Whether it pays for itself depends on how much investment it brought.** Older agreements that exempt 100 percent of the tax pay for themselves in tax revenue if the exemption decided more than about **60 percent** of the investment. Today's 50 percent agreements pay for themselves if it decided more than about **30 percent**, a level most data-center estimates reach or come close to. State evaluations elsewhere attribute **24 to 50 percent** of investment to exemptions, while a national model estimates Ohio would lose **63 percent of its large-campus pipeline** if it repealed the exemption alone.
- **Property taxes become revenue, not relief.** Placed in every Ohio taxing district, a $10 billion campus would pay a median of about $35 million a year in property tax. Pooled across the state, of every $100 it paid about $96.50 would stay with local governments, about $53 of it with school districts, and $3.50 would return to existing taxpayers as lower bills.

1. Jobs and income from operations

Data centers run around the clock, and the businesses that serve them do too. In 2025, Ohio's data-processing, hosting and computing-infrastructure industry directly supported 14,257 payroll jobs. This count leaves out the industry's self-employed business owners (Section 2).

Counting the Ohio businesses that supply the industry and the spending of everyone's paychecks, operations supported:

2025	Jobs	Wages and benefits	Contribution to Ohio's GDP
In the industry	14,257	$2.1 billion	$2.9 billion
Total, including suppliers and household spending	**43,459**	**$3.8 billion**	**$6.2 billion**

Source: SRC EvalMetrics estimates using the IMPLAN model, 2024 Data for Ohio.

- **Well-paid jobs.** Employees in the industry earn about **$147,700** a year in wages and benefits on average.
- **Wider reach, in line with peer studies.** Each direct payroll job supports about two more jobs elsewhere in Ohio, from staffing and maintenance firms to restaurants and hospitals: a multiplier of 3.05, or 2.72 if the industry's self-employed owners are counted as direct jobs. That is in line with Virginia's 2026 statewide operating multiplier of 3.1, down from 4.5 and 5.1 in that report's two earlier editions (NVTC 2026), and well below the national ratios of about 5.5 that blend construction and equipment spending into operations (PwC 2026).
- **A deliberately conservative count.** Counting the industry's self-employed owners would raise direct jobs to about 17,000. IMPLAN, the economic model used in this study, assigns about 28,700 jobs to the industry, and a study for the industry's national association puts Ohio at about 24,100 direct jobs. This report counts about 14,300 (Section 4).
- **Looking ahead.** In the study's central case, direct jobs rise to about **20,200** and total jobs to about **61,500 by 2030**, as new campuses open and existing ones expand (range about 50,600 to 73,200).

The people at the buildings. SRC estimates that about **1,100 to 1,800** people worked on operator payrolls at **26 of the large Ohio data-center facilities reviewed** in 2025 and 2026. The **14,257 direct jobs** reported above measure employment in Ohio's broader data-processing, hosting and computing-infrastructure industry. The two estimates overlap only partly because some campus employees are counted in their parent companies' industries.

Contractors also help keep campuses running around the clock. At one central Ohio hyperscale campus, the logistics team works **five shifts** to cover the week. At another, a state layoff notice identified about **100 on-site logistics positions** at a single contractor.

2. A very large construction wave

Building and equipping data centers is the biggest short-term economic effect. In the central case, about $109 billion of capital spending in 2025 to 2030 supports:

- about **257,100 job-years** of work, where one job-year is one job lasting one year;
- an average of about 42,800 jobs a year, peaking at about **56,600 in 2029**;
- **$20.1 billion** in wages and benefits.

A deliberately conservative estimate. The central case counts only the Ohio share of equipment spending. Servers are treated as bought directly from out-of-state manufacturers, which keeps the estimate conservative;

if they instead pass through Ohio distributors, the total is about 382,000 job-years. The central case also uses county property records, rather than a borrowed industry average, to decide how much of Meta's reported 2025 investment was buildings.

A conservative multiplier. Each direct construction job-year supports about 0.9 additional job-years in Ohio supplier and household-spending industries, a multiplier of 1.88 (2.04 if servers pass through Ohio distributors). Virginia's 2025 construction ratio is 1.58 (NVTC 2026) and Illinois's ten-year projection implies about 2.9 (ILEPI 2026); this report's figure sits between them.

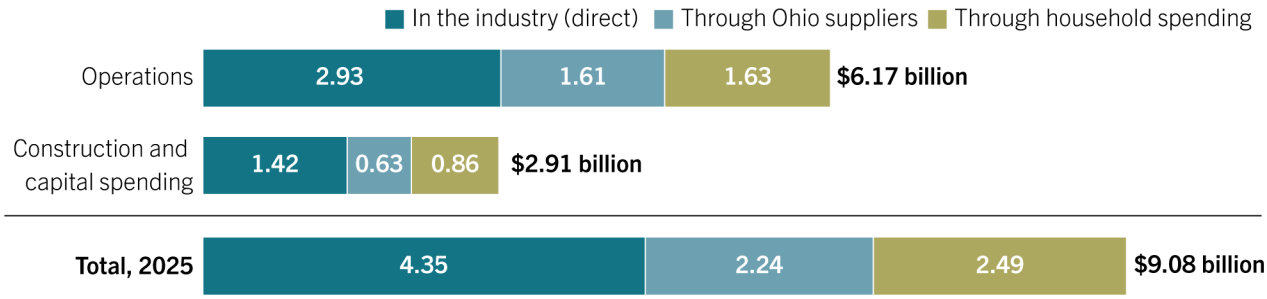
Construction jobs are project-based. Each ends when its project finishes, and many workers move on to the next site, so construction employment rises and falls with the pipeline while operating jobs recur year after year. The report shows the two side by side and combines them only within a single year, as in the 2025 figure above.

Pressure on the workforce. At the 2029 peak, data-center construction would employ about 7 percent of Ohio's private construction workforce. Meeting that need will require the construction workforce to keep growing, workers to move between projects, or trades from other states.

Supply chain. Some of the equipment is made in Ohio. Vertiv, Westerville-based, has announced expansions in Westerville and Ironton, and LayerZero Power Systems has a state agreement to add jobs in Streetsboro. The estimates already include Ohio-made content; these examples illustrate it.

Contribution to Ohio's GDP in 2025: operations and construction together

GDP, or value added, measures the value of what Ohio's economy produces in a year. Unlike job counts, the value added by different activities in the same year can be added. In 2025, data-center operations and construction together contributed about **$9.1 billion** to Ohio's GDP:



Contribution to Ohio's GDP (value added), 2025, $ billion (2025 $). Suppliers and household spending together account for about $4.7 billion, about half of the total; the share is about the same for operations (53 percent) and construction (51 percent). Value added in the same year can be added across activities; jobs are compared on the same single-year basis in Box 4.2.

Source: SRC EvalMetrics estimates using the IMPLAN model, 2024 Data for Ohio (Exhibit 5.3).

- **Suppliers and household spending** together account for about **$4.7 billion**, about half of the total. The share is about the same for operations (53 percent) and for construction (51 percent).
- **Operations recur; construction does not.** The operating contribution continues every year and grows with the industry. The construction contribution changes from year to year and ends as projects finish. The 2025 figure is the same in all three scenarios and rests mainly on the one-year increase in investment reported by the Licking County campuses (Section 5).
- **The total is higher if servers come through Ohio distributors.** The central case treats servers as bought directly from out-of-state manufacturers and counts only the Ohio share of that spending. If they pass through

Ohio distributors, construction's 2025 contribution is about $6.4 billion and the combined total about **$12.5 billion**.

- **Jobs are still reported separately.** Operating jobs recur each year, while construction is measured in job-years that end with each project (Box 4.2).

3. The sales and use tax exemption

What it is. Ohio law lets the Tax Credit Authority exempt qualifying data centers from sales and use tax on their equipment and building materials; the first agreement was signed in 2013. Projects must:

- invest at least $100 million;
- pay at least $1.5 million a year in Ohio payroll.

The Department of Development holds agreements with 18 companies. Older agreements often exempted 100 percent of the tax for up to 40 years; recent ones are generally 50 percent for 10 to 15 years.

What it costs

	2024	2025
State sales tax forgone	about $555 million	about $1.57 billion
State's published estimate	about $130 million	about $136 million
Investment reported by recipients	$9.6 billion	$27.2 billion

The published estimates cover fiscal years and the state's general revenue fund only, so the comparison is approximate.

Including county and transit sales tax, the 2025 cost was an estimated **$2 billion**, about 7.5 percent of the investment. New agreements have been paused since May 2026, and the Governor has said the pause will last until he leaves office in January 2027.

Does it pay for itself? The exemption is revenue Ohio does not collect. It pays for itself only if it brings investment that would not otherwise have come, and that investment generates enough tax through construction, suppliers and workers' spending. The answer turns on what share of the investment depended on the exemption:

- **Older 100 percent agreements:** the exemption pays for itself if more than about **60 percent** of the investment would otherwise have gone elsewhere.
- **Today's 50 percent agreements:** the threshold is about **30 percent**.
- **Cutting a full exemption to half** is a different question. It raises revenue unless it drives away more than about **43 percent** of the investment, because the state still collects half the tax on everything that stays.

What the evidence says:

- Georgia's and Minnesota's state evaluations estimate that their exemptions account for **24 to 50 percent** of data-center investment, and find a net cost to the state.
- A national study finds that incentives strongly influence which state wins a large campus. In its model, Ohio would lose about **63 percent** of its large-campus pipeline if it alone ended the exemption.

Bottom line. On the 50 percent terms Ohio now offers, the exemption pays for itself in state and local taxes if it brings in more than about 30 percent of the investment it covers, a level most data-center estimates reach or come close to; the older 100 percent agreements pass only if the exemption decided about 60 percent of the investment.

These thresholds count tax revenue only, not broader effects on jobs and income. Two things would raise them:

- if replacement servers are also exempt, they rise to about 38 percent (today's terms) and 75 percent (older agreements);
- counting the state government's revenue alone, they rise to about 34 and 69 percent, because local governments collect much of the tax generated.

Options. The analysis does not choose among them, but it shows what each turns on:

- **Keep** the exemption as is.
- **Limit** it: lower shares, shorter terms, caps or conditions.
- **End** it for new agreements.

Whatever the choice, the state would evaluate it better if it published annual program reports, recipients' employment and investment, and the local as well as state cost.

4. Property taxes and a $10 billion data center

Section 7 examines the prospect that data centers could deliver property tax relief, a result that has been observed in other states. Although Ohio has pursued substantial policy efforts to provide tax relief to homeowners, relief as a consequence of data-center investment has received little attention. Section 7 shows that this gap reflects Ohio's long-term policy drift away from residual-rate setting, the practice in which levies are set during the budget process to raise a fixed amount of revenue. That policy choice has predetermined how new commercial construction such as data centers contributes to the property tax system. The section describes this distinction and then presents a contrasting simulation of what a $10 billion hyperscale data center, with a taxable value of $731.5 million, would have provided in property tax relief to taxing districts across the state on bills payable in 2026. The results show that under a residual-rate system it would indeed produce relief comparable to the examples seen in other states, whereas under current law nearly all of it becomes government revenue.

Section 7 in four numbers: what a $10 billion campus delivers

Measure	Current law	All levies fixed-amount	Basis
Share of the data center's property tax kept by local governments as new revenue	**96.5%**	**0%**	All districts pooled. The remainder, 3.5% under current law and the entire bill under the fixed-amount system, returns to existing taxpayers as lower bills (Exhibit 7.11).
Taxing districts in which every dollar becomes new local revenue	**21%**	**0%**	959 of 4,479 districts under current law, where no fixed-amount levy is in force; in the other 79% existing taxpayers also see a small saving. Under the fixed-amount system every district returns something to its taxpayers (Exhibit 7.8).
Yearly saving on a home per $100,000 of assessed value	**$128**	**$2,050**	Median taxing district (Exhibit 7.7).
Cut in the annual bill of a home, a farm or a business	**6%**	**38%**	Jersey Township example, after credits: 6.0 to 6.2% under current law, 37.9 to 38.0% under the fixed-amount system (Exhibit 7.9).

Where the data center's tax goes. Pooled across every taxing district in the state, 96.5 percent of what a $731.5 million data center pays in property tax stays with local governments as new revenue under current law,

and 3.5 percent returns to existing taxpayers as lower bills. Under a system in which every levy is held at its 2025 proceeds, the split is reversed: the entire bill becomes tax relief, by construction (Section 7, Exhibit 7.11).

Where the revenue goes. Under current law, in 959 of Ohio's 4,479 taxing districts (21 percent) every dollar a data center pays becomes new revenue for schools and local services, because no fixed-amount levy is in force there; in the other 79 percent, a small share, typically the product of one or two such levies, returns to existing taxpayers through lower rates. Under the all-fixed-amount system every district would return something to its existing taxpayers (Section 7, Exhibit 7.8).

What a homeowner would notice. In the median taxing district, a homeowner's yearly bill falls by about $128 per $100,000 of assessed value under current law and by about $2,050 under the all-fixed-amount system (Section 7, Exhibit 7.7).

Homes, farms and businesses alike. In the Jersey Township (Licking County) example, the owner of a $300,000 home saves $235 a year under current law and $1,476 under the all-fixed-amount system; a $1 million farm valued under the current agricultural use valuation (CAUV) program saves $796 and $5,038; a $5 million commercial property saves $4,239 and $25,912. Each is a cut of about 6.0 to 6.2 percent under current law and about 37.9 to 38.0 percent under the alternative: neither system shifts the burden among residential, agricultural and business property, so the question the two systems answer differently is not who benefits but whether a data center's property tax becomes government revenue or taxpayer relief (Section 7, Exhibit 7.9).

5. What communities can negotiate

Hyperscale data-center development brings construction jobs, supplier contracts and local tax revenue, but concern over electricity demand, water use, low-frequency noise, farmland and the non-disclosure agreements that cover early negotiations has produced opposition, moratoria and ballot referendums in Ohio and elsewhere. The question is becoming more pressing as the pipeline moves beyond Central Ohio: 13 of the 30 sites under construction, permitted or proposed are outside the Central Ohio cluster, many in communities with no prior experience of a hyperscale facility.

Community benefit agreements, binding contracts between a developer and a coalition of local stakeholders, and community benefit policies, which attach standard provisions to tax incentives, grants or zoning approvals, give communities a practical way to resolve concerns early. Section 8 sets out the framework in three principles, and Appendix H of the Technical Appendix (available on request from research@ohiochamber.com) provides the negotiating tables.

1. Engage stakeholders as project advisors. Narrow non-disclosure agreements so they protect only confidential business information—never public policy commitments or community impacts—and pair early, continuing engagement through a representative community benefit advisory board, and with public disclosure of six core project parameters before any zoning or abatement vote: energy load and source, water, site and noise, the construction and operating workforce, local procurement, and the full incentive term sheet.
2. Identify and mitigate community concerns. Pair PUCO-approved ratepayer protections, such as AEP Ohio's 85 percent minimum-demand tariff, with clean-energy commitments; give priority to closed-loop or non-potable cooling and capture waste heat for co-located users; monitor both standard (dBA) and low-frequency (dBC) noise and use setbacks, acoustic enclosures and natural barriers; prefer brownfield sites to prime farmland; and require decommissioning plans backed by surety bonds purchased before approval, since equipment is replaced every three to five years and lasts at most about ten.
3. Identify and optimize local benefits. Anchor benefits in the host region through construction careers programs and project labor agreements (prevailing wages, regional and low-income work-hour targets,

at least 20 percent apprentice hours); first-source local hiring for the compact operating workforce (roughly 23 permanent jobs per $1 billion of investment, in an industry averaging about $147,700 in pay and benefits); local purchasing programs for Ohio manufacturers and subcontractors; and a dedicated community benefit fund, for example one-half of one percent of project cost, with enforcement supported through the local development agreement.

Priorities differ by place. An established host such as New Albany may weigh school revenue sharing, noise and traffic most heavily; a rural county receiving its first campus will more often start with roads, fire and EMS capability, water and the disclosure of incentive terms.

6. What research elsewhere finds

- **A large contribution, in Ohio and nationally.** Contribution studies of the kind in this report find that the industry supports employment, income and tax revenue well beyond its own payroll: 5.5 million U.S. jobs and $926.9 billion of GDP in 2024, and 106,000 jobs in Ohio, in the industry's national study (PwC 2026); about 74,000 jobs and $9.1 billion of GDP a year in Virginia in that state's legislative audit (JLARC 2024). Construction is the largest component during a build-out, and operating jobs are well paid.
- **Real local gains.** Studies comparing counties with and without data centers find gains in local data-processing jobs, establishments and incomes, typically about 100 to 200 jobs in a county's first large facility, concentrated in metropolitan counties. House prices and water use rise, and electricity demand is growing: data centers used about 4.7 percent of U.S. electricity in 2024.
- **How this report differs.** Published direct-job counts differ widely because definitions differ. This report uses a narrower definition than the industry studies, counts contractors in the indirect effect, and reports construction jobs separately from operating jobs, following the Virginia legislative audit's approach.

About the estimates

- **Contribution, not net gain.** The job, income and GDP figures describe the activity associated with the industry, using IMPLAN's 2024 model of the Ohio economy. They do not say what Ohio's economy would look like without data centers.
- **Scenarios, not forecasts.** The 2026 to 2030 figures combine announced projects with assumptions about timing.
- **Tax figures.** The report counts only taxes generated through suppliers and household spending, plus workers' income tax. It leaves out the data centers' own sales and property taxes, where exemptions and abatements apply.
- **Property-tax simulation.** The Section 7 results assume a fully taxable campus, with no abatement, Community Reinvestment Area exemption or tax increment financing. Any of these would redirect some or all of the new tax base, and the governments that share the base are not always the ones that negotiate the incentive. Because Ohio does not tax business equipment, the base is the campus's land and buildings only.
- **Sources.** The tax-exemption costs for 2024 and 2025 were provided by the Ohio Department of Taxation to reporters and are not yet in a published table.
- **Further detail.** Methods, data and limitations are documented in the Technical Appendix.

1. Introduction

1.1 Purpose and scope

This report, prepared by SRC EvalMetrics for the Ohio Chamber of Commerce Research Foundation, examines the economic role of data centers in Ohio in three parts:

1. **Economic contribution.** The jobs, labor income, value added and output that data-center operations and construction support in Ohio, for 2025 and for 2026 to 2030 under three scenarios (Sections 3 to 5).
2. **Tax policy.** The state sales and use tax exemption (Section 6) and local property taxes (Section 7).
3. **Community benefits.** A framework for what communities can ask for when a project is proposed, and how agreements are enforced (Section 8).

Five distinctions apply throughout the report:

- **A contribution, not a net impact.** The economic estimates describe the activity associated with the industry as it exists and as projected. They do not estimate what Ohio's economy would look like without data centers, and they do not net out activity that might otherwise have occurred.
- **Operating employment is reported as annual-average jobs.** Construction is reported in job-years, which can be summed across the building period. When the two activities are shown together, the comparison is for a single year and identifies the temporary construction portion (Box 4.2).
- **An industry, not a head count of buildings.** The headline operating figures describe Ohio's data-processing, hosting and computing-infrastructure industry, as defined in Section 2. Staffing at physical data-center facilities is a separate, much smaller figure (Section 4.4).
- **Scenarios, not forecasts.** The 2026 to 2030 Low, Base and High cases combine announced projects, assumed timing and a background growth rate. They are not predictions of what will be built.
- **Gross activity, not fiscal return.** Economic contribution does not show that a tax incentive pays for itself. Section 6 compares the exemption's cost with the tax generated by the investment that may depend on it. IMPLAN's own tax estimates appear only in an appendix table (Appendix D).

All dollar figures are 2025 dollars unless stated otherwise. "How the Estimates Were Made", at the end of this report, summarizes methods, conservative choices and limitations. The Technical Appendix, a separate volume, documents the IMPLAN method (A), job definitions (B), construction inputs (C), taxes (D), the QCEW series break (E), facility counts and capacity figures (F), the exemption analysis (G), the community negotiating tables (H) and the research literature (I).

1.2 Why this study now

Four developments make a fresh assessment timely:

- **Central Ohio has become a national market.**
  - Cushman & Wakefield's mid-2026 survey ranks the Central Ohio market (Columbus and its suburbs; it excludes the Dayton area) third in the United States for operating capacity (3,488 MW), behind Northern Virginia and Portland–eastern Oregon (C&W 2026c).

