A Planner’s Toolkit for Data Center Development

Ohio County Planning Directors Meeting

Monday, July 13th, 2026

Today's Presenters

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Verdantas Experience

Jim Hockaday
Project Principal
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15+ years experience as a municipal executive, with experience in grant funding, community development, and project management

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Planner & Project Manager
Verdantas

5 years of planning experience with specialization in community engagement, economic development, and industry/utility planning

Former Assistant Planning Director for Ashtabula County

Bricker Graydon Experience

Max Upton, MPA
Director of Economic Development
Bricker Development Strategies

12+ years of Economic Development, Real Estate Development, Planning and Community Development Experience

Former municipal Economic Development and Planning Director

Brendan Heil, JD/MPA
Of Counsel

12+ years of legal experience with Economic Development, Planning and Zoning, and Public Finance

Counsel to numerous local governments on data center developments.

Site Selection

Key Trends & Industry Information

Trend #1

Energy consumption is increasing:

- Scarcity is raising costs both nationally & regionally
  - The Gap between Marketed Production and Consumption is narrowing.
- Seeing trends towards higher levels of energy consumption and electrification
  - Residential, Commercial, & Industrial sectors consumption is all increasing

Trend #2

The electrical grid is inadequate for large scale users (data centers, etc.):

- Lead time on grid improvements are significant due to regulatory requirements, large capital, and financing models
- Ohio has significantly reduced pathways with HB-15 for new energy production, transmission & transformation

PJM Energy Market

Supply

Average Supply:

96,605 MWh

Installed Capacity:
179,656 MW

Reserve Margin:
18.6%

Demand

Average Demand:

94,787 MWh

Peak Load:
154,045 MWh

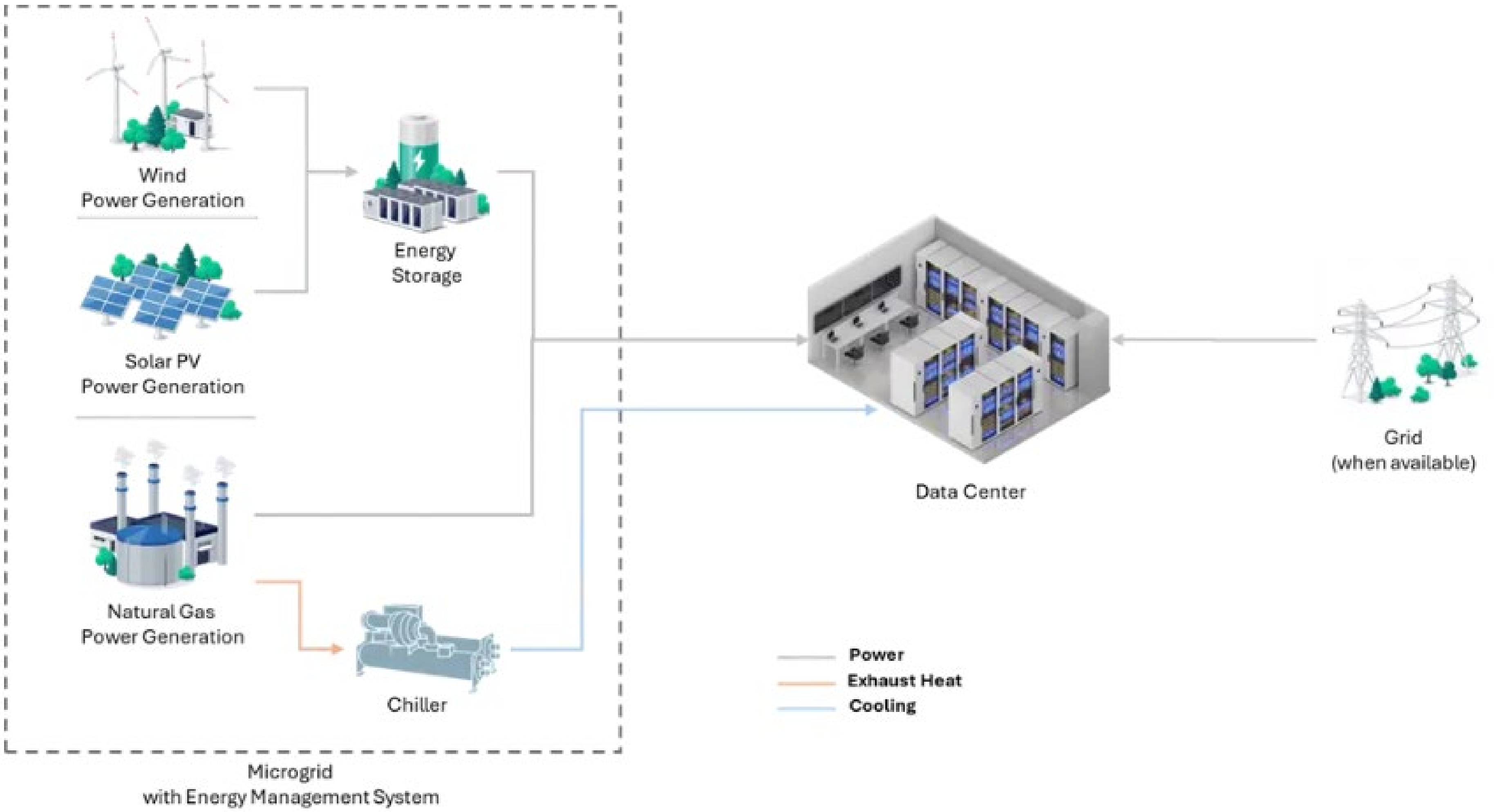
The Market in the PJM Region (DE, IL, IN, KY, MD, MI, NJ, NC, OH, PA, TN, VA, WV, D.C.) is currently classified as **competitive and well-balanced**.

- Tighter capacity balance as reserve margin decreased from 2023 to 2024.
- Rising energy prices: $33.74/MWh in 2024
- Under existing conditions, the capacity market is structurally uncompetitive.

Key Drivers of Market Imbalance:

- Projected large new loads (i.e. data centers) can remove capacity from the market
- Approximately 30GW of aging generation to exit market by 2030 with new supply additions lagging

What is BTM?


Wind
Power Generation
Energy
Storage
Solar PV
Power Generation
Natural Gas
Power Generation
Chiller
Microgrid
with Energy Management System
Data Center
Grid
(when available)
Power
Exhaust Heat
Cooling