  - Capacity under construction in Central Ohio rose 78 percent in six months, from 1,150 MW at the end of 2025 to 2,043 MW by mid-2026, making it third nationally on that measure too.
  - Only Northern Virginia added more capacity, operating or under construction, in the first half of 2026.
  - Beyond central Ohio, announced projects include the PORTS campus at Piketon, and existing campuses in Licking County have reported large increases in cumulative investment.

- **The policy setting has changed.**
  - Industry analysts now describe the national market as one of "managed growth", shaped by power constraints, regulation and community opposition.
  - In Ohio, AEP Ohio's data-center tariff took effect in July 2025, and new sales tax exemption agreements have been paused since May 2026 (Section 6).

- **Better data are available:**
  - IMPLAN's 2024 model of the Ohio economy;
  - 2025 employment and wage data from the Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW);
  - company-reported employment and investment filed with local Tax Incentive Review Councils.

- **The methods are designed to avoid overstatement.** This report defines the industry narrowly, reports operations and construction separately, and estimates staffing at physical data-center facilities as a separate tier.

1.3 What other studies find

Most published estimates of data centers' economic effects, including Sections 4 and 5 of this report, are contribution studies: they measure the activity associated with an industry (Watson, Wilson, Thilmany and Winter 2007). A newer set of studies compares places with and without data centers to estimate what the facilities themselves cause. Appendix I surveys both; the main points follow.

- **A large and growing contribution.** PwC estimates that the U.S. data-center industry supported 5.5 million jobs, $926.9 billion of GDP and $204.4 billion of federal, state and local taxes in 2024, including construction, and 106,000 jobs and $14.1 billion of GDP in Ohio (PwC 2026). Virginia's legislative auditor puts that state's industry at about 74,000 jobs, $5.5 billion of labor income and $9.1 billion of GDP a year, most of it from construction, in jobs that "tend to be high paying" (JLARC 2024); the industry's own 2025 estimate for Virginia is 112,880 jobs and $40 billion of output (NVTC 2026). Illinois's projected build-out of 2026 to 2035 is expected to support 121,000 jobs, including 39,000 skilled-trades jobs averaging $116,500 and 2,800 permanent positions averaging $186,700 (ILEPI 2026).

- **Local revenue where equipment is taxed.** Data centers paid an estimated $1.3 billion in property taxes in Northern Virginia in 2024, and Loudoun County's real property rate would have needed to be 91 percent higher without them (NVTC 2026). Ohio's property tax does not reach business equipment, which is why Section 7 asks the question afresh for Ohio.

- **Real local gains in the causal studies.** Studies comparing counties with and without data centers find higher data-processing employment, business establishments, payroll and incomes (Alvarez, Argente, Chow and Van Patten 2026; Yue and Zeng 2026). A county's first large facility typically adds about 100 to 200 jobs over a decade, with home prices 2 to 5 percent higher (Bahar and Wright 2026). Gains are strongest in metropolitan counties, and spillovers beyond the facility's own staff are modest (Wright and Bahar 2026; Gargano and Giacoletti 2026).

- **Demands that communities weigh.** The same research finds higher house prices and water withdrawals, and U.S. data centers used 4.7 percent of the nation's electricity in 2024 (LBNL 2025). Section 8 describes how communities address these.

- **A supply-chain footprint.** In six large U.S. data-center markets, none in Ohio, firms in data-center-related industries accounted for about 10 to 14 percent of new industrial leasing in recent years (C&W 2026d); Virginia reports more than 1,000 new manufacturing jobs at data-center suppliers since 2024 (NVTC 2026).

These studies are cited for the direction and scale of effects elsewhere, not to calibrate this study's Ohio estimates. Published direct-job counts differ widely because definitions differ; this report uses a narrower definition than the industry studies and reports construction jobs separately from operating jobs, and its operating multiplier of 3.05 sits in the middle of the 2.6 to 3.4 range of comparable state studies (Appendix I.3).

2. Scope and how to read the numbers

2.1 The industry

The study's operating estimates are built on the industry that federal statistics call **Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services** (NAICS 518210). IMPLAN[1] represents it as **Industry 418, Data processing, hosting and related services**.

This industry is the closest statistical match to data-center operations, but it is not the same thing:

- **It is broader.** It includes payroll processors, web hosts, data-processing service firms and other establishments that do not operate data centers.
- **In-house computer rooms are generally not included.** Computer rooms run inside banks, hospitals, universities and other businesses are generally counted in those businesses' own industries, not in this one.
- **It is also narrower in one important respect.** The hyperscalers' own staff are often not in it. Their campuses are frequently classified under the parent company's industry.
  - In 2024, Meta and Google reported 296 permanent jobs at their New Albany campuses to the Licking County Tax Incentive Review Council.
  - Federal statistics (QCEW) recorded only 138 private jobs in NAICS 518210 in all of Licking County (Appendix E; Section 4.4).
  - That is why this report shows staffing at physical data-center facilities as a separate tier (Section 4.4).
- **IMPLAN reassigns activity into Industry 418 from other industries.** IMPLAN's 2024 data add work that other industries' establishments perform as a secondary activity. The largest such additions come from management consulting and from computer programming, systems design and other computer services.

This study therefore uses the industry as the closest available measure but narrows its scope explicitly.

2.2 Direct operating jobs: the definition used

Direct operating jobs in this report are:

- **Wage-and-salary jobs in Industry 418, limited to two kinds of activity:**
  - activity in NAICS 518210 establishments (11,574 in 2025);
  - activity IMPLAN reassigns into the industry from computer programming, systems design and other computer services, including computer facilities management (2,683 in 2025).

Activity reassigned from management consulting and specialized design is excluded.

- **Self-employed business owners are not counted.** IMPLAN assigns about 8,330 self-employed people to the industry in 2024; most run consulting, programming and design businesses, and as a group they report no net income (Appendix B).

The total is **14,257 direct operating jobs in 2025**, all of them payroll jobs. The rules are set by industry of origin and applied in full. Memo: counting the 2,721 self-employed owners whose businesses are classified in data processing and hosting would give 16,979.

1. For more information on the IMPLAN modeling process, visit IMPLAN.com. This study was prepared by SRC EvalMetrics, which set all model inputs and assumptions; it was not reviewed, endorsed or verified by IMPLAN Group LLC.

Appendix B compares this definition with alternatives (Exhibit B.1) and shows the step from IMPLAN's whole industry to this report's figure (Exhibit B.2). Exhibit 4.2 in Section 4 compares the result with other published counts.

2.3 Key terms

- **Direct, indirect and induced effects.** Direct effects are the industry's own activity, or the construction work itself. Indirect effects come from purchases from Ohio suppliers. Induced effects come from household spending in Ohio by the workers involved.
- **Jobs.** An annual average of full-time, part-time and seasonal jobs, not full-time equivalents. Direct operating jobs are wage-and-salary (payroll) jobs; supplier and household-spending jobs also include self-employed owners, as IMPLAN counts them.
- **Job-years.** The measure for construction: one job lasting one year. Job-years are combined with operating jobs only within a single year (Box 4.2).
- **Labor income.** Wages, salaries and benefits, plus the income of self-employed owners.
- **Value added and output.** Value added is the contribution to Ohio's GDP and is the report's main dollar measure. Output is the value of production including sales between businesses, so it is larger.
- **Multiplier.** Total effects divided by direct effects.

3. Ohio's data-center industry today

3.1 Ohio's data-center facilities

Ohio has data centers of every size, from a few racks above a downtown office to campuses covering hundreds of acres. To see the whole picture, SRC built its own list of the state's data-center facilities from public records: incentive agreements and tax-incentive review filings, city and county planning records, utility and Ohio Power Siting Board filings, and company announcements. The list counts each campus once, however many buildings it has. Sources were checked through 29 September 2026, and SRC reviewed each facility's status in October 2026. Appendix F explains the published capacity figures, compares the list with other counts and records the projects that face denial, delay or challenge.

90 campuses and standalone sites in 28 of Ohio's 88 counties (Exhibit 3.1): 60 operating, including 12 hyperscale campuses run by Amazon Web Services, Google, Meta and STACK, several of which are still adding buildings; 14 under construction; 5 permitted or committed; and 11 announced or proposed. Current operation could not be confirmed at five smaller sites, which are counted as operating.

Campuses, not buildings. SRC's inventory counts each campus or standalone site once, however many buildings it contains. Because hyperscale and large wholesale operators build several data halls and buildings on a single campus, the number of individual data-center buildings in Ohio is much larger than the number of campuses. The industry directory Data Center Map, for example, lists 257 data centers from 58 operators in Ohio, 134 of them in its Columbus market, against 44 campuses and sites in Central Ohio in SRC's list (Data Center Map 2026). The directory does not state its counting unit, and its entries include planned as well as operating facilities. Counting each multi-building campus once (90 campuses, the figure used in the study's summary graphic) avoids treating each new building on an existing campus as a separate site.

Exhibit 3.1. Ohio data-center campuses and standalone sites by type and status, October 2026

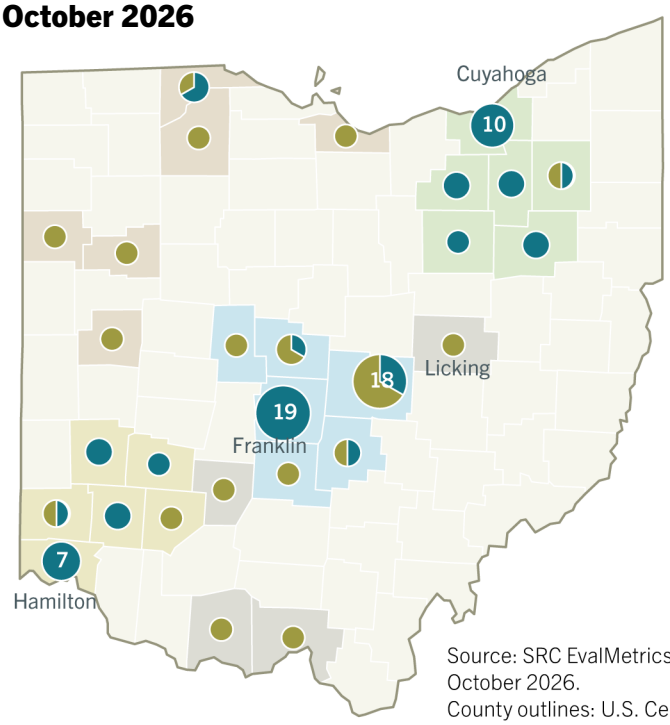
Type	Operating	Under construction	Permitted or committed	Announced or proposed	Total
Hyperscale	12	11	3	8	**34**
Large colocation	16	3	2	1	**22**
Smaller colocation and edge	23	0	0	0	**23**
Enterprise and public	4	0	0	0	**4**
Other (crypto-mining and uncertain)	5	0	0	2	**7**
Total	**60**	**14**	**5**	**11**	**90**

Notes:
- Source: SRC EvalMetrics database of Ohio data-center facilities, compiled from public records available through 29 September 2026 and updated with SRC's status review in October 2026. Each campus is counted once, regardless of how many buildings it has; building-level directories such as Data Center Map (257 Ohio listings) therefore show about three times as many entries.
- Hyperscale: very large campuses built for one company's own cloud or AI services. Colocation: buildings that rent space and power to many customers; "large" means wholesale, multi-megawatt operators. Enterprise: a company's or public body's own data center; most company, hospital, university and government server rooms are in no public list, so this row is incomplete by design.
- The operating column contains 55 sites classified as operating and five carried provisionally because their current status could not be verified. Of the 28 hyperscale and large-colocation records in that column, two are provisional. Section 4.4 estimates staffing for the other 26.
- cryptocurrency mining operations and sites whose type could not be classified, are counted in the 90 for completeness but are not part of the industry measured in the economic contribution estimates.

Most sites are small; the growth is in hyperscale campuses. Two-thirds of the operating sites (39 of 60) are colocation facilities, and 23 of those are smaller facilities, mostly in and around Columbus, Cleveland, Akron, Canton, Cincinnati, Dayton and Toledo. The pipeline looks very different: of the 30 sites under construction, permitted or announced, 22 are hyperscale campuses and 6 are large colocation campuses.

Central Ohio dominates, but new projects are spreading (Exhibit 3.2). Central Ohio has about half of all sites (44 of 90), including all 12 operating hyperscale campuses, most of them in Franklin and Licking counties. Most of the remaining operating sites are older colocation facilities around Cleveland, Akron, Canton, Cincinnati and Dayton. Of the 30 pipeline sites, 13 are outside Central Ohio, all but one of them hyperscale or large colocation campuses: Google in Allen County, Amazon in Shelby County, Meta in Wood County and Aligned in Coshocton and Erie counties are under construction; Amazon in Adams, Butler, Clinton and Fayette counties, Google in Scioto County, Vantage near Toledo and QTS in Van Wert are permitted or proposed. Many of these are in rural counties with no previous data-center presence, which is why the community questions in Section 8 matter well beyond New Albany.

Exhibit 3.2. Ohio data-center campuses and standalone sites by region and status, October 2026



Status of each campus or site

- Operating (60)
- Under construction, permitted or proposed (30)

Circle size shows the number of campuses in the county; split circles show both. Counties with six or more are labeled with the total.

Sites by region	Total	Operating / pipeline
Central Ohio	**44**	27 / 17
Northeast	**19**	18 / 1
Southwest	**15**	13 / 2
Northwest and west-central	**8**	2 / 6
Southern and eastern	**4**	0 / 4
Ohio, 28 of 88 counties	**90**	**60 / 30**

Each campus or standalone site is counted once, however many buildings it has. Regions are SRC groupings of counties; counties without a site are not assigned to a region.

Source: SRC EvalMetrics database of Ohio data-center facilities, public records through October 2026.
County outlines: U.S. Census Bureau.

3.2 Central Ohio in the national market

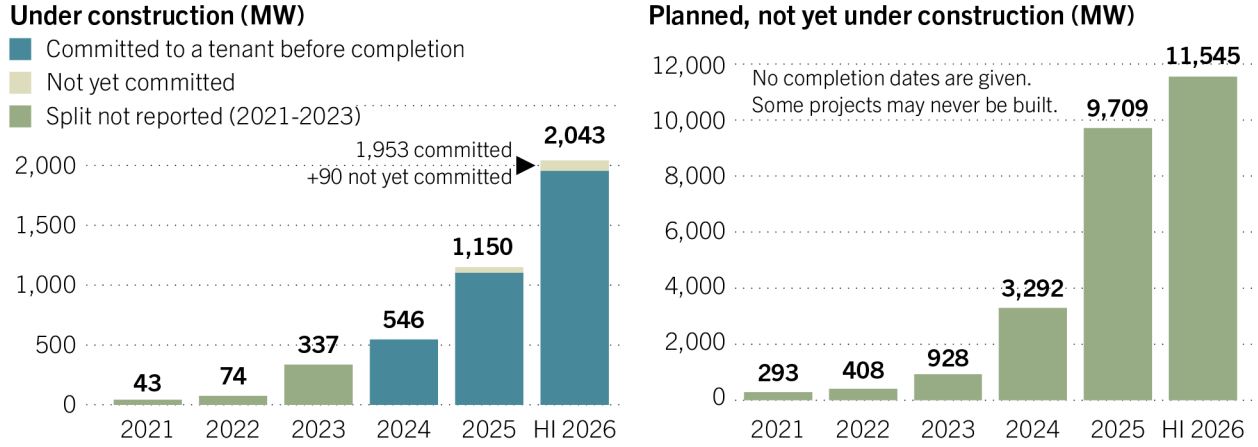
Central Ohio has become one of the three largest data-center markets in the United States. Cushman & Wakefield's mid-2026 survey of hyperscale and colocation facilities puts the Central Ohio market (Columbus and its suburbs; it excludes the Dayton area) at **3,488 MW** of operating capacity (C&W 2026c). Only Northern Virginia (12,338 MW) and Portland and eastern Oregon (3,632 MW) are larger. The full market comparison is in Appendix F (Exhibit F.2).

In the first half of 2026, operating capacity rose by 338 MW, from 3,150 MW at the end of 2025, and capacity under construction rose by 893 MW; on both measures, only Northern Virginia added more. Another **2,043 MW** was under construction at mid-2026, the third-largest volume in the country, more than 90 percent of it already committed to tenants. A further **11,545 MW** was planned, about 46 percent of it pre-committed. C&W does

not define “planned” or give start or completion dates, so that figure is not a forecast of what will be built by any particular year; some planned projects may be delayed or never built. Colocation vacancy was 2.2 percent, up from 1.9 percent at the end of 2025.

The pipeline has grown quickly (Exhibit 3.3). Capacity under construction rose from 43 MW in 2021 to 546 MW in 2024, 1,150 MW at the end of 2025 and 2,043 MW by mid-2026; planned capacity rose from 293 MW to 11,545 MW over the same period. Each bar in the exhibit is a snapshot of the pipeline at that date, not the amount added during the year. In the under-construction panel, the darker shade is capacity already committed to a tenant before completion (1,953 MW in mid-2026) and the lighter shade is capacity not yet committed (90 MW); C&W did not report this split before 2024.

Exhibit 3.3 Central Ohio data-center pipeline at each date, 2021 to mid-2026 (IT load, MW)



Each bar shows the total capacity in that stage at the date C&W reports (labelled by year; H1 2026 is mid-2026), not the amount added during the year.
Source: Cushman & Wakefield, Americas Data Center Update H1 2026. Hyperscale self-build and colocation facilities; excludes enterprise (captive) and telecom (ICT).
Note: Central Ohio here is the market C&W's report labels "Columbus". C&W confirmed to SRC that this means Columbus and its suburbs. It does not include Dayton or other Ohio metro areas. Source: C&W 2026c; C&W 2026b.

3.3 Land, power and scrutiny

Land. Developers continue to assemble large sites around New Albany and Johnstown. C&W lists eight significant data-center land and building purchases in Central Ohio between July 2025 and April 2026, totaling about $347 million and some 1,175 acres (C&W 2026b; C&W 2026c). Three of them, by Meta near Johnstown in Licking County, account for 686 acres and $255 million; the others were by EdgeConneX, Karis Critical, AWS and Expedient (Appendix F, Exhibit F.3).

Power. Grid capacity has become the main constraint on new campuses, and operators are turning to on-site generation. C&W describes the Central Ohio market as “leading the nation in the deployment of on-site generation” (C&W 2026c, p. 11). PowerConneX, an EdgeConneX affiliate, has applied to the Ohio Power Siting Board to build a natural-gas plant of up to 430 MW in New Albany that would “serve as a primary source of electricity to a data center on the same site” (OPSB case 26-361-EL-BGN, public notice of 12 May 2026). Grid-served campuses of 25 MW or more fall under AEP Ohio’s data-center tariff, which requires them to pay for at least 85 percent of their contracted capacity (Appendix G.2).

Scrutiny. C&W also notes that "regulatory and political scrutiny have become increasingly prominent". It cites the pause on new tax exemptions, the debate over ratepayer protections and community benefits, and intensifying local opposition (C&W 2026c, p. 11). These are the questions taken up in Sections 6 to 8.

3.4 Investment

Data centers are among the largest private investments ever made in Ohio. Published "investment" figures, however, measure different things, and most of the money goes into equipment rather than buildings.

Statewide. Companies holding the state's data-center sales tax exemption reported **$27.2 billion** of capital investment in 2025 (Governor's office, 27 May 2026) and about **$9.6 billion** in 2024 (a trade-press figure, ENR, not a state publication). These figures cover only projects with exemption agreements, and they include equipment and servers as well as buildings (Section 6).

New Albany. Every year, companies with property-tax abatements in New Albany report their cumulative investment to the Licking and Franklin County Tax Incentive Review Councils. These filings give the clearest public picture of investment at individual campuses (Appendix F, Exhibit F.4). The six data-center agreements reported about **$36.0 billion** of cumulative investment by tax year 2025, of which about **$17.3 billion** was added in a single year, between tax years 2024 and 2025: Meta $9.2 billion, Google $4.6 billion and Amazon's Newton Court campus $3.0 billion. Investment far exceeds what the agreements originally anticipated; Meta's agreement estimated $750 million and Google's $600 million, and each now reports more than $12 billion. Amazon's two Hilliard agreements report a further $3.1 billion by tax year 2024 against $425 million committed when they were signed.

What the investment consists of. Amazon's 2024 filings for its two Licking County campuses separate buildings from equipment: $492 million and $656 million of buildings against $2.31 billion and $2.27 billion of equipment and servers, so equipment and servers are 78 to 83 percent of reported investment. County appraisal records for Meta's New Albany campus are consistent with that mix (Appendix C). This matters for policy in three ways. The land and buildings are taxable and generate the property-tax bills shown in Section 7, a median of about $34.7 million a year for a $10 billion campus; the equipment, which Ohio does not tax as property, is instead the subject of the state sales tax exemption (Section 6); and because servers are replaced every few years, cumulative investment totals may include equipment that has since been retired.

How this enters the economic estimates. The construction estimates use these reported increases and announced project budgets: about **$109 billion** of capital spending from 2025 through 2030 in the Base case. For 2025, modelled spending is about two-thirds of what exemption recipients reported, so the estimates may understate 2025 activity rather than overstate it (Appendix C.1).

4. Economic contribution of data-center operations

4.1 What is measured

This section estimates the economic activity that Ohio's data-processing, hosting and computing-infrastructure industry supports each year through its ongoing operations: its own jobs, payroll, value added and sales (direct); purchases from Ohio suppliers such as electricity, maintenance, security, staffing, real estate and professional services (indirect); and household spending in Ohio by the workers involved (induced). The estimates use the IMPLAN model with 2024 Data for Ohio and are a contribution analysis: they describe the activity associated with the industry as it exists, not the effect of a single new investment. Purchases that data-processing firms make from one another are counted once, and recurring on-site contractors employed by security, facilities-management, electrical or staffing firms are counted in the indirect effect, in their own industries (Appendix A.3).

Direct operating jobs are the 14,257 wage-and-salary jobs defined in Section 2: 11,574 in establishments classified in data processing and hosting (NAICS 518210) and 2,683 in hosting and data-processing work that IMPLAN assigns to the industry from computer programming, systems design and other computer services. Self-employed business owners are not counted as direct jobs (Appendix B). These figures describe an industry, not a head count at physical data-center buildings; many staff at hyperscale campuses are classified in their employers' industries, which is why staffing at the large physical facilities is shown separately in Section 4.4.

4.2 Results for 2025

In 2025, data-center and related computing-infrastructure operations supported about 43,500 jobs in Ohio, $3.8 billion in labor income and $6.2 billion in value added (contribution to state GDP) (Exhibit 4.1).

Exhibit 4.1. Annual operating contribution, 2025 (2025 $)

Impact	Jobs	Labor income ($M)	Value added ($M)	Output ($M)
Direct	14,257	2,106.2	2,929.6	6,031.7
Indirect (Ohio suppliers)	14,724	898.6	1,609.5	2,899.4
Induced (household spending)	14,478	837.2	1,630.2	2,691.2
Total	**43,459**	**3,842.0**	**6,169.3**	**11,622.4**

Source: SRC EvalMetrics estimates;using the IMPLAN model, 2024 Data for Ohio. Jobs are IMPLAN annual-average full-time, part-time and seasonal jobs. Direct jobs are wage-and-salary jobs only; indirect and induced jobs include self-employed proprietors in those industries. Components may not sum to totals due to rounding.

- Multiplier. Each direct job is associated with about two additional jobs elsewhere in Ohio, an employment multiplier of 3.05 (see How the Estimates Were Made).
- Average compensation is about $147,700 per direct job.
- Job types. About 34,600 of the 43,500 jobs are wage-and-salary positions. The other 8,800 are self-employed people in supplier and household-spending industries.
- Largest supplier and household-spending industries. The indirect and induced jobs are spread across many industries. The largest are employment services, couriers and messengers, real estate, restaurants and hospitals.

Memo: reclassification. If the 2025 industry reclassifications reported by the Ohio Department of Job and Family Services are held at their 2024 level, direct jobs in 2025 are 13,134 and total jobs 40,035.

Memo: self-employed owners. If the 2,721 self-employed owners whose businesses are classified in data processing and hosting were counted as direct jobs, direct jobs in 2025 would be 16,979 and total jobs 46,180, with no change in labor income, value added or output (Appendix B).

How conservative is this count? Exhibit 4.2 places the report's 14,257 direct jobs beside other counts of the same industry in Ohio. Only the federal count of payroll jobs in establishments coded to data processing and hosting is lower. The report's count is about half of the total that IMPLAN, the model used here, assigns to the industry, and about 41 percent below the count in a recent study for the industry's national association. Its 43,459 total operating jobs are about 31 percent below that study's total of about 63,000.

Exhibit 4.2. Direct operating jobs in Ohio's data-processing and hosting industry: this report and other counts

Count	Direct jobs	Year	Includes self-employed?	Total operating jobs
Federal payroll count, establishments coded NAICS 518210 (QCEW)	13,195	2025	No	Not estimated
This report: payroll jobs only	**14,257**	**2025**	**No**	**43,459**
This report's count plus self-employed owners in data processing and hosting	16,979	2025	2,721 of 8,330	46,180
IMPLAN industry total, payroll jobs (SRC estimate for 2025)	about 21,500	2025	No	Not estimated
PwC for the Data Center Coalition	24,120	2024	Yes	about 63,000
IMPLAN industry total, all jobs	28,737	2024	All 8,330	Not estimated

Sources: Ohio Department of Job and Family Services, Office of Workforce Development, QCEW program (2025 annual average, private ownership); SRC EvalMetrics estimates and using the IMPLAN model, 2024 Data for Ohio; PwC (2026), Economic Contributions of Data Centers in the United States, 2023–2024, prepared for the Data Center Coalition, pp. 10–11 and 76 (Table A-40; total operating jobs are SRC's sum of PwC's 24,120 direct and 38,900 indirect and induced jobs). Counts differ in year and definition and are shown for orientation; the IMPLAN industry totals include management-consulting and design activity that this report excludes (Section 2).

Box 4.1. How other studies count data-center jobs

Published estimates of direct data-center employment differ widely, mainly because they define the industry differently (Appendix I.3).

- **Broader than this study.** Exhibit 4.2 shows the broader counts for Ohio. The definition used by PwC for the industry's national association gives Virginia 49,000 direct jobs, against 17,900 in a Virginia industry-sponsored study (Mangum Economics 2026).
- **Narrower.** Virginia's legislative auditor counted only operator employees, about 4,400 (JLARC 2024, Table 2-1).
- Its economists found that only 15 percent of Virginia's NAICS 518210 employment was at data centers.
- They customized IMPLAN's industry spending pattern and halved operator-reported jobs because those can include contractors, whom they treated as indirect (JLARC 2024, Appendix D).
- This study follows the same principles: a narrowed industry definition (Section 2), contractors counted in the indirect effects, and a customized spending pattern for new facilities (Section 6).

- **Multipliers.** Total operating jobs per direct job in this study are **3.05** on payroll jobs (43,459 ÷ 14,257), or **2.72** if the industry's 2,721 self-employed owners are counted as direct (46,180 ÷ 16,979). Comparable state studies run from about 2.6 to 3.4: Virginia's 2026 statewide study reports 3.1 (54,920 ÷ 17,900), down from 4.5 and 5.1 in its two previous editions (NVTC 2026, pp. 17, 37); PwC's Ohio figures imply 2.61 on a much larger direct base of 24,120 jobs and about 63,000 total operating jobs (PwC 2026, Table A-40); and Virginia's legislative audit implies about 3.4 on operator employees only (JLARC 2024). Higher headline ratios, such as PwC's national 5.5, fold construction and equipment spending into the numerator and are not operating multipliers.

4.3 Outlook, 2026 to 2030

Direct operating jobs grow in all three scenarios (Exhibit 4.3). The Base case reaches **20,171 direct jobs and about 61,500 total jobs in 2030**.

Growth comes from four sources:

1. continued growth in existing activity;
2. staff at announced new facilities as they open;
3. initial operations at Piketon, Prologis Mila and CyrusOne COL-1;
4. staff at the expanding hyperscale campuses in Licking County.

Exhibit 4.3. Operating jobs by scenario (annual; do not add years)

Year	Direct, Low	Direct, Base	Direct, High	Total, Low	Total, Base	Total, High
2025	14,257	14,257	14,257	43,459	43,459	43,459
2026	14,919	15,265	15,610	45,476	46,530	47,584
2027	15,262	16,218	17,269	46,521	49,435	52,639
2028	15,634	17,385	19,246	47,656	52,994	58,667
2029	16,098	18,727	21,534	49,071	57,084	65,642
2030	16,606	20,171	24,028	50,619	61,486	73,243

Source: SRC EvalMetrics estimates using the IMPLAN model, 2024 Data for Ohio.

Exhibit 4.4. Operating contribution in 2030 by scenario (2025 $ millions)

2030	Low	Base	High	Base sensitivity (BLS employment growth)
Total jobs	50,619	61,486	73,243	56,698
Labor income	4,474.9	5,435.7	6,475.0	5,012.4
Value added	7,185.6	8,728.3	10,397.3	8,048.6
Output	13,537.0	16,443.2	19,587.4	15,162.7

Source: SRC EvalMetrics estimates using the IMPLAN model, 2024 Data for Ohio.

High case and region size: High 2030 direct wage-and-salary employment is 18 percent above Industry 418's 2024 Ohio level. In a test that enlarges the industry in IMPLAN's Ohio region to match, High 2030 total jobs are

about 73,000 (0.3 percent lower) and value added is $10,368 million (0.3 percent lower) (Appendix A.6). The table uses the standard region, as for all years.

How the scenarios are built. Growth in existing activity brackets the U.S. Bureau of Labor Statistics' 2025 to 2035 projections for this industry (NAICS 518):

- **Base.** Existing wage-and-salary activity grows 4.2 percent a year, BLS's projected growth in the industry's real output. This holds jobs per dollar of real output constant, assuming no labor-productivity gain.
- **Faster growth.** If existing payroll instead grew 4.68 percent a year, about half a point faster, Base 2030 results would be about 2 percent higher: 20,578 direct and 62,727 total jobs, and $8.90 billion of value added (against 20,171, 61,486 and $8.73 billion).
- **Sensitivity (last column of Exhibit 4.4).** Existing activity instead grows at BLS's projected national employment growth (2.26 percent a year), which builds in productivity gains. Direct jobs then reach 18,600 in 2030 and total jobs 56,698.
- **Low and High** use 1.78 percent and 6.40 percent a year and different project timing.

The disclosures in Appendix A.4 describe the facility, Piketon, Mila and Licking County components.

4.4 Staffing at physical data-center facilities

4.4.1 Why a separate tier

The headline operating figures describe an industry. Many readers want to know how many people work at the data-center buildings themselves. That is a different and much smaller number, for three reasons: hyperscale facilities are capital-intensive, so a campus representing billions of dollars of investment may employ one to a few hundred permanent operator staff (company filings in New Albany and Hilliard report about 120 to 230 per campus); much of the recurring on-site workforce is contracted, and those workers belong to their employers' industries and are counted in the indirect effects; and operator staff are often classified outside NAICS 518210, so the facility estimate cannot be netted against the industry figure. The physical-facility estimate is therefore reported alongside the industry figures. It is not added to them, and they are not reduced by it.

4.4.2 Staffing estimates

SRC estimates roughly 1,100 to 1,800 operator-payroll jobs across the 26 large Ohio data-center facilities included in its 2025 and 2026 staffing review. County filings underpin an estimated 640 to 710 of those positions. For the remaining facilities, SRC uses company statements, employment commitments and staffing assumptions. Appendix A.8 gives the facility universe, the sources for each campus and the cross-check against Meta's New Albany campus, where the operator's filing, a contractor's layoff notice and the company's own description of "300 operational jobs" together show operator payroll on the order of 100 to 200 people and a total on-site workforce including contractors two to three times that.

Exhibit 4.5. Estimated staffing at physical data-center facilities (operating facilities, 2025 to 2026)

Group	Estimate	Basis
Hyperscale and large colocation (Segment A), operator payroll	about 1,100–1,800 (central about 1,450)	Facility-by-facility readings from administrative records, commitments and documented assumptions
— of which backed by current administrative records	about 640–710 (44–49% of the central figure)	TIRC and CRA filings covering 6 of the 26 facility records: AWS Hilliard (two agreements, three records), Google and Meta (New Albany), STACK
Including smaller colocation and edge facilities	about 1,200–2,400	Segment A plus a per-site range for smaller facilities
Memo: recurring on-site contractors and tenant staff	about 600–1,400	Not direct; counted in indirect effects

Notes: these figures are not added to the industry figures in Section 4. Company-reported "jobs" are not defined in the filings, may be year-end counts and may include contractors; Google's New Albany figure (199 for tax year 2025) likely does. Employment at some campuses cannot be observed, because municipal income-tax information is confidential under Ohio law (ORC 718.13). Appendix A.8 gives the detail.

Statewide employer disclosures suggest that the covered facilities may understate the workforce supporting Ohio data-center operations. Amazon reported more than 1,500 Ohio full-time hires supporting ongoing data-center operations by the end of 2025. Google separately reported more than 850 Ohio positions related to data-center operations (Public Utilities Commission of Ohio, case 24-0508-EL-ATA, Opinion and Order of 9 July 2025, ¶ 68, citing Google's testimony). Neither disclosure identifies how many employees worked at the specific campuses in SRC's review. The study therefore presents the disclosures alongside its campus estimates and counts each workforce only once.

4.4.3 How to read the two tiers together

- **Industry tier.** The data-processing, hosting and computing-infrastructure industry directly supported about **14,257 wage-and-salary jobs in 2025**. This is the basis for the operating economic-contribution estimates.
- **Facility tier.** For the 26 large Ohio facilities reviewed, SRC estimates that roughly 1,100 to 1,800 people worked on operator payrolls in 2025 and 2026. Including smaller colocation and edge facilities brings the estimated operator-payroll range to about 1,200 to 2,400. SRC separately estimates 600 to 1,400 recurring on-site contractors and tenant staff. The model captures contracted services through supplier spending to the extent that operators purchase those services in Ohio.
- **How they relate.** The two tiers overlap only partly. To avoid double counting, SRC uses the industry estimate of 14,257 direct jobs as the sole employment basis for its 2025 operating contribution. The facility estimate is shown separately. This is a conservative choice: even where campus employees may fall outside the industry count, SRC makes no upward adjustment for them.

Box 4.2. Operations and construction: two different kinds of jobs

Operating jobs are reported as annual averages. In 2025, data-processing, hosting and related operations supported about 43,500 jobs across Ohio, including jobs in the industry, at suppliers and through household spending. The Base scenario reaches about 61,500 operating jobs in 2030.

Construction employment is measured in job-years. One job lasting one year counts as one job-year. A tradesperson who works on three successive data-center projects for one year each accounts for three job-years. Construction job-years can therefore be added across years to measure the total work performed. In the Base scenario, building and equipping data centers supports about 257,100 job-years from 2025 through 2030, an average of about 42,800 jobs per year. The number of distinct people doing that work cannot be determined from these estimates.

For a single year, the two estimates can be shown together. In 2025, operations supported about 43,500 jobs and construction and equipment spending supported about 26,100, for a combined estimate of about 69,600 jobs that year. The construction portion is temporary and varies with the project pipeline.

GDP can also be reported on a common annual basis. In 2025, operations contributed about $6.17 billion and construction and equipment spending contributed about $2.91 billion, for a combined estimate of $9.08 billion. The note to Exhibit 5.3 describes the small overlap between the estimates.

5. Economic contribution of data-center construction and capital spending

5.1 What is measured

Building and equipping data centers supports temporary activity in Ohio. The study models three kinds of capital spending in 2025 to 2030: structures (buildings and site work at announced and scheduled projects, including the PORTS campus at Piketon on public figures only, and at the expanding campuses of Meta, Google and AWS in Licking County); owner-furnished power and cooling equipment; and servers and IT equipment. For equipment, only the share of spending that stays in Ohio counts: the part made by Ohio manufacturers, plus Ohio wholesale and freight margins where the equipment passes through Ohio distributors. Retail margins are removed throughout, because this equipment is not bought at retail.

The central case makes two further choices, both on the conservative side: servers are treated as bought directly from out-of-state manufacturers, so only the Ohio share of that spending is counted; and Meta's building share comes from county appraisal records (3.24 percent of its reported 2025 increase) rather than the 20 percent borrowed from Amazon's filings. Section 5.3 shows what each choice is worth. Construction employment is reported in job-years. Box 4.2 explains how to interpret the six-year total and the separate comparison with operating employment in 2025. Other studies consistently find construction employment far larger than operating employment, but temporary; some industry reports add the two into one headline, and this study does not (Appendix I.3).

5.2 Results, 2025 to 2030

In the Base case, capital spending of about $109 billion over 2025 to 2030 supports about **257,100 job-years** of employment in Ohio. That is an average of about **42,800 a year**, peaking at about **56,600 in 2029**. Of these, about 136,700 job-years are direct, an average of about 22,800 a year. The spending also supports **$20.1 billion in labor income and $28.7 billion in value added** (Exhibit 5.1). Each direct construction job-year is associated with about 0.9 more job-years elsewhere in Ohio, a multiplier of 1.88 (2.04 in the distributor sensitivity, Exhibit 5.1); it is lower than for operations because building is labor-intensive on site. The figure sits between the construction ratios in other state studies: Virginia's 2025 construction-related jobs are 1.58 times its direct construction jobs (57,960 ÷ 36,700; NVTC 2026, Table 2), and Illinois's ten-year projection implies about 2.9 (113,000 total jobs from construction activity against 39,000 skilled-trades jobs; ILEPI 2026). The value-added multiplier is 2.05. Both are kept conservative by excluding retail markups and treating servers as bought directly from out-of-state manufacturers.

If servers instead pass through Ohio distributors, the Base total is **382,031 job-years** (last column of Exhibit 5.1). The two figures bracket the Ohio effect. Cushman & Wakefield's count of 2,043 MW under construction in Central Ohio at mid-2026, more than 90 percent of it committed to tenants, shows the scale of the pipeline behind these figures (C&W 2026c; Section 3).

Exhibit 5.1. Construction and capital spending, 2025 to 2030 totals (job-years; 2025 $)

Measure	Low	Base (central)	High	Base, servers through Ohio distributors (sensitivity)
Capital spending modelled ($M, as spent)	45,574	108,860	162,484	108,860
Direct job-years	56,609	136,654	186,896	186,938
— of which wage and salary	38,511	92,969	127,156	137,591
— of which self-employed	18,098	43,685	59,740	49,347
Indirect job-years	18,723	45,203	61,847	77,416
Induced job-years	31,153	75,206	102,868	117,677
Total job-years	106,485	257,063	351,611	382,031
Annual average, total	17,748	42,844	58,602	63,672
Labor income ($M)	8,324	20,094	27,485	31,481
Value added ($M)	11,870	28,656	39,196	43,883
Output ($M)	22,710	54,822	75,000	81,056

Source: SRC EvalMetrics estimates using the IMPLAN model, 2024 Data for Ohio.
Central case: Meta's building share 3.24%; servers and IT bought directly from manufacturers; power and cooling equipment with Ohio distributor and freight margins; retail margins removed. Annual averages are six-year totals divided by six; they are not the number of jobs in any one year. Components may not sum to totals due to rounding. Structures account for about 90 percent of the central total, and Piketon for about 20 percent; the component table is Exhibit C.4.

Exhibit 5.2. Annual employment supported by construction and equipment spending (job-years)

Year	Low	Base (central)	High	Base, servers through Ohio distributors
2025	26,145	26,145	26,145	54,392
2026	9,633	27,044	46,318	44,095
2027	16,269	41,948	61,322	60,599
2028	20,104	52,885	75,281	72,999
2029	18,263	56,575	78,694	77,318
2030	16,071	52,465	63,851	72,627

Source: SRC EvalMetrics estimates using the IMPLAN model, 2024 Data for Ohio.

2025. The 2025 figure is the same in all three cases, because it rests on reported rather than projected investment. Most of it comes from one large reported jump: Meta's reported cumulative investment in Licking County rose by about $9.2 billion between tax years 2024 and 2025, and the study treats that change as 2025 spending. County appraisals indicate that only about 3 percent of the increase was buildings; the rest is treated as servers and equipment, most of it bought from out-of-state manufacturers, which supports little Ohio activity. That is why 2025 is slightly lower than 2026 in the central case, and why the server assumption roughly doubles the 2025 figure.

Demand for Ohio's construction workforce. At the 2029 Base peak, building data-center structures would directly employ about 7 percent of Ohio's private construction workforce (259,526 in 2025), and about 63 percent of the much smaller IMPLAN industry for new commercial structures (88 percent in the High case). These

projections reflect the substantial demand the projects generate for Ohio's building trades. Because IMPLAN models that demand without a capacity ceiling, the estimates assume it is met by expanding the state's existing workforce, shifting labor between project types, or drawing on trades from neighboring states (Appendix C.4 and C.7; Exhibit A.1).

Operations and construction together, 2025. Value added produced in the same year by different activities can be added. In 2025, construction and capital spending contributed $2.91 billion to Ohio's GDP and operations $6.17 billion, for a combined $9.08 billion (Exhibit 5.3). On the same single-year basis, operations and construction together supported about 69,600 jobs in 2025 (43,459 and 26,145), or about 97,900 with servers through Ohio distributors; the construction share is temporary and is not added to operating jobs in later years.

Exhibit 5.3. Contribution to Ohio's GDP (value added), 2025: operations and construction ($ million, 2025 $)

Effect	Operations	Construction and capital spending	Combined
Direct	2,929.6	1,418.8	4,348.4
Indirect (Ohio suppliers)	1,609.4	634.2	2,243.6
Induced (household spending)	1,630.2	861.8	2,492.0
Total	**6,169.2**	**2,914.8**	**9,084.0**

Source: SRC EvalMetrics estimates using the IMPLAN model, 2024 Data for Ohio.
Notes: operations from Exhibit 4.1; construction is the Base case for 2025 (the same in all cases), central treatment. If servers and IT pass through Ohio distributors, construction value added in 2025 is $6,357.0 million and the combined total $12,526.2 million. A small part of construction's indirect and induced value added (at most 0.3 percent of the combined total) is in the data-processing industry, which the operations figure counts as direct; it is not removed. Jobs for 2025 are compared in Box 4.2.. Components may not sum to totals due to rounding.

Ohio's supply chain. Some of the power and cooling equipment that goes into Ohio data centers is designed and built in Ohio, by Vertiv, United Alloy, LayerZero, Technibus, Schneider Electric and others. Their output is already inside IMPLAN's estimate of how much equipment Ohio supplies to itself, so the estimates above include it; Appendix C.8 describes the firms and their announced expansions.

5.3 Sensitivity of the results

Two assumptions move the results most, and the central case takes the conservative side of both. The first is how servers and IT equipment reach Ohio data centers: IMPLAN shows almost no Ohio production of computers, storage or networking equipment, so any Ohio effect of server spending comes from wholesale and freight margins, and large operators are likely to buy directly from manufacturers and ship through their own logistics. The study has no Ohio-specific evidence on purchasing channels, so the sensitivity case with servers passing through Ohio distributors is shown alongside. The second is how much of each campus's reported investment is buildings: buildings support about 9 total job-years per $1 million of spending in Ohio, against about 2.7 for power and cooling equipment and almost none for servers bought directly, so the building share matters even though it does not change total spending.

The central case gives **257,063** job-years from 2025 through 2030. If servers pass through Ohio distributors, the total is **382,031**. Raising Meta's building share to 10 or 20 percent gives 278,047 or 309,090. The other tests, including more Ohio-made equipment and Ohio construction pay, move the total by a few percent (Appendix C.5, Exhibit C.2). A check of the model's construction pay against federal wage records and the 2022 Economic Census finds labor's share of spending about right and pay per worker below the specialized contractors who do most data-center work, so the job-year figures are more likely slightly high than low, by at most about 7 percent (Appendix C.6).

6. The sales and use tax exemption: cost, revenues and the repeal question

What the exemption is. Ohio Revised Code 122.175 lets the Tax Credit Authority exempt, wholly or in part, sales and use tax on qualifying data-center equipment and the building materials incorporated into a data center. A project must invest at least $100 million at the site, pay at least $1.5 million a year in Ohio-withheld wages, and satisfy the Authority that the exemption is "a major factor" in the investment decision. According to the Department of Development, the exemption covers state sales and use tax, county sales tax and transit authority tax; 18 companies hold agreements; earlier agreements often exempted 100 percent of the tax for up to 40 years; and more recent agreements are generally 50 percent for 10 to 15 years.

What it costs. The state's reported forgone sales tax was about $555 million in 2024 and about **$1.57 billion in 2025**. Both amounts substantially exceed the Tax Expenditure Report's General Revenue Fund estimates of $130.4 million for fiscal year 2024 and $135.8 million for fiscal year 2025. The reporting periods and the revenue covered differ, so the comparison is approximate.

Applying the 2024 ratio of local to state forgone tax yields an estimated $472 million in local forgone tax for 2025. Together with the reported state amount, this brings the estimated combined 2025 state and local cost to about $2.04 billion, or 7.5 percent of the $27.2 billion in investment reported by exemption recipients (Exhibit 6.1). The state cost alone equals approximately 5.77 percent of reported investment, slightly above the 5.75 percent state rate. The two percentages use different bases: one uses total reported investment, while the other applies to taxable purchases. Their proximity is consistent with widespread use of older full exemptions, but the exact share of purchases covered by those agreements remains uncertain. For the same qualifying purchases at the same tax rates, a 50 percent exemption would forgo half as much revenue as a full exemption.

Status. New agreements have been paused since 27 May 2026, a pause the Governor has said will continue until he leaves office in January 2027. The exemption itself remains in law. Legislative proposals range from a 50 percent cap to prohibiting new agreements (Appendix G.2).

Exhibit 6.1. The exemption's cost and reported investment

	2024	2025
State sales and use tax forgone	$554.9M	$1,568.7M
Local sales tax forgone	$166.8M	≈ $471.5M (estimated)
State and local cost	$721.7M	≈ $2,040M
Capital investment reported by recipients	$9.6B	$27.2B
Cost as a share of investment	7.5%	7.5%

Sources: state costs are Department of Taxation actuals given to reporters (Associated Press, 21 May 2026) and are not yet in a published table; published estimates are from the Tax Expenditure Report FY2026–2027, item 1.53; 2025 investment is from the Governor's office (27 May 2026). The reporting does not say whether "2024" and "2025" are calendar or fiscal years, and the 2025 local figure is this study's estimate at the 2024 local-to-state ratio, so the combined $2.04 billion is part reported and part estimated. Appendix G.3 gives the detail.

6.1 The right question

The exemption is forgone revenue, not spending. Comparing it with all the tax data centers generate would assume every exempt dollar of investment would have come to Ohio anyway. The policy question is narrower: **if the exemption were withdrawn, how much investment would go elsewhere, and is the tax lost on that investment more or less than the tax newly collected on the investment that stays?**

The answer depends on three quantities:

- **E, the exemption cost:** about $2.04 billion for the 2025 investment.
- **A, the tax the investment generates:** the state and local tax generated by building it and by 15 years of operating it, in present value.
- **r, the attribution share:** the share of the investment that would not have come to Ohio without the exemption.

The exemption pays for itself in state and local tax only if r exceeds a break-even share. A is measured conservatively. It counts:

- taxes generated through Ohio suppliers and household spending;
- income tax paid by the facilities' own employees.

It excludes the facilities' own sales, property and business taxes. Section 7 treats property taxes.

6.2 What the 2025 investment generates

Construction. Building and equipping the 2025 investment generates about **$400 million** of state and local tax, once. This applies the study's central Base-case construction results (Section 5) per dollar invested: about $14.6 million per $1 billion.

Operations. Modelled in IMPLAN, each $1 billion of hyperscale investment supports a facility that:

- employs about 23 people;
- buys about $16 million of electricity and $23 million of other goods and services a year.

Those purchases, more than payroll, generate tax through Ohio's utilities and suppliers: about **$80 million a year** for the 2025 investment, or **$975 million** in present value over 15 years.

Result. A totals about **$1.37 billion**, covering about two-thirds of the 2025 exemption cost before any question of attribution (Exhibit 6.2).

Two qualifications:

- **Server replacement.** If servers are replaced every five years and the replacements are also exempt, the break-even shares rise to about **75 percent** (older agreements) and **38 percent** (recent agreements). Replacement servers add exempt purchases but, bought directly from manufacturers, almost no Ohio construction tax.
- **Who pays and who collects.** The state bears about three-quarters of the cost but receives about half the tax generated. The state alone therefore breaks even only at about **69 percent**, and local governments as a group at about **42 percent**.

Exhibit 6.2. Tax generated by the 2025 investment, and the attribution share at which the exemption pays for itself

	Central estimate	Range
Construction tax (one time)	$397M	$397–592M (higher if servers pass through Ohio distributors)
Operations tax (present value, 15 years)	$975M	$755–1,593M
Tax generated, A	**$1.37B**	**$1.15–1.99B**
Break-even attribution share: older 100% agreements	**60%**	**51–64%**
Break-even attribution share: recent 50% agreements	**30%**	**25–32%**

Notes:
- The central estimate assumes $30 million of all-in investment per MW, operator-reported energy efficiency (PUE 1.12) and Ohio's 2024 industrial electricity price.
- The range for A and the break-even shares varies the cost per MW ($20–38 million) and the efficiency (PUE 1.08–1.3), with construction tax at the central $397 million. With servers through Ohio distributors (construction tax $592 million), the break-even shares are 56.6 and 28.3 percent.
- Using the Columbus midpoint in Cushman & Wakefield's 2026 cost guide ($13.9 million per MW for the facility, or $27.8 million all-in under the study's 50 percent facility share) gives break-even shares of 58.5 and 29.2 percent (C&W 2026a).
- Google reports efficiency of 1.04–1.07 at its three central Ohio campuses (12 months to mid-2026).
- For 50 percent agreements, the break-even share counts the half of the sales tax a deterred project would no longer pay.
- Method, IMPLAN run and sensitivities: Appendix G.4–G.7.

6.3 What repeal would gain and lose

Attribution has not been measured for Ohio, so the report uses three scenarios: 25, 50 and 75 percent.

What the evidence says about attribution (Appendix I.4):

- **General business incentives.** A review of 34 studies concludes that typical incentives tip between 2 and 25 percent of the decisions they reward, with larger incentives toward the top of that range (Bartik 2018). Relative to the value added data centers generate, Ohio's exemption is large (interpretation), which points to the upper end of that range or beyond.
- **Evaluations that estimate attribution.**
  - Georgia's 2025 evaluation attributes about 30 percent of data-center activity to its exemption. Its 2022 evaluation had assumed 90 percent.
  - Minnesota's 2025 evaluation attributes 50 percent in 2013, falling to 24 percent in 2024.
  - Both find the net state fiscal effect negative in every recent year.
  - Washington's auditor found its urban-county exemption had no influence on where data centers located.
  - Virginia's 2019 legislative evaluation and its 2026 tax-department report assume, rather than estimate, up to 90 percent.
- **A model of competition among states.**
  - Gargano and Giacoletti (2026) find that a state's incentives substantially raise its chance of winning hyperscale construction.
  - In their model, if Ohio alone repealed its exemptions it would lose about 63 percent of its hyperscale pipeline.
  - If all states repealed together, national investment would fall by less than 3 percent, and states as a group would be better off.

Interpretation:

- The share that matters for an Ohio-only decision is likely higher than the national share, because much of what Ohio lost would go to other states rather than not be built.
- The estimated state shares (24 to 50 percent) fall below the 60 percent break-even for older agreements, but near or above the 30 percent break-even for recent 50 percent agreements.
- The model-based Ohio share (about 63 percent) is above both, narrowly so for older agreements. It would fall short if server replacements are also exempt (about 75 percent, Section 6.2).

Appendix G.8 gives the sources and caveats.

Exhibit 6.3. If the exemption were repealed: the 2025 investment, under 100 percent agreements

Attribution share	25%	50%	75%
Investment that would go elsewhere	$6.8B	$13.6B	$20.4B
Construction job-years lost	16,100	32,100	48,200
Ongoing operating jobs lost (direct; total)	157; 1,490	314; 2,980	471; 4,470
Net state and local fiscal effect of repeal	**+$1.2B**	**+$0.3B**	**–$0.5B**

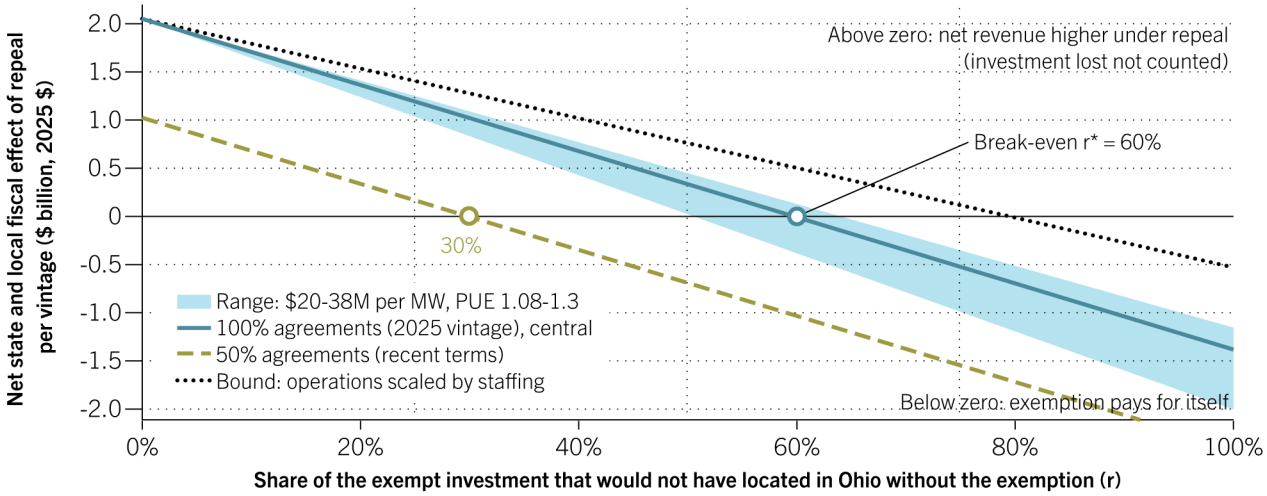
Source: SRC EvalMetrics calculations; tax generated is estimated with the IMPLAN model, 2024 Data for Ohio, and the exemption cost is from the sources in Exhibit 6.1.
Positive values mean the state and local treasury gains from repeal, before counting the economic activity lost. Ranges are in Appendix G.6.

Reading the scenarios:

- **If the exemption was decisive for a quarter of the investment,** repeal would have increased net state and local tax revenue by about $1.2 billion, at the cost of $6.8 billion of investment and about 16,000 construction job-years.
- **At half,** repeal would still save about $0.3 billion, at the cost of $13.6 billion of investment and about 32,000 construction job-years.
- **At three-quarters,** the exemption pays for itself by about $0.5 billion.
- **For agreements on today's 50 percent terms,** the exemption pays for itself if it is decisive for more than about 30 percent of the investment.

Exhibit 6.4 shows the full relationship.

Exhibit 6.4 Net fiscal effect of repealing the exemption, by attribution share



Source: SRC EvalMetrics calculations; tax generated is estimated with the IMPLAN model, 2024 Data for Ohio, and the exemption cost is from the sources in Exhibit 6.1.
Note: 2025 vintage, $27.2B. E = $2.04B (100%) or $1.02B (50%). Central A = $1.37B: construction plus 15 years of operations (Design E, $30M/MW, PUE 1.12), counted basis (construction: central case, Meta building share 3.24%, servers bought direct), 2.64% real.

6.4 Sales tax under three exemption regimes

The same 2025 investment can be viewed through the sales tax it would pay under a 100 percent exemption (the terms behind most 2025 purchases), a 50 percent exemption (today's typical terms) or no exemption. Lower exemptions collect more tax on the investment that stays, but may deter some of it, and deterred projects take their construction and operating taxes with them. Exhibit G.1 in Appendix G sets out the full comparison; two results follow from it.

Two different 50 percent questions. Cutting a full exemption to half (from 100 to 50 percent) raises revenue unless the cut deters more than about **43 percent** of the investment. Ending a half exemption (from 50 percent to none, for agreements already on today's terms) raises revenue unless it deters more than about **30 percent**. The thresholds differ because the state still collects half the tax on everything that stays under a half exemption (Appendix G.6a).

State government alone. The state bears most of the exemption's cost but collects only about half of the tax generated. Counting state revenue only, cutting a full exemption to half breaks even at about **52 percent**, and repeal at about **69 percent**. These comparisons count tax only; deterred investment also means lost construction and operating jobs (Exhibit 6.3). While the pause on new agreements lasts, new projects without an agreement pay full sales tax, and existing agreements, including their equipment replacements, remain exempt on their terms.

6.5 Options

The analysis does not settle whether the exemption should continue. It shows what each choice turns on.

- **Maintain.** The cost is about 7.5 percent of qualifying investment under 100 percent agreements and about 3.75 percent under 50 percent agreements. It rises one-for-one with investment, which is why a program estimated at $136 million cost $1.57 billion.

- **Modify.** The move to 50 percent terms for 10 to 15 years has already halved the cost per dollar of new investment. It has lowered the break-even share from about 60 to about 30 percent. Further conditions on siting, power supply or wages are possible.
- **Limit.** A sunset or an annual cap would turn an open-ended cost into a budgeted one. Shorter terms also limit how many server replacements are exempt.
- **Discontinue for new agreements.** The current pause does this administratively. Its fiscal effect depends on how much future investment the exemption decides. Peer states are also tightening: as of September 2026, three had repealed similar exemptions and five, including Ohio, had paused them.

Evaluation. Whatever the choice, the next evaluation would be stronger if the state published:

- the annual program report the statute requires;
- aggregate employment and investment from recipients' compliance reports;
- the local as well as the state cost.

Other states. Virginia, the largest U.S. market, has evaluated its exemption twice.

- Its legislative auditor estimated that the exemption returned 72 cents in state revenue per dollar of tax forgone in 2019, assuming it induced up to 90 percent of the activity, and 48 cents in 2024. On a state-only basis, it concluded, the exemption does not pay for itself.
- Local governments there, by contrast, collect substantial property tax from data-center equipment, a tax Ohio no longer levies on general businesses.
- The 2024 report set out options ranging from extending the exemption to 2050 to letting it expire in 2035 or making it partial.

Sources:
- Virginia JLARC, Data Center and Manufacturing Incentives (Report 518, 2019), pp. 8, 15–16;
- JLARC, Data Centers in Virginia (Report 598, 2024), pp. x, 23;
- Ohio Department of Taxation, Tangible Personal Property (the general business tax ended with tax year 2008).

7. Property taxes and data centers

When it comes to tax incentives for data centers, the policy most often discussed at the local level is the treatment of real property. It is also the tax in which Ohio has shown a sustained interest in reform, as the state has sought to provide relief to taxpayers without depriving local governments and schools of their primary source of revenue, and it is the tax through which a data center's presence is felt most directly by the community that hosts it.

An Ohioan following national reporting on data centers and property taxes in other states might find some of the contrasts puzzling. Consider:

- In Georgia, Effingham County has embarked on "**Project Zero**," an effort to use data-center revenue to eliminate property taxes, including a September 2026 vote to apply data-center relief toward a 40 percent reduction for households.
- In Virginia, **Loudoun County** has reduced property taxes by 30 percent over the past ten years, with data centers occupying just 3 percent of its land.
- In **Quincy, Washington**, the assessed value added by data centers has driven the property tax rate down by 70 percent from its 2006 level.

These examples are not offered as representative of the average experience in any statistical sense. They serve as existence proofs of what is feasible, and they raise the question of why an equivalent investment in Ohio would not produce the same result. The answer lies in the design of the property tax system rather than in the data centers themselves, and developing that answer is the purpose of this section.

The section proceeds in four steps. It first describes how the property tax traditionally operated in the United States, as a residual-rate system in which governments set the dollars to be raised and the rate followed from the tax base, and how Ohio's present system departs from that model by fixing the rate for most levies and the dollar amount for a few. That distinction determines whether new construction becomes government revenue or taxpayer relief. It then describes a simulation built on the state's tax year 2025 records, in which a hypothetical $10 billion data-center campus, yielding $731.5 million of taxable real property, is placed in each of Ohio's 4,479 taxing districts and its effect on the property tax bills payable in 2026 is calculated for the data center, for each overlapping government, and for existing taxpayers. In the median district, that campus generates a property tax bill of about $34.7 million a year, nearly all of which local governments keep as new revenue: about $17.4 million to the school district, $6.8 million to the county, $3.0 million to the township, and about $1.5 million each to career-technical and special districts such as libraries, parks and health districts (Exhibit 7.2). The findings answer three questions in turn: how much of a data center's property tax local governments keep under current law and which governments receive it; how the same development would play out if every levy behaved as a fixed-amount levy; and whether the two systems treat homeowners, farmers and businesses differently. A concluding section draws the comparison together in a single statewide picture of where each dollar of a data center's property tax ends up.

7.1 Real property taxes: rules for revenue and relief

Real property taxes are levied on land and its improvements, to be distinguished from movable or intangible property. They occupy a unique space in American public finance because they are the primary source of revenue for local governments. Sales and income taxes operate by the government defining a tax rate, which is then applied to a flow of transactions, resulting in revenue that the government can budget into spending. The early American property tax system reversed the logic of the process: local governments would first decide how much property taxes are to be levied during the budget process, and since real property is a stock of wealth, the rate was

the residual calculation of dividing the property tax levy by the taxable base.

At the start of the 20th century, essentially every local government in every state operated such a system, and in the ensuing century every state has drifted from that simple system in one way or another. Today, there is a variety of approaches through which states operate their property tax system, and no two are exactly alike despite their very similar origins. Many states, like Virginia and Pennsylvania, mostly employ a system similar to the classical residual-rate system. A few states, most notably California, have overwhelmingly fixed property tax rates. Most states have some mix, where certain property tax levies are set by rate and others are set by levy amount.

Ohio is an example of the last kind of state, a hybrid system where some tax units and levies are fixed in the amount, while others are fixed rates. In addition, like many states, Ohio treats property appreciation differently according to the use of the property, which affects how much a property's tax liability can change from year to year. In doing so, it preserves elements of its classic residual-rate system with rollback rules applied to the appreciation of existing property, but applies something closer to a fixed-rate system to new developments so that they can generate substantial new revenues for government.

Under a classical residual-rate system, new property development provided local governments with an opportunity to choose between increasing revenues and providing tax relief to existing property owners. With the property tax levy determined by the government's budgetary needs, an expansion of the taxable property base would automatically reduce the tax rate if the amount to be collected remained unchanged. Alternatively, local governments could approve larger levies to finance additional spending, using the new development to increase revenues without necessarily increasing taxes on existing property owners. A third option would be some combination of the two, where a portion of the new tax base supports additional government spending and the remainder provides tax relief. Subject to the applicable requirements for approving levies, this system allows local governments to determine how the fiscal benefits of new development should be distributed between taxpayers and government services.

Ohio's existing property tax system is less directly calibrated to these choices. Under fixed-rate levies, new construction generates additional revenue at the existing tax rate, without requiring local governments to approve new levies or providing an automatic reduction in the taxes paid by existing property owners. Some levies, particularly those established to raise a fixed sum, continue to operate more like the classical system, so the expansion of the tax base can produce tax relief. Consequently, the fiscal benefits of new development depend in part on the composition of property tax levies within each taxing district. The default outcome is generally more favorable to government revenues than would be the case under a fully residual-rate system, although the magnitude of this difference varies considerably across localities.

This flexibility of the classical residual-rate system goes a long way toward explaining the very different experiences seen in other states. It is why a locality in Georgia or Virginia can see dramatic property tax relief or substantial revenue growth. Ohio's particular brand of hybrid system converts development into new revenue immediately and then, depending on relative appreciation rates, can allow it to become future relief. This section uses simulation to compare Ohio's current system with a classical residual-rate system's potential for immediate property tax relief. This is not to say that new commercial developments should be turned entirely into tax relief, but as the simulations show, it is already the case that existing law overwhelmingly converts new development into entirely new revenue. The contrast between the two systems reflects their design choices.

7.2 Simulation method

The simulations rest on the Ohio Department of Taxation's records for tax year 2025, the most recent year for which every element of the property tax calculation has been published. Ohio bills real property taxes in the year after the tax year, so tax year 2025 values and rates produce the bills paid, and the revenues received, during

calendar 2026. The dollar figures throughout this section are therefore 2026 tax bills and 2026 revenues. These records report the rate of every levy in every taxing district in the state, together with the taxable value of each district by class of property and the taxes charged against it. Combining them yields a levy-by-levy reconstruction of the property tax billed in 2026 in each of Ohio's 4,479 taxing districts, where a taxing district is the unique combination of county, school district, municipality or township, and special districts that share a single tax bill.

The hypothetical development is a $10 billion data-center campus, a figure comparable to the announcements that have accompanied recent Ohio projects. Only a fraction of such an investment becomes taxable real property. The share attributable to the building shell and site improvements is set at 20 percent, and the campus is assumed to occupy 500 acres valued at $180,000 per acre. Together these assumptions imply $2.09 billion of real property at market value, which Ohio assesses at 35 percent for taxation, giving $731.5 million of taxable value. The build is treated as fully taxable commercial property appearing on the 2025 tax duplicate, with no abatement, Community Reinvestment Area exemption, or tax increment financing applied. The results therefore describe the ordinary operation of the tax system, before any incentive is negotiated.

This increment is placed, in turn, in every taxing district in the state. For each placement the model recomputes the rate of every affected levy according to its classification and reports three quantities: the property tax bill of the data center, the change in revenue received by each overlapping government, and the change in the bills of existing property owners. Revenues are measured as taxes charged after the House Bill 920 reduction factors and before the state-reimbursed rollback credits, which transfer part of the residential bill to the state without changing what local governments receive.

The same placement is then repeated under a second set of rules in which every levy is treated as a fixed-amount levy held at its actual tax year 2025 proceeds. This is the classical residual-rate system described in the previous section, applied with each government's budget held constant: the new property enters the base, every rate falls in proportion, and the entire bill paid by the data center is returned to existing owners as lower taxes. By construction no government gains or loses revenue under this regime. It is not offered as a policy proposal. Under a residual-rate system local governments could instead raise their levies and capture some or all of the new base as revenue, so this regime marks the relief end of the range of outcomes a residual system permits, just as current law, with its predominance of fixed-rate levies, lies close to the revenue end. The distance between the two is the measure of how much Ohio's design choices determine the outcome before any local decision is made.

7.3 Findings for a $10 billion hyperscale data-center build

The results that follow show that under current law nearly all of a data center's property tax becomes new revenue for the governments that serve the district in which it is built: 98 percent in the median district, and every dollar in one district in five. The smaller share that reaches existing taxpayers under current law, and the much larger relief a residual-rate system would produce, are the subject of the second and third sets of results.

7.3.1 The division of a data center's tax under current law

When the $731.5 million of taxable value is placed in each of Ohio's 4,479 taxing districts in turn, the campus generates a median 2026 tax bill of $34.7 million, ranging from $27.8 million in the tenth percentile district to $54.0 million in the ninetieth, the spread reflecting differences in effective commercial tax rates across the state. Exhibit 7.1 shows how much of that bill local governments retain once the fixed-amount levies in each district have lowered their rates. The distribution is pressed against the right edge. In the median district, governments keep 98 percent of what the data center pays; in three-quarters of districts they keep at least 95 percent; and in one district in five, where no fixed-amount levy is in force at all, they keep every dollar. The lowest share in the state

is 71 percent, in the Hamilton County district served by the Cincinnati city schools, whose bond and emergency levies carry an unusually large portion of the millage. The lesson of the figure is that under current law the division between revenue and relief is settled by the composition of a district's levies, and in nearly every district that composition favors revenue overwhelmingly.

Exhibit 7.1. Distribution across 4,479 taxing districts of the share of a data center's tax kept by local governments, current law.

One observation per taxing district; $731.5M of new commercial value in each

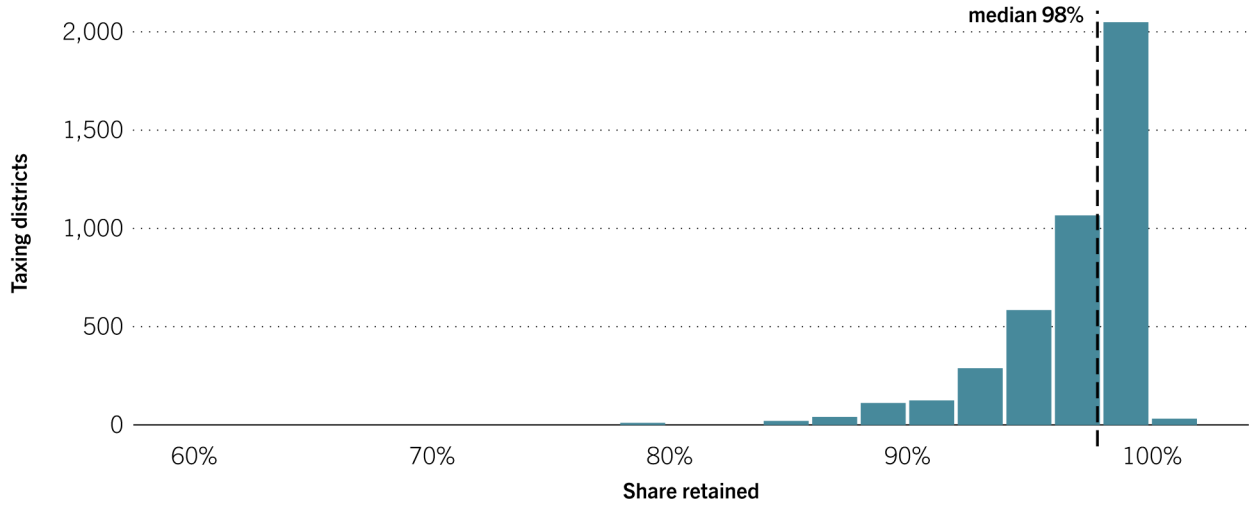
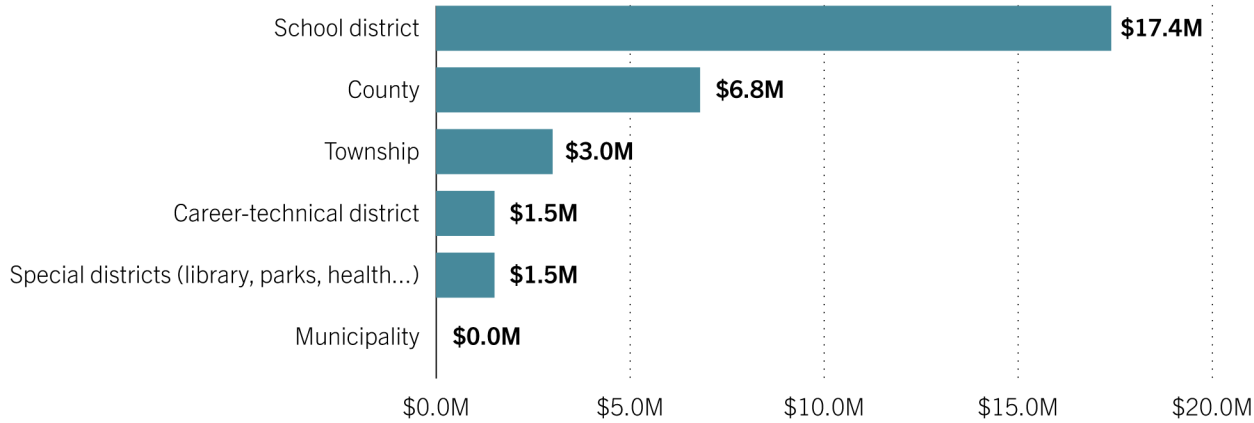


Exhibit 7.2 displays which parts of the government receive that revenue, taking the median across districts for each type. School districts receive the most, about $17.4 million in the median district, or roughly half of the total, because they levy the largest share of the mills. Counties receive about $6.8 million, townships $3.0 million, and career-technical and special districts, such as libraries, parks, and health districts, about $1.5 million each. The municipal median is zero because 61 percent of taxing districts lie outside any city or village; where a municipality is present it shares in the revenue in proportion to its millage.

Exhibit 7.2. Median revenue from $731.5M of new commercial value by government type, current law.

Current law, across 4,479 taxing districts.
Municipality median is zero because most districts lie outside any city or village.



The retained share also has a geography, shown in Exhibit 7.3 as the median across each county's taxing districts. The county medians run from 89 percent in Fayette County to 100 percent in a band of counties, including Pike, Ross, Scioto and Wyandot, where the typical taxing district has no fixed-amount levy in force at all.

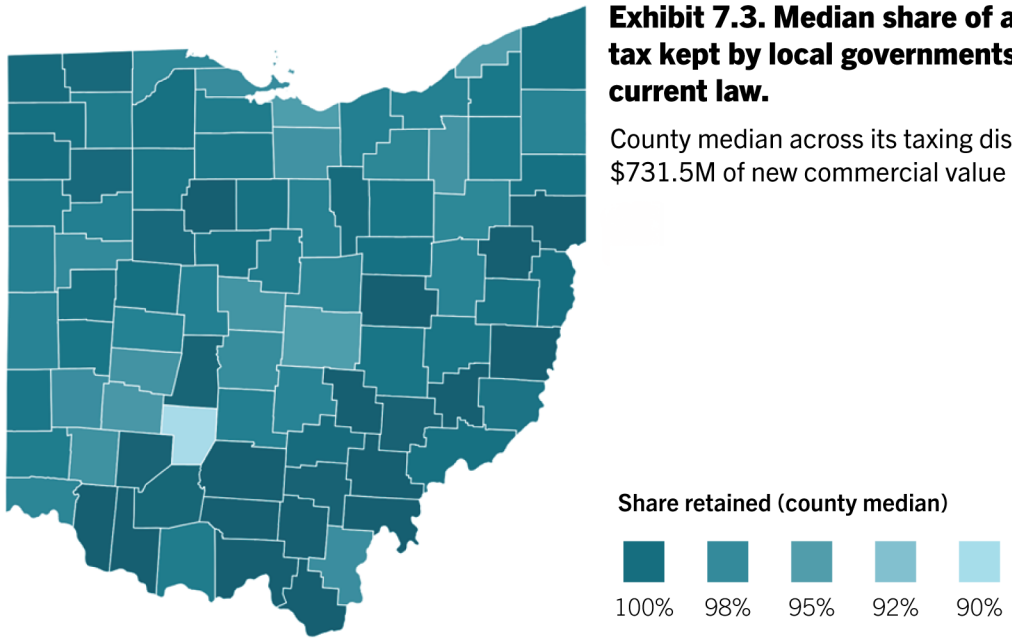


Exhibit 7.3. Median share of a data center's tax kept by local governments, by county, current law.

County median across its taxing districts; $731.5M of new commercial value in each

Exhibit 7.4 shows the mechanism at work in a single district, the portion of Jersey Township in Licking County served by the Johnstown-Monroe schools and lying within the New Albany corporate limits. Twenty-four levies tax property in the district. Eighteen are voted levies subject to House Bill 920, carrying 24.3 mills on commercial property, and four are inside or charter millage carrying 9.8 mills; together these fixed-rate levies collect $24.9 million from the data center and return nothing, because their rates do not respond to the new value. The school district's emergency levy and bond levy are fixed-amount levies that together carry 4.9 mills; their rates fall so that they continue to raise the same dollars, and the $1.8 million the data center pays toward them is matched by lower bills for everyone else. The result is that the governments keep 93 percent of a $26.8 million bill, with the remainder becoming relief to existing taxpayers through lower rates.

Exhibit 7.4. The 24 levies in Jersey Township (Licking County) grouped by how they respond to new construction under current law.

Levy type	Levies	Mills (Class II)	Paid by data center	Returned to taxpayers
Fixed rate (HB 920 levy): unchanged	18	24.301	$17,776,100	$0
Fixed rate (inside/charter millage): unchanged	4	9.800	$7,168,700	$0
Fixed amount: rate falls	1	3.000	$1,109,709	$1,109,709
Fixed amount (bond): rate falls	1	1.900	$702,816	$702,816

7.3.2 The same development under a residual-rate system

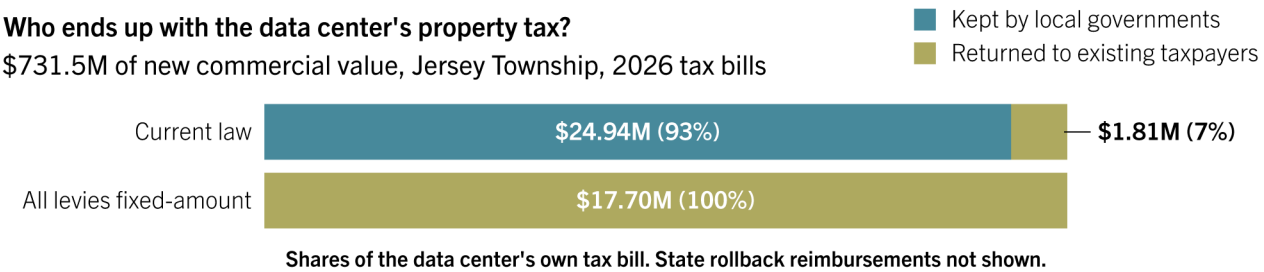
The second set of results holds every levy at its tax year 2025 proceeds, the classical residual-rate system with budgets unchanged, in effect treating every levy as a fixed-amount levy. Exhibit 7.5 places the two systems side by side for the Jersey Township district. Under current law the data center's 2026 bill is $26.8 million, of which $24.9 million stays with local governments and $1.8 million is returned to existing taxpayers. Under the fixed-amount system nothing stays with governments, by construction, and the entire bill is tax relief. The bill itself is also smaller, $17.7 million, because when every levy's rate falls to hold its proceeds constant, the data center pays at the lower rate along with everyone else: the commercial rate in the district drops from 39.0 to 24.2 mills, and the new property dilutes rates for all taxpayers, itself included. The last row translates the difference into a household figure. The owner of a $300,000 home in the district saves $235 a year under current law and $1,476 under the fixed-amount system.

Exhibit 7.5. $731.5 million data center, Jersey Township (Licking County), 2026 tax bills.

Measure	Current law	All levies fixed-amount
Data center's 2026 tax bill	$26.76M	$17.70M
Kept by local governments	$24.94M	$0
Returned to existing taxpayers	$1.81M	$17.70M
Saving on a $300,000 home	$235	$1,476

Exhibit 7.6 shows the same comparison as the division of the bill. Under current law 93 percent is revenue and 7 percent is relief; under the fixed-amount system the proportions are zero and one hundred.

Exhibit 7.6. Split of the data center's tax bill between local governments and existing taxpayers.



Shares of the data center's own tax bill. State rollback reimbursements not shown.

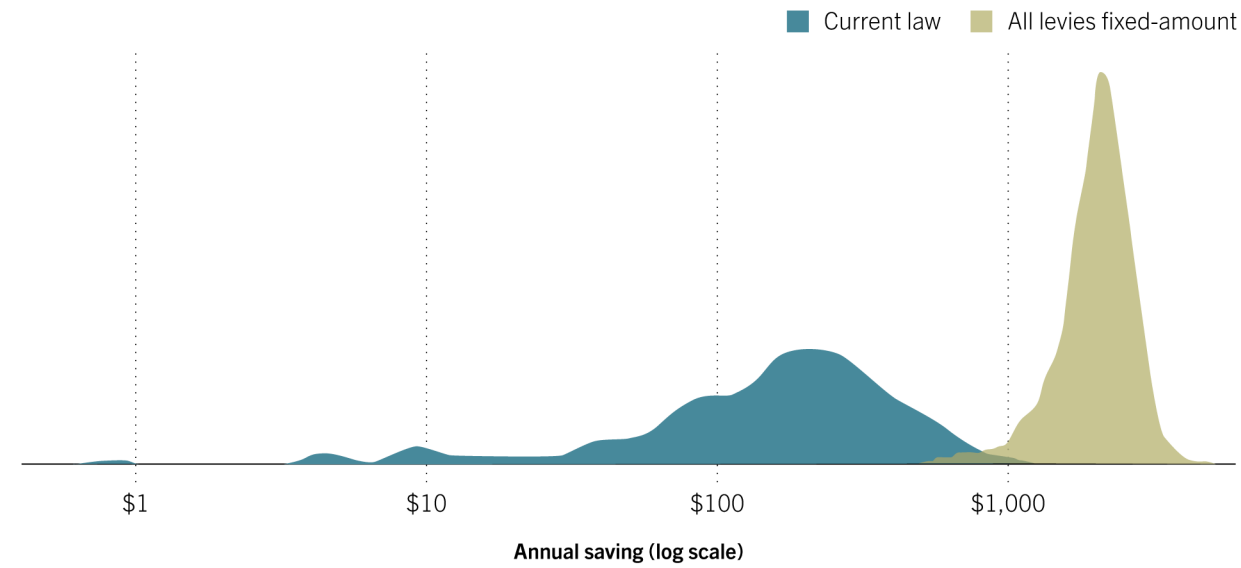
Exhibit 7.7 extends the comparison to the state, reporting the tenth percentile, median, and ninetieth percentile across all taxing districts for each measure under each system. The median bill falls from $34.7 million under current law to $15.9 million under the fixed-amount system. Governments keep a median of $33.7 million under current law and nothing under the alternative; existing taxpayers receive a median of $0.8 million under current law and $15.9 million under the alternative. The commercial tax rate falls by 1.4 mills in the median district under current law and by 26.4 mills under the fixed-amount system. A homeowner's bill changes by $128 per $100,000 of assessed value under current law and by $2,050 under the alternative, and a business's by $136 and $2,636 respectively. The final row counts how many other taxing districts see their rates change when the development is placed in one: nine in the median case under current law, 126 under the fixed-amount system, a measure of how far each system spreads the consequences of a single development. The magnitudes under the fixed-amount system are large because $731.5 million is large relative to the taxable base of most Ohio districts, and they would not be reproduced by a project of ordinary size.

Exhibit 7.7. $731.5M of new commercial value in every taxing district: 10th percentile, median and 90th percentile across districts. Money rows in dollars.

Measure	Current law Law p10	Law median	Law p90	All levies fixed-amount Fixed p10	Fixed median	Fixed p90
Data center tax on $731.5M	27,802,316	34,678,531	54,031,085	9,895,638	15,879,868	34,925,724
Kept by governments, of $731.5M	27,072,025	33,701,253	51,381,535	0	0	0
Returned to existing taxpayers, of $731.5M	0	805,201	3,243,785	9,895,638	15,879,868	34,925,724
Change in commercial rate (mills)	-4.37	-1.36	0.00	-38.62	-26.36	-17.51
Home: change per $100k of assessed value	-397	-128	0	-2,765	-2,050	-1,347
Business: change per $100k of assessed value	-437	-136	0	-3,862	-2,636	-1,751
Other districts whose rates change (count)	0	9	103	59	126	232

Exhibit 7.8 shows the full distribution of the homeowner saving across districts under the two systems. Under current law, in 959 of the 4,479 districts every dollar becomes new local revenue; where existing taxpayers do see a saving, it clusters between $100 and $300 per $100,000 of assessed value, the product of one or two fixed-amount levies. Under the fixed-amount system the saving clusters near $2,000 per $100,000, with the spread across districts reflecting differences in the size of the existing tax base against which the new value is diluted.

Exhibit 7.8. Distribution across districts of the homeowner saving per $100,000 of assessed value, both regimes.



7.3.3 Homeowners, farmers and businesses compared

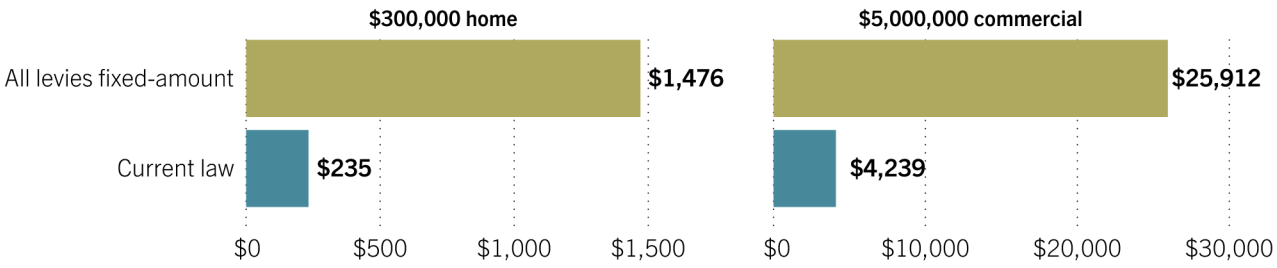
The final comparison is among types of taxpayers under the two systems. Exhibit 7.9 reports the 2026 bills of four representative properties in the Jersey Township district, after the credits that owner-occupied homes and farms receive. Under current law, each property's bill falls by about 6 percent: $235 on a $300,000 home, $796 on a $1 million farm valued under the current agricultural use program, and $4,239 on a $5 million commercial or industrial property. Under the fixed-amount system each falls by about 38 percent: $1,476, $5,038, and $25,912 respectively. The near-identical percentages within each column are not a coincidence. A fixed-amount levy that lowers its rate lowers it for every class of property, and the fixed-amount system scales every levy's rates in proportion, so neither system shifts the burden among residential, agricultural, and business property. One further consequence appears in the state's accounts rather than the taxpayer's. Because the state reimburses local governments for the rollback credits on residential property, a lower residential rate reduces the state's reimbursement, by about $87,000 in this district under current law and about $1.1 million under the fixed-amount system, a small fiscal gain to the state that accompanies any reduction in local rates.

Exhibit 7.9. Annual bills in Jersey Township (Licking County), after the non-business and owner-occupancy credits where they apply.

Property	2026 bill	Change, current law	% law	Change, fixed amount	% fixed
Owner-occupied home, $300,000 market value	$3,893	-$235	-6.0%	-$1,476	-37.9%
Farm, $1,000,000 market value (CAUV)	$13,264	-$796	-6.0%	-$5,038	-38.0%
Commercial property, $5,000,000	$68,252	-$4,239	-6.2%	-$25,912	-38.0%
Industrial property, $5,000,000	$68,252	-$4,239	-6.2%	-$25,912	-38.0%

Exhibit 7.10 draws the home and the commercial property from Exhibit 7.9 under the two systems. The picture confirms what the table shows: the gap between the systems is the same, proportionally, for the household and the business, and the question that separates them is not who benefits from a data center's property taxes but whether the fiscal dividend of the development takes the form of government revenue or taxpayer relief. Under Ohio's current arrangement that question is answered in advance by the composition of each district's levies, with the answer in nearly every district being revenue; under a residual-rate system it would be answered by each government's budget decision, with relief as the default and revenue available by vote.

Exhibit 7.10. Annual saving to representative existing taxpayers in Jersey Township (Licking County).



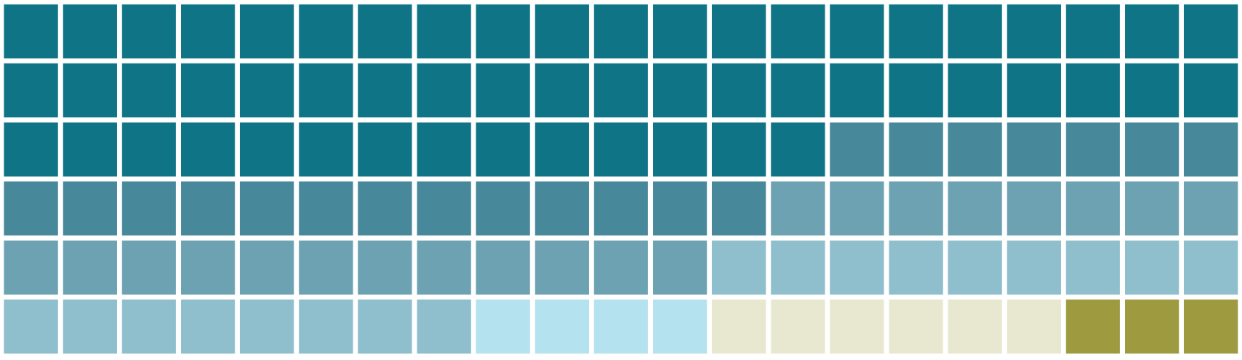
7.4 Conclusion

The experiences of localities that have seen significant property tax relief from data-center construction are not anomalies of geography or bargaining skill. They are deliberate choices enabled under a residual-rate property tax system. Ohio has retained that mechanism only in fragments, and the simulations in this section measure what those fragments amount to. Placed in any of the state's 4,479 taxing districts, a $731.5 million addition to the commercial tax base produces a median 2026 property tax bill of about $35 million, of which local governments retain 98 percent in the median district and all of it in one district in five. The relief that reaches existing taxpayers is small, arrives only where voters happened to have approved a fixed-amount levy, and spreads thinly across every district those levies touch. Under a system in which every levy behaved as a fixed-amount levy, the same development would instead return its entire bill to existing owners, lowering a typical homeowner's tax by about $2,000 per $100,000 of assessed value in the median district and by a similar proportion for farms and businesses. Exhibit 7.11 pools the results across every district in the state: of each $100 a data center would pay in property tax, $96.50 remains with local governments under current law, more than half of it with school districts, and $3.50 returns to existing taxpayers; under a fixed-amount system the whole $100 returns.

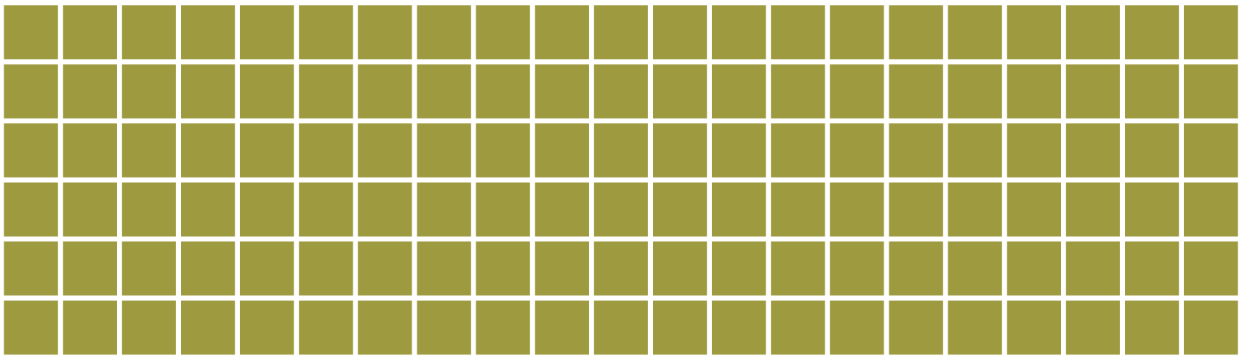
Exhibit 7.11. Division of each $100 of a data center's property tax, pooled across all 4,479 Ohio taxing districts, under current law and under the fixed-amount system.

Of every $100 a data center pays in property tax, who keeps it?
Pooled across all 4,479 Ohio taxing districts, 2026 tax bills; each square is $1

Current law: $96.50 to local governments, $3.50 back to existing taxpayers



All levies fixed-amount: $0 to local governments, $100 back to existing taxpayers



School districts $52.9 Counties $19.3 Townships $9.8 Municipalities $4.7
Career-technical districts $4.0 Special districts $5.8 Returned to existing taxpayers

In about one district in five, every dollar stays with local governments.

Neither of these outcomes is the right one in any general sense. A community with a growing school population and aging infrastructure may reasonably prefer that new development finance public services, and a community whose residents are being priced out of their homes by rising assessments may reasonably prefer relief. The classical residual-rate system left that choice to each government and its voters, with relief as the default and additional revenue available by an affirmative decision to raise the levy. Ohio's hybrid system makes the choice in advance, and makes it the same way nearly everywhere.

Three implications follow for the discussion of data centers in Ohio: first, under current law Ohio's system is built to translate growth in the tax base into revenue for the governments that serve the district, so a data center's property taxes arrive as better-funded schools and local services rather than as lower bills. The expectation that data centers will immediately lower residents' property taxes is for that reason largely unfounded in most of the state, not because the tax base fails to grow but because of how the system is designed. Where residents of Loudoun County or Effingham County see falling rates, Ohio residents will more often see unchanged bills and better-funded governments, albeit in a system that incentivizes local governments to maintain higher property tax rates overall. Second, the revenue that does accrue is concentrated in school districts and counties, so the local case for a data center rests on public services rather than on household tax relief, and should be made in those terms. Third, the extent to which any of this revenue is realized depends on the incentives attached to the project. Every result in this section assumes a fully taxable development; an abatement, a Community Reinvestment Area exemption, or a tax increment financing arrangement redirects some or all of the new base away from both revenue and relief, and the governments that share the tax base are not always the governments that negotiate the incentive.

The findings should be read with their limits in mind. They describe tax year 2025 law applied to a single year's tax rolls, the bills payable in 2026, with a development of a size that is large relative to most districts' existing base. They say nothing about the state school funding formula's response to a district's rising wealth, or the long-run behavior of rates as the new property is reappraised and the reduction factors begin to apply to it. What they do establish is that the differences in outcome across states are the product of institutional design rather than of the developments themselves, and that in Ohio the design currently answers, before any local decision is made, the question of whether a data center's property taxes become public revenue or private relief.

8. A community benefit framework for data-center development

Section author: Amanda Woodrum, ReImagine Appalachia. The framework, the provisions and the resources are hers, drawn from community benefit agreements and policies in Ohio and other states; they are options for communities to consider, not recommendations of the Ohio Chamber of Commerce Research Foundation or SRC EvalMetrics. SRC added the cross-references to Sections 3 to 7 of this report and the Ohio figures they cite.

Hyperscale data-center development offers potential benefits to Ohio communities, beginning with large numbers of construction jobs and subcontracting opportunities for local businesses. It has also raised concerns in host communities, sharpened by limited disclosure during early negotiations, and in Ohio and elsewhere these concerns have led to local opposition, moratoria and ballot referendums. The question is becoming more pressing as projects spread beyond Central Ohio into suburban and rural communities with no previous experience of hyperscale facilities: 13 of the 30 Ohio sites under construction, permitted or proposed are outside the Central Ohio cluster (Section 3).

Community benefit agreements and community benefit policies give developers a way to engage key community stakeholders in a structured conversation around responsible development approaches that mitigate community concerns and optimize local benefits.

Box 8.1. Community benefit agreements and community benefit policies

- **Community benefit agreement.** A negotiated, binding agreement between a developer and a local coalition of key stakeholders. It differs from a development agreement, in which the developer and the local government are the parties rather than community stakeholder groups. A local government can, if it chooses, use its development agreement to support the aims of a community benefit agreement.
- **Community benefit policy.** A policy that applies a set of practices drawn from community benefit agreements to publicly subsidized or otherwise incentivized projects, using grants, tax incentives, streamlined permitting or similar public supports as the lever.
- **What each side gains.** For key stakeholders, community benefit agreements and policies help large projects use responsible development approaches that mitigate community concerns and optimize local benefits. For developers, they offer a way to turn potential opponents and key constituencies into project partners and allies.

Three principles. Community benefit agreements and policies rest on three principles: engage key stakeholders as project advisors and partners; identify and mitigate community concerns; and identify and optimize local benefits. Sections 8.1 to 8.3 take each in turn. The provisions that put the principles into practice are tabulated in Appendix H of the Technical Appendix, available on request from research@ohiochamber.com.

8.1 Principle 1: engaging community stakeholders as project advisors and partners

Meaningful community engagement is the foundation of a community benefit agreement or policy. In practice it means treating key stakeholder groups as potential project advisors and partners. Exhibit 8.1 sets out a widely used spectrum of community engagement, from ignoring or placating residents to involving them and sharing decisions with them; a community benefit process works at the “involve” and “collaborate” end of that spectrum.

Exhibit 8.1 The Spectrum of Community Engagement

STANCE TOWARD COMMUNITY	IGNORE	INFORM	INVOLVE	COLLABORATE
IMPACT	**Marginalization**	**Placation**	**Voice**	**Delegated Power**
COMMUNITY ENGAGEMENT GOALS	Deny access to decision-making processes	Provide the community with relevant information	Ensure community needs and assets are integrated into process & inform planning	Ensure community capacity to make and implement decisions
MESSAGE TO COMMUNITY	***Your voice, needs & interests do not matter***	***We will keep you informed***	***You are making us think, (and therefore act) differently about the issue***	***Your leadership and expertise are critical to how we address the issue***
ACTIVITIES	• Closed-door meetings • Misinformation	• Fact sheets • Open Houses • Presentations • Billboards • Videos	• Community organizing & advocacy • House meetings • Interactive workshops • Polling • Community forums	• MOUs with community based organizations • Community organizing • Citizen advisory committees • Open planning forums with citizen polling
RESOURCE ALLOCATION RATIOS	**100%** Developer	**70-90%** Developer **10-30%** Promotions and publicity	**50-60%** Developer **40-50%** Community involvement	**50-60%** Developer **50-70%** Community partners

Adapted from Rosa González, Facilitating Power (2019), The Spectrum of Community Engagement to Ownership, as reprinted in Appalachian Voices, Modeling a Just Transition; redrawn for this report.

Transparency on public commitments and impacts, with narrowly tailored confidentiality. Community support for a project starts with giving stakeholders the information they need to make informed decisions. Non-disclosure agreements between developers and local officials during site selection have been a recurring source of community concern, and early disclosure of project parameters addresses it. Box 8.2 lists the project parameters that this report's own findings suggest a community should see before a zoning or tax-abatement vote.

Box 8.2. What a community can ask to see before approval

1. **Energy load, source and ratepayer protection.** Peak and average electrical demand (MW), backup generator count and fuel, any planned on-site generation, and confirmation that the project is covered by a utility minimum-demand tariff, such as AEP Ohio's PUCO-approved data-center tariff (Section 8.2 and Appendix G.2), so that other customers do not pay for grid upgrades.

2. **Water withdrawal, consumption and discharge.** Expected average and peak daily withdrawal and net evaporative consumption, cooling design, water source (municipal, reclaimed or groundwater) and discharge controls.
3. **Site footprint and acoustics.** Acreage, building square footage, setbacks and berms, stormwater management, and pre-construction acoustic modelling of both standard (dBA) and low-frequency (dBC) noise at neighbouring property lines.
4. **A workforce breakdown, construction and operations.** The construction schedule and peak headcount by trade, and a commitment for permanent on-site payroll and contracted facility jobs, distinguishing temporary construction job-years from ongoing operating staff. Section 4.4 shows why the distinction matters: construction can employ more than a thousand people at its peak, while a hyperscale campus's own permanent operator payroll is on the order of 100 to 200 people.
5. **Local procurement and subcontracting scope.** The construction subcontracts, materials and recurring facility services open to local and small or disadvantaged Ohio businesses.
6. **The full fiscal and incentive term sheet.** The proposed state sales-tax exemption share and term, the local abatement percentage and duration, and any payments in lieu of taxes or revenue-sharing payments to host school districts, townships and fire and EMS departments (Sections 6 and 7).

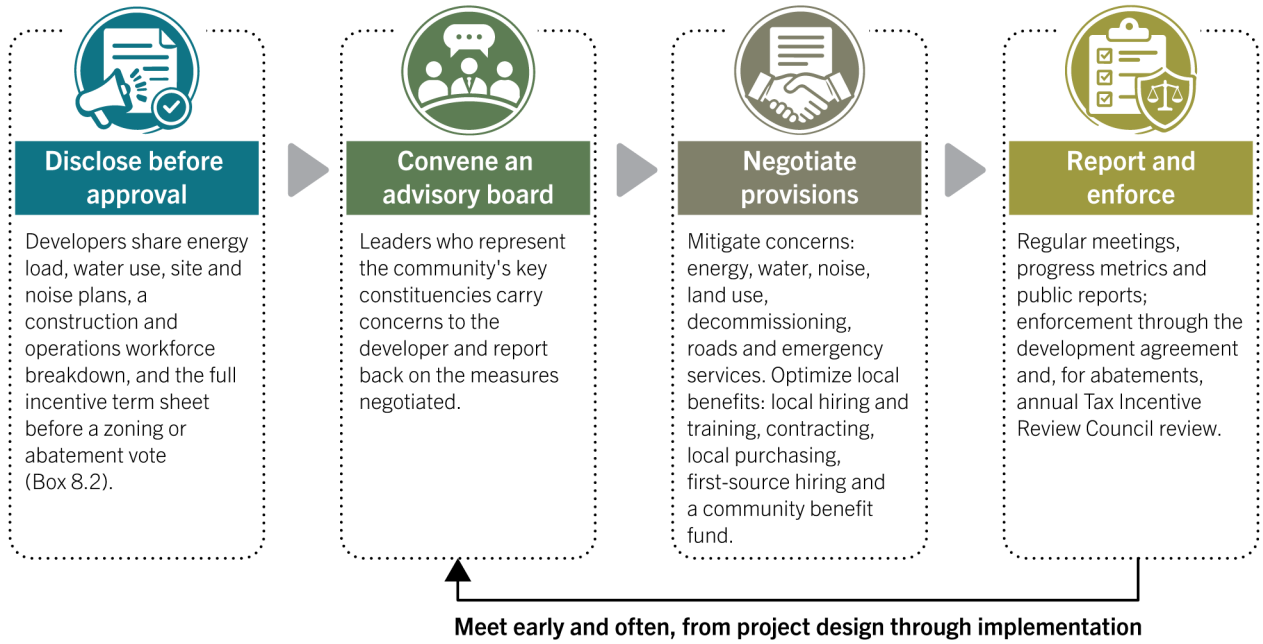
A community benefit advisory board, coalition or committee. A board made up of community leaders who represent the key constituencies in the community is a mechanism for meaningful engagement. Trusted leaders can carry community concerns to the developer and report back to their constituencies on the measures negotiated to address those concerns. Key constituencies include faith leaders; neighborhood groups near the proposed site; environmental organizations; the building trades council and federation of labor; locally based associations of contractors and manufacturers; training providers that serve low-income and disadvantaged communities, such as pre-apprenticeship programs, career-technical centers and community colleges; anti-poverty organizations, such as Community Action Agencies; and minority business enterprises and civil rights organizations.

Meeting early and often. Engagement that begins at the project design stage allows the design to be adjusted in response to community input, to address concerns and increase benefits. The board then meets regularly through both design and implementation to receive updates, reports and metrics on progress toward the community benefit goals. That gives the developer and the board a way to tackle problems as they arise and to work through barriers to meeting the provisions of the agreement or policy. Exhibit 8.2 summarizes the process.

Box 8.3. How public officials can support community benefit boards and negotiations

- **Encourage engagement.** Encourage data-center developers to engage meaningfully with community groups and to negotiate a community benefit agreement.
- **Help convene representative leaders.** Support the formation of a community benefit advisory board or committee, and help identify the constituencies with an interest in the project and the community leaders they trust.
- **Support accountability and enforcement** of the agreement's provisions, including through the development agreement between the developer and the local government. In Ohio, Community Reinvestment Area abatement agreements, reviewed annually by the county Tax Incentive Review Council, are one such instrument (Section 7).
- **Adopt principles in advance.** Develop a set of community benefit principles or policies, with input from community stakeholders, before any single hyperscale project is proposed, applying to all data-center projects or at least to those seeking public incentives, streamlined permitting, public infrastructure or other public support.

Exhibit 8.2. How a community benefit process works



Public officials can help: encourage engagement, help convene representative leaders, support enforcement, and adopt principles before a project is proposed (Box 8.3).

Source: SRC EvalMetrics, from the community benefit framework in Section 8 by Amanda Woodrum, ReImagine Appalachia.

8.2 Principle 2: identifying and mitigating community concerns

Hyperscale development has prompted concern on several fronts. Exhibit 8.3 lists the areas most often raised, from the energy and water the facilities consume to the noise they produce and the land they use. The rest of this section takes the main ones in turn. Appendix H, Exhibit H.1, lists the provisions that communities and developers have used to address each.

Exhibit 8.3. Data-center development: areas of community concern

Area	Concerns commonly raised
Energy	High energy use; fossil fuels for power and backup generators; grid strain and reliability; higher costs for other customers
Water	High water use; freshwater, groundwater and watershed availability and recharge; effluents and pollutants; load on local water treatment; flooding
Air	Waste heat; noise; local emissions and pollutants; greenhouse gas emissions; health
Land	Site selection; land-use planning and conflicts; construction traffic and local roads; visual appearance; vibration; ecosystems and biodiversity
Local economy	Quality of local jobs; short-term construction effects; real-estate values and affordability; community benefits; use of tax revenue and other developer funds
Transparency	Non-disclosure agreements; planning; monitoring and evaluation; verification of impacts and benefits; life-cycle planning for the site and equipment
Democratic process	Public engagement early and as desired; opportunity for questions and feedback

Source: Adapted from Fresh Coast Climate Solutions, Great Lakes Responsible Digital Infrastructure. The original graphic is not reproduced here.

Energy consumption. A hyperscale campus requires a large amount of power, from about 20 MW to more than a gigawatt, roughly the demand of 750,000 homes. Communities ask whether the cost of bringing new power infrastructure online will be borne by all ratepayers, and whether cross-subsidies for economic development will raise electricity prices for existing homes and businesses. They also ask about grid strain from the added demand and the risk of outages affecting neighboring homes, businesses and industries, and about the source of the power, including emissions from natural-gas generation and from the diesel backup generators that campuses test periodically. One proposal in central Ohio is for up to 430 MW of on-site natural-gas generation serving a single site (Section 3.3).

In July 2025 the Public Utilities Commission of Ohio approved AEP Ohio's data-center tariff (case 24-0508-EL-ATA), which requires new loads of 25 MW or more to pay a minimum monthly demand charge covering at least 85 percent of contracted capacity for up to twelve years, and to post exit collateral (Appendix G.2). That tariff is the ratepayer protection now available in AEP Ohio's territory; Exhibit H.1 lists the on-site measures that agreements can add to it.

Water consumption. A large data center can consume hundreds of thousands, or even millions, of gallons of water in a single day. Communities ask whether consumption on that scale could strain local supplies or raise water costs for existing residents, and how water returned to its source, often warmer and with a higher concentration of minerals, will be treated. The water is used to remove the heat that data processing produces, because temperatures must be kept stable for the equipment to work. Most centers rely on air cooling, in which cold air is blown over the servers and the warm air is collected and cooled again; that cooling often uses water-based systems, such as evaporative coolers or cooling towers, which can consume a great deal of water. Closed-loop and non-potable cooling, among the provisions in Exhibit H.1, reduce that demand.

Noise. Continuous noise from data centers comes largely from cooling fans and ventilation, with intermittent and louder noise from backup generator testing and from generator operation during outages. Noise can also be an issue during construction. The effect is greatest within about half a mile of the site. Higher-frequency noise travels less far and can be blocked by enclosing the source in acoustic material; low-frequency noise is harder to block, and large setback distances address it. The Fowler-Finn Lab at Saint Louis University publishes general guidelines for municipalities regulating data-center noise (Appendix H.3).

Land use. AI hyperscale data centers are multi-building campuses of warehouse-type buildings that can cover as much as 1,000 acres, about 1.6 square miles. Because of their size, campuses are more often sited in rural areas than in urban centers, which raises questions about farmland and green space. Steering developers toward shuttered coal plants, former industrial sites and other brownfields rather than greenfields can address these concerns while lowering infrastructure costs. In Ohio, the Piketon PORTS site in Pike County is an example of a former federal site now proposed for data-center use (Section 3), and brownfields can become "advanced industrial zones" in which other industries co-locate with data centers for shared access to energy, water and waste-heat management.

Rapid technology turnover and facility shutdown. Hyperscale AI data centers can reach four million square feet, with thousands of servers and miles of connection equipment. Rapid technological change appears to drive replacement of data-center equipment every three to five years, although newer industry material notes that, with planning and maintenance, equipment can last up to ten years. Because servers turn over faster than the buildings that house them, communities want to know what will happen to equipment and sites over time. Communities and developers can agree in advance what happens when, or if, a facility is decommissioned: a decommissioning plan prepared during permitting, before approval, and surety bonds purchased up front (Exhibit H.1).

Public infrastructure costs. Heavy concrete, steel and equipment deliveries during construction add wear to township and county roads, and large battery and high-voltage installations require specialized emergency-

response capability. Agreements can include bonded road use maintenance agreements, developer-funded water and sewer upgrades, grants for fire and EMS equipment, and predictable payments in lieu of taxes to school districts during abatement periods; Section 7 shows how the tax base is shared among local governments.

8.3 Principle 3: identifying and optimizing local benefits

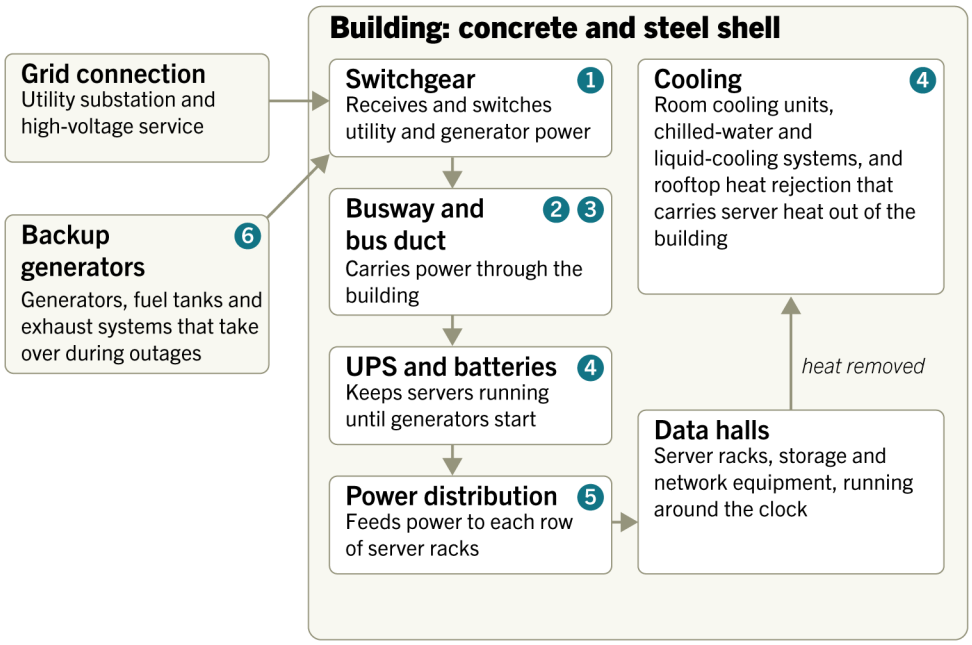
The main economic benefits of hyperscale development are jobs and contracting during construction; permanent jobs operating the site; the manufacture of the equipment and building materials needed for both; and income, sales and property tax revenue for state and local governments. Increasing those benefits for Ohio communities means securing access to construction and operations jobs for local residents, together with on-the-job training, and access to subcontracting and supply-chain opportunities for local businesses and manufacturers. Exhibit H.2 in Appendix H lists the provisions used for each.

Construction jobs and local hiring. Construction employment is large, often in the thousands per project, and extends over several years; many are skilled-trade positions, often unionized. Operations add a smaller permanent workforce, described below. Across Ohio, this study's central case puts the construction wave at about 136,700 direct job-years, and about 257,100 in total, over 2025 to 2030 (Section 5). Increasing the local benefit means seeing that local residents have access to these jobs, that the jobs are of good quality, and that low-income communities have on-the-job training opportunities. The instruments are a construction careers program and project labor agreement that commit contractors to prevailing wages, to work-hour targets for regional and low-income residents, and to registered apprenticeship hours (Exhibit H.2).

Operations jobs and first-source hiring. On-site operations employ a permanent workforce of dozens to a few hundred people per campus, in roles such as IT deployment and maintenance (server set-up and administration), electrical engineering for the power infrastructure, HVAC teams and on-site technicians for the cooling plant, security personnel, and facilities and grounds maintenance. In Ohio, local Tax Incentive Review Council filings imply roughly 120 to 230 reported jobs per large campus, and an estimated 1,100 to 1,800 operator payroll staff across the state's operating hyperscale and large colocation facilities (Section 4.4); the broader data-processing and hosting industry employed 14,257 people in Ohio in 2025 at an average of about $147,700 in pay and benefits (Section 4). Contracted facility work in security, maintenance and logistics adds to the on-site workforce and is counted in this report's indirect effects. Increasing the local share of these jobs involves a developer commitment that future tenants will consider local candidates first, before opening positions more widely. A first-source hiring program works through one or more local community partners that identify and refer local candidates.

The data-center supply chain and local purchasing. The supply chain for AI data centers is a potentially large emerging market for small and medium-sized manufacturers in the region: from steel racks to electrical infrastructure to utility-scale batteries, new projects mean new manufacturing work. The components of a campus run from concrete and steel construction, server rooms and network racks to heat exchangers, cooling units, backup generators and uninterruptible power supplies, and several of these are already made in Ohio (Exhibit 8.4; Appendix C.8). Securing developer commitments to buy local products and services, where available, is one of the main ways to increase the regional benefit; IMPLAN's estimates of the share of equipment that Ohio supplies to itself are the basis of the supplier effects in Section 5, so purchasing commitments that raise that share would raise the Ohio effect.

Exhibit 8.4. Inside a data center, and Ohio firms that make parts of it



Ohio firms in the supply chain

1. **Eaton** *U.S. corporate offices in Beachwood* Electrical equipment for data centers
2. **Schneider Electric** *Plant in Oxford* Busway for power distribution
3. **Technibus** *Stark County* Metal-enclosed bus duct
4. **Vertiv** *Headquarters in Westerville; plant in Ironton* Power and cooling systems, including liquid-cooling and chilled-water systems
5. **LayerZero Power Systems** *Project in Streetsboro* Power-distribution equipment
6. **United Alloy** *Plant in Union, near Dayton* Fuel tanks and engine-room exhaust plenums

Schematic, not to scale. The firms are examples of Ohio companies that make or supply data-center equipment (Technical Appendix C.8); their inclusion does not mean they supply any particular Ohio project.

Source: SRC EvalMetrics, from company announcements, JobsOhio and Ohio Tax Credit Authority records.

A community benefit fund. A dedicated fund, for example one-half of one percent of total project cost, can pay stipends for community participation on the advisory board, strengthen the workforce pipeline into the construction trades for low-income workers (recruitment, pre-apprenticeship programs, child care), and support a local purchasing program, such as an online directory of locally owned businesses that can supply what developers need (Exhibit H.2).

How priorities differ. The levers above carry different weight in different places. An established host such as New Albany, with existing data-center employment, a developed utility corridor and a large abatement base, may weigh school revenue sharing, noise and traffic most heavily. A rural county receiving its first campus will typically place more weight on road agreements, fire and EMS capability, water sourcing, farmland and the disclosure of incentive terms, because its public services were not built for a project of this scale. Appendix H provides the negotiating tables for both.

9. Conclusions

Ohio's data-center industry is large and growing, and its economic contribution is real. The estimates in this report are deliberately conservative, and they describe activity associated with the industry rather than what Ohio would lose without it. Five conclusions follow for state and local decisions.

1. **Report economic contribution by type and duration.** In 2025, Ohio's data-processing, hosting and computing-infrastructure industry directly supported **14,257 payroll jobs**. Including Ohio suppliers and household spending, operations supported about **43,500 jobs** and contributed **$6.2 billion to Ohio's GDP**. In the central case, total operating employment reaches about **61,500 jobs by 2030**. Separately, SRC estimates that **1,100 to 1,800 people** worked on operator payrolls at the 26 large Ohio facilities reviewed in 2025 to 2026, rising to about **1,200 to 2,400** when smaller colocation and edge facilities are included. Because the industry and facility estimates overlap, SRC makes no addition to the industry total for campus staffing. Construction has its largest effect during the build-out. The central case supports about **257,100 job-years** over **2025 to 2030**, or about **42,800 per year on average**, depending on which projects proceed and when.

2. **Judge the sales tax exemption against an explicit counterfactual.** The exemption cost the state about $1.57 billion in 2025, far more than published estimates. It pays for itself in state and local tax only if it decides more than about 30 percent of the investment under today's 50 percent agreements, or about 60 percent under the older 100 percent agreements. The available evidence falls on both sides of those thresholds. Annual public reporting of agreements, investment, employment and the local as well as state cost would let Ohio answer the question with its own data.

3. **Set local property-tax expectations by Ohio law and the incentives negotiated.** Because Ohio does not tax business equipment, a campus's local tax base is its land and buildings. Under current law nearly all of the property tax a campus pays becomes new revenue for local governments, especially schools and counties, rather than lower bills for existing taxpayers. Abatements, exemptions and tax increment financing change who receives that revenue, and the governments that share the tax base are not always the ones that negotiate the incentive.

4. **Settle infrastructure and community terms before approval.** Community benefit agreements and policies give communities a structured way to secure disclosure before approval, mitigate community concerns related to power, water, noise, roads and land use, and direct construction work, operating jobs and purchasing toward local residents and firms, with enforcement through the local development agreement. As the pipeline moves into counties with no prior data-center experience, the value of settling these terms early, and in public, rises.

5. **Evaluate on regular public data.** Consistent reporting of investment, employment, incentive costs and agreement compliance would reduce the uncertainty in every part of this analysis, from the facility staffing range to the attribution share.

What the estimates do not show. The report does not estimate net effects, the cost of public services and infrastructure, or the effects of data centers' electricity and water demand on other users. How those costs and the gains described here are shared is central to the decisions that communities and the state now face.

How the Estimates Were Made

This section summarizes the methods. The full documentation of data, model inputs, quality checks and sensitivities is in the Technical Appendix, a separate volume that is not published with this report. Readers who would like a copy can request it from the Ohio Chamber of Commerce Research Foundation at research@ohiochamber.com.

What this report measures

This report describes Ohio's data-center industry as it stood in 2025, and how it could grow through 2030. It uses **IMPLAN**, regional economic analysis software and data that trace how spending moves through an economy, with IMPLAN 2024 Data for Ohio.[1] IMPLAN is built on input-output analysis and a social accounting matrix; its methods are published in professional and peer-reviewed outlets.

The 2025 figures rest on reported data: employment and wages from the Quarterly Census of Employment and Wages (the jobs and payroll that Ohio employers report each quarter, compiled by the Ohio Department of Job and Family Services with the U.S. Bureau of Labor Statistics), self-employed counts from IMPLAN's 2024 data, and construction spending from the cumulative investment each campus reported to its local Tax Incentive Review Council and from public project announcements. IMPLAN calculates the resulting supplier and household-spending effects. The 2026 to 2030 figures are projections under three scenarios that combine announced projects, the campuses' reported investment trends and assumptions about timing.

The results measure the industry's economic contribution: the activity associated with data centers as they operate and are built. They do not measure what Ohio's economy would look like without data centers. Results from studies that use other definitions, data years or model settings are not directly comparable: estimates differ by whether a study counts a whole statistical industry or only physical facilities, whether it reports construction and operations separately or adds them together, and whether it assumes equipment passes through in-state distributors or is bought directly from manufacturers.

Multipliers

A multiplier compares total activity, direct plus indirect plus induced, with direct activity alone. In 2025 the jobs multiplier is 3.05 for operations and 1.88 for construction and equipment; the GDP multipliers are 2.11 and 2.05. The operations multiplier would be 2.72 if the industry's self-employed owners were counted as direct jobs (see the box below). Construction has a lower jobs multiplier because building is labor-intensive on site, so each worker generates fewer supplier and household purchases than a data-center employee does. Multipliers depend on how much of each dollar stays in Ohio; spending on goods and services made or delivered by out-of-state firms supports no further Ohio activity. Exhibit M.1 places this study's multipliers beside those in other state and national studies.

Exhibit M.1. Employment and GDP multipliers: this study and other studies

Study	Operations: jobs per direct job	Operations: GDP	Construction: job-years per direct job-year	Construction: GDP
This study, Ohio 2025 (payroll jobs as direct)	3.05	2.11	1.88 (2.04 if servers pass through Ohio distributors)	2.05
This study, with self-employed owners counted as direct	2.72	—	—	—
Virginia, NVTC 2026 (Mangum Economics), 2025	3.1 (4.5 and 5.1 in the two previous editions)	—	1.58	—
Virginia, JLARC 2024 (operator employees only)	about 3.4	—	—	—
Ohio, PwC 2026 for the Data Center Coalition (24,120 direct)	2.61	—	—	—
United States, PwC 2026 (operations and capital spending combined)	about 5.5	—	—	—
Illinois, ILEPI 2026 (ten-year projection)	—	—	about 2.9	—

Sources: SRC EvalMetrics estimates using the IMPLAN model, 2024 Data for Ohio; NVTC 2026, Table 2 and p. 37; JLARC 2024, Table D-5 (SRC calculation, 14,817 ÷ 4,373); PwC 2026, Tables E-1 and A-40 (SRC calculations); ILEPI 2026, p. 15 (SRC calculation, 113,000 ÷ 39,000). GDP multipliers are not reported by the other studies in comparable form. Appendix I.3 gives the definitions behind each study's direct count.

How the study keeps its estimates conservative

This report deliberately counts jobs narrowly and construction conservatively:

1. **A narrow industry definition.** IMPLAN's data-processing and hosting industry also includes management-consulting and design activity, about 7,300 jobs in 2025, which this report excludes.
2. **Self-employed business owners are not counted as direct jobs** (see the box below).
3. **On-site contractors are counted in their own industries.** Security, maintenance, logistics and other contractors working at data-center sites are counted as supplier activity, not as data-center jobs.
4. **No double counting within the industry.** Purchases that data-processing firms make from one another are counted once.
5. **Staffing at physical facilities is reported separately.** The large campuses' own payroll staff, roughly 1,100 to 1,800 people, is estimated separately and is not added to the industry figures.
6. **Construction and operations are combined only within a single year.** Operating jobs recur every year; construction job-years are temporary, and the six-year construction total is never added to operating jobs. Dollar measures for the same year can be added and are shown combined.
7. **Reclassification is not treated as growth.** Part of the recent rise in official employment counts for this industry reflects employers being reclassified into it, not new hiring (Ohio Department of Job and Family Services, Office of Workforce Development, QCEW program). The report shows what 2025 would look like with those changes held at their 2024 level (Appendix E).

8. **Construction is counted conservatively.** Retail markups are removed from equipment purchases; servers are treated as bought directly from out-of-state manufacturers; and Meta's building share comes from county appraisal records (3.24 percent) rather than an industry average. Each of these choices lowers the construction estimate (Section 5 and below).

The effect of these choices on the job count is shown in Exhibit 4.2 (Section 4): the report's 14,257 direct jobs compare with 16,979 if self-employed owners were counted, about 28,700 in IMPLAN's industry total and 24,120 in PwC's study for the industry's national association.

Box: Why self-employed business owners are not counted as direct jobs

The choice. This report counts only payroll (wage-and-salary) jobs as direct operating jobs: **14,257 in 2025**. It does not count the industry's self-employed business owners, although IMPLAN and the U.S. Bureau of Economic Analysis's regional accounts count self-employed people as jobs.

Why.

- **Many are not full-time positions.** IMPLAN's counts of the self-employed are built from federal tax filings. They measure businesses and owners, some part-time or alongside another job, not positions at data-center facilities.
- **They report no income.** The self-employed in this industry reported net losses in aggregate in IMPLAN's 2024 data. Counting them would add jobs without adding income, spending or GDP.
- **Most are not in the industry's core activity.** IMPLAN's data-processing and hosting industry includes about 8,330 self-employed people in 2024. About two-thirds of them (5,609) run consulting, programming, design and other businesses that IMPLAN reassigns to the industry. Only 2,721 run businesses classified in data processing and hosting.

What the alternative would show. Counting those 2,721 owners as direct jobs would raise direct operating employment in 2025 to 16,979 and total operating jobs to 46,180. Labor income, GDP, output and taxes would not change. The jobs multiplier would fall from 3.05 to 2.72, because the owners add direct jobs but almost no spending (Appendix B).

Supplier and household-spending jobs follow IMPLAN's standard definition, which includes the self-employed in those industries, as in all IMPLAN-based studies.

Taxes

The report counts only taxes that do not depend on the data centers' own tax treatment:

- taxes generated through Ohio suppliers and household spending;
- income taxes paid by people working directly in data-center operations and construction.

The data centers' own sales, property and business taxes are left out. Ohio's sales and use tax exemption and local property-tax abatements apply to them, and they are analysed directly in Sections 6 and 7. IMPLAN's tax estimates apply average Ohio tax rates. They are estimates, not collections.

Limitations

- **Average relationships.** IMPLAN uses average purchasing patterns and tax rates for each industry, based on Ohio data for 2024. Individual campuses may buy more electricity or fewer local services than the average.
- **No capacity limits.** The model assumes Ohio's construction workforce and suppliers can expand to meet demand, or that workers shift between projects or come from other states.
- **Standard model assumptions.** Like all input-output models, IMPLAN assumes that inputs rise in proportion to output, that each industry's mix of inputs is fixed, that firms in an industry share one production pattern, that supplies are not constrained, and that prices do not change. It does not model how long the economy takes to adjust. Appendix A lists the assumptions in full.
- **Investment data are company-reported.** Investment and job figures reported to review councils are not audited, and the timing of reported investment may not match construction exactly.
- **Projections depend on announced projects.** The 2026 to 2030 figures combine announced projects, reported campus investment and assumptions about timing. Actual results will depend on which projects proceed.

Comparing this report with other studies

The results in this report are a snapshot of Ohio's data-center industry in 2025, with projections through 2030. They are not directly comparable with earlier studies of the industry in Ohio or with studies of other states, for three main reasons. First, this report counts direct operating jobs narrowly: payroll jobs in data processing and hosting only, excluding self-employed business owners and on-site contractors, who are counted in their own industries (Section 2 and Box 4.1). Second, it reports operations and construction separately, because operating jobs recur every year while construction job-years last only as long as projects are being built (Box 4.2). Third, it uses IMPLAN's 2024 data for Ohio, whose industry structure and multipliers differ from those of earlier data years. The industry itself has also changed quickly, in scale, in its mix of hyperscale and colocation facilities, and in how much of its spending stays in Ohio. Studies that define direct jobs more broadly, or that combine operations and construction in a single total, will report larger figures for reasons of definition rather than of activity. Where a single-year view is useful, the report shows operations and construction together for 2025 (about 69,600 jobs, Box 4.2 and Section 5.2), and Exhibit M.1 places this study's multipliers beside those of comparable studies.

Data sources

This report relies on, combines and checks data from public and proprietary sources, including:

- City of Dublin, City of Hilliard, City of Lancaster and City of New Albany
- Clinton County
- Company filings, announcements and reports to local review councils
- Cushman & Wakefield
- Data Center Map
- Franklin County Auditor and Licking County Auditor
- Franklin County and Licking County Tax Incentive Review Councils
- IMPLAN
- JobsOhio
- Office of the Governor of Ohio
- Ohio Department of Development
- Ohio Department of Job and Family Services, Office of Workforce Development, Quarterly Census of Employment and Wages (QCEW) program
- Ohio Department of Taxation
- Ohio Power Siting Board
- Ohio Tax Credit Authority
- Public Utilities Commission of Ohio
- U.S. Bureau of Economic Analysis
- U.S. Bureau of Labor Statistics
- U.S. Census Bureau
- U.S. Energy Information Administration

Published studies cited in the text are listed in the References.

About this study's use of IMPLAN. This study was prepared by SRC EvalMetrics, which set all model inputs and assumptions. It was not reviewed, endorsed or verified by IMPLAN Group LLC.

For more information on the IMPLAN modeling process, visit IMPLAN.com. Data citation: IMPLAN® model, 2024 Data, using inputs provided by SRC and IMPLAN Group LLC, IMPLAN System (data and software), 8935 Northpointe Executive Park Drive, Suite 125, Huntersville, NC 28078, www.IMPLAN.com.

About the authors

Saurav Roychoudhury, Ph.D., is the founder and president of SRC EvalMetrics, LLC, an Ohio economic consulting firm, and Professor of Finance and Economics at Capital University, where he teaches corporate finance, investments and financial modeling. His consulting and applied research focus on the data-center economy: the employment, tax-policy, fiscal and infrastructure effects of major digital-infrastructure projects, evaluated for public and private decision-makers. He led this study and wrote Sections 1 to 6 and 9.

Justin M. Ross, Ph.D., is Professor of Public Finance and Economics in the O'Neill School of Public and Environmental Affairs at Indiana University, where he directs the Ph.D. programs in Public Affairs and Public Policy and teaches public revenue theory and benefit-cost analysis. His research covers state and local tax policy, property taxation, land-use regulation and data centers, and has been published in the National Tax Journal, Land Economics and other leading public finance and economics journals. He wrote Section 7.

Amanda Woodrum is the founding Co-Executive Director of ReImagine Appalachia, where she helps convene a national network of experts, develops policy resources, and leads discussions on responsible data-center development. She has two decades of experience uniting diverse stakeholders to advance sustainable development policy and is a recognized specialist in community benefit agreements and practices. She wrote Section 8.

Acknowledgments. The authors thank Demetrius Thomas of the Ohio Chamber of Commerce Research Foundation for guidance on the study; John McWilliams of Cushman & Wakefield for answering questions about C&W's market data; Drew Pfundt of Capital University for research assistance; and Sunil Samuel Pew for the report's design. Any errors are the authors' own.

References

- Abbott, S., Chiu, J. and Elgoweilli, N. (2025). *Lightening the Load: Scaling Clean Solutions for Data Centers and Communities.* RMI and Young, Gifted and Green. https://rmi.org/app/uploads/dlm_uploads/2025/11/rmi-lightening-the-load.pdf

- Alliance for the Great Lakes (2026). A Regional Playbook for *Managing Data Center Impacts in the Great Lakes.* https://greatlakes.org/wp-content/uploads/2026/03/AGL_DataCenter_Playbook_2026_Final.pdf

- Alvarez, F. E., Argente, D., Chow, J., & Van Patten, D. (2026). *Data Centers and Local Economies in the Age of AI: A Shift–Share Approach* (NBER WP 35194; rev. Sept 2026).

- Bahar, D., & Wright, G. (2026, May; updated Aug). *New evidence on data center employment effects*. Brookings Institution.

- Bartik, T. J. (2018). "But For" *Percentages for Economic Development Incentives: What Percentage Estimates are Plausible Based on the Research Literature?* Upjohn Institute WP 18-289.

- Blueprint Kentucky, University of Kentucky. *Understanding Community Benefits Agreements for Data Centers.* https://blueprintkentucky.mgcafe.uky.edu/articles/data-center-cba-toolkit

- City of Hilliard (2025). Council packet, "Memo: TIRC Recommendations," Resolution 25-R-74, adopted 22 September 2025.

- City of Lancaster, Pennsylvania (2025). *Lancaster AI Hub Community Benefits Agreement.* https://www.cityoflancasterpa.gov/data-center/community-benefits-agreement/

- City of New Albany (2026). *Annual Tax Abatement Report,* Franklin County and Licking County, 2026 (Tax Year 2025).

- Cooper, L. Human-I-T. *How Often Do Data Centers Replace Equipment?* Real Life Span vs. the 3-5 Year Cycle. https://www.human-i-t.org/maximize-data-center-equipment-lifespan/

- Cushman & Wakefield [C&W] (2026a). *Data Center Development Cost Guide 2026.*

- Cushman & Wakefield [C&W] (2026b, February). *Americas Data Center Update H2 2025.*

- Cushman & Wakefield [C&W] (2026c, September). *Americas Data Center Update H1 2026*.

- Cushman & Wakefield [C&W] (Martin, C., Smith, D., Price, J., & McWilliams, J.) (2026d, June). *From Megawatts to Multipliers.*

- Data Center Knowledge (2026). *Data Center Staffing: What Drives On-Site Head Count?* https://www.datacenterknowledge.com/data-center-career-development/data-center-staffing-what-drives-on-site-headcount

- Data Center Map (2026). *Ohio Data Centers* [directory; 257 listings from 58 operators]. https://www.datacentermap.com/usa/ohio/ (accessed 1 November 2026).
- Effingham County, Georgia (2026). *Project Camellia (OpenAI Data Center)* [web page]. https://www.effinghamcounty.org/902/Project-Camellia-OpenAI-Data-Center (accessed 1 November 2026).
- Facilitating Power. *The Spectrum of Community Engagement to Ownership, as reprinted in Appalachian Voices, Modeling a Just Transition.*
- Fair Shake Environmental Legal Services. CBA 101; *CBA Ordinance Overview; Data Centers: How Municipalities Can Prepare.* https://www.fairshake-els.org
- Federal Reserve Bank of Richmond (2023). Econ Focus, Q2 (Virginia's data centers).
- Federation of American Scientists. *Before Breaking Ground: A Local Government Guide to Better Data Center Policy and Community Benefits.* https://fas.org/publication/before-breaking-ground/
- Fowler-Finn Lab, Saint Louis University. *Noise Policy and Data Center Noise: General Guidelines.* https://www.fowlerfinnlab.com/noise-policy
- Fresh Coast Climate Solutions. *Great Lakes Responsible Digital Infrastructure* (presentation). https://freshcoastclimate.com/great-lakes-responsible-digital-infrastructure/
- Future Bridge. *Acoustic Design Strategies for Noise Control in Data Centers.* https://future-bridge.us/noise-control-in-data-centers-key-design-strategies/
- Gargano, A., & Giacoletti, M. (2026, Oct). *Subsidizing the Cloud: U.S. State Incentives to Data Centers.* SSRN 5881105.
- Good Jobs First (Tarczynska, K.) (2025, Nov). *Cloudy Data, Costly Deals*.
- Greenstone, M., Hornbeck, R., & Moretti, E. (2010). *Journal of Political Economy* 118(3): 536–598.
- Hardee, B., Hill, A., & Shepherd, T. (2022). *Tax Incentive Evaluation: Georgia High-Tech Data Center Equipment Exemption.* UGA Carl Vinson Institute of Government for DOAA.
- Illinois DCEO (2026). *Data Center Investment Program 2025 Annual Report*.
- "IMPLAN Report Toolkit." IMPLAN Support Site, IMPLAN Group, LLC, 30 August 2023, Support.IMPLAN.com/hc/en-us/articles/360044985833.
- IMPLAN support (2026). Email to SRC EvalMetrics, 27 October 2026.
- IMPLAN® model, 2024 Data, using inputs provided by SRC and IMPLAN Group LLC, IMPLAN System (data and software), 8935 Northpointe Executive Park Drive, Suite 125, Huntersville, NC 28078, www.IMPLAN.com.

- Justice, J. S., & Shepherd, T. L. (2025). *Tax Expenditure Evaluation: Minnesota Data Center Equipment Exemption.* UGA Carl Vinson Institute for the Minnesota Legislative Budget Office (TERC).
- Justice, J. S., & Shepherd, T. L. (2025). *Tax Incentive Evaluation: Georgia Data Center Sales & Use Tax Exemption.* UGA Carl Vinson Institute for the Georgia Department of Audits and Accounts; summary revised January 2026. https://www.audits2.ga.gov/wp-content/uploads/2025/12/Data-Center-Tax-Exemption-Summary-Revised.pdf
- Lawrence Berkeley National Laboratory (Shehabi, A., et al.) (2024). 2024 *United States Data Center Energy Usage Report* (LBNL-2001637); and 2025 Update (LBNL-2001758, June 2026).
- Licking County Auditor. Real property appraisal records for data-center parcels, tax years 2023 to 2026.
- Mangum Economics (2021, February). *The Impact of Data Centers on the Arizona Economy.* Prepared for sponsors (not named in the report).
- Mangum Economics (2026). *The Impact of Data Centers on Virginia's State and Local Economies* (6th biennial). Prepared for NVTC.
- Manzo, F., IV, Hager, J., & Bruno, R. (2026). *Data Centers in Illinois.* ILEPI and University of Illinois PMCR.
- Meta (2026, October 19). "New Albany: where Ohio's community spirit meets the frontier of AI." datacenters.atmeta.com.
- Monitoring Analytics (PJM Independent Market Monitor) (2025). Analysis of the 2025/2026 RPM Base Residual Auction, Part G.
- Moretti, E. (2010). *Local Multipliers. American Economic Review* 100(2): 373–377.
- Muller, N. Z. (2026). *Measuring the Impact of Data Centers in the United States Economy: Monetary Damage from Air Pollution and Greenhouse Gas Emissions* (NBER WP 35100).
- The New York Times (2026, August 19). How One County Profited From Data Centers Amid a Growing National Backlash. https://www.nytimes.com/2026/08/19/technology/data-centers-backlash-loudoun-virginia.html
- Ohio Department of Job and Family Services, Office of Workforce Development, Quarterly Census of Employment and Wages program (2026). Correspondence with SRC EvalMetrics on 2022 and 2025 industry reclassifications, October 2026.
- Ohio Department of Job and Family Services. WARN notice, Milestone Technologies, Inc., New Albany (letter dated 29 April 2026).
- Ohio Department of Taxation (2024). *Tax Expenditure Report,* FY2026–2027.

- Ohio Department of Taxation. Tax Data Series: tax year 2025 real property tax rates, taxable values and taxes charged, by taxing district.
- Ohio Power Siting Board. Case 26-361-EL-BGN, PowerConneX New Albany 3 Energy Center, public notice (12 May 2026).
- Ohio Revised Code 122.175 (data center sales and use tax exemption); Ohio Revised Code 718.13; Ohio Administrative Code 5703-9-46.
- Public Utilities Commission of Ohio. Case 24-0508, AEP Ohio data center tariff (order of 9 July 2025).
- PwC (2026, May). *Economic Contributions of Data Centers in the United States,* 2023–2024. Prepared for the Data Center Coalition.
- ReImagine Appalachia and Catalyst Connection. *Catching Waste Heat: The Opportunities and Challenges of Using Waste Heat from AI Data Centers; Can Brownfields Be a Sensible Choice for Data Centers?; Data Centers and Construction Employment; Energy and Manufacturing in Appalachia: AI Data Centers Overview.* https://reimagineappalachia.org
- Rice University Baker Institute (2026). *How the Data Center Boom Affects the Texas Tax Base*.
- Roychoudhury, S. (2026, July 24). *How to Properly Handle Property Taxes, Abatements, and Incentives in Economic Impact Studies.* SRC EvalMetrics Insights. https://srcevalmetrics.com/insights/property-taxes-abatements-incentives-fiscal-impact-studies
- Roychoudhury, S. (2026, October 3). *The Abatement Report Card: Do Data Centers Keep Their Tax Promises?* SRC EvalMetrics Insights. https://srcevalmetrics.com/insights/data-center-tax-abatement-report-card
- Slattery, C., & Zidar, O. (2020). Evaluating State and Local Business Incentives. *Journal of Economic Perspectives* 34(2): 90–118.
- Texas Comptroller of Public Accounts (2025). *Tax Exemptions & Tax Incidence*.
- U.S. Bureau of Economic Analysis. State Annual Personal Income, tables SAINC6N and SAINC7N, Ohio (revised 30 September 2026).
- U.S. Bureau of Labor Statistics. Quarterly Census of Employment and Wages, Ohio, 2021 to 2025; Employment Projections, 2025 to 2035.
- U.S. Census Bureau. 2022 Economic Census, Construction (EC2223BASIC).
- U.S. Chamber of Commerce (2026). *The Community and Economic Impacts of Data Centers*.
- U.S. Energy Information Administration. *Electric Power Monthly,* Table 5.6.A: average price of electricity to ultimate customers by end-use sector, by state (Ohio, industrial).

- Van Nieuwerburgh, S. (2026). *Financing the AI Buildout.* Brookings Papers on Economic Activity, conference draft.
- Virginia Department of Taxation & VEDP (2026). *Biennial Data Center Retail Sales and Use Tax Exemption Report,* FY2024–2025 (RD40).
- Virginia JLARC (2019). *Data Center and Manufacturing Incentives* (Report 518); (2024). Data Centers in Virginia (Report 598).
- Walker, C. and Goldsmith, I. World Resources Institute. *From Energy Use to Air Quality: The Many Ways Data Centers Affect U.S. Communities.* https://www.wri.org/insights/us-data-center-growth-impacts
- The Wall Street Journal (2025). Article on AI data-center job creation [paywalled; cited by the author of Section 8]. https://www.wsj.com/tech/ai-data-center-job-creation-48038b67
- Washington JLARC (2026). 2026 *Tax Preference Review: Data Centers in Urban Counties* (preliminary).
- Washington State Department of Revenue (2025). Adopted findings on data centers in Quincy, Washington (July 28 meeting). https://www.dor.wa.gov/sites/default/files/2025-09/AdoptedTabledFindingsPostJul28Mtg.pdf
- Watson, P., Wilson, J., Thilmany, D., & Winter, S. (2007). Determining Economic Contributions and Impacts. *Journal of Regional Analysis and Policy* 37(2): 140–146.
- Watten, A., Bistline, J., & Blanford, G. (2026). *Have Data Centers Raised Your Electric Bill?* arXiv 2606.19777.
- Wright, G., & Bahar, D. (2026). *The Local Economic Impact of Data Centers*. SSRN 7308353.
- Yue, D., & Zeng, Y. (2026). *The Local Economic Effects of Data Center Entry.* SSRN 6497238.



OHIO CHAMBER OF COMMERCE
RESEARCH FOUNDATION

SRC EvalMetrics, LLC

SRC
EVALMETRICS

Economic Impact | Fiscal Analysis | Policy Evaluation | Data-Driven Decision Support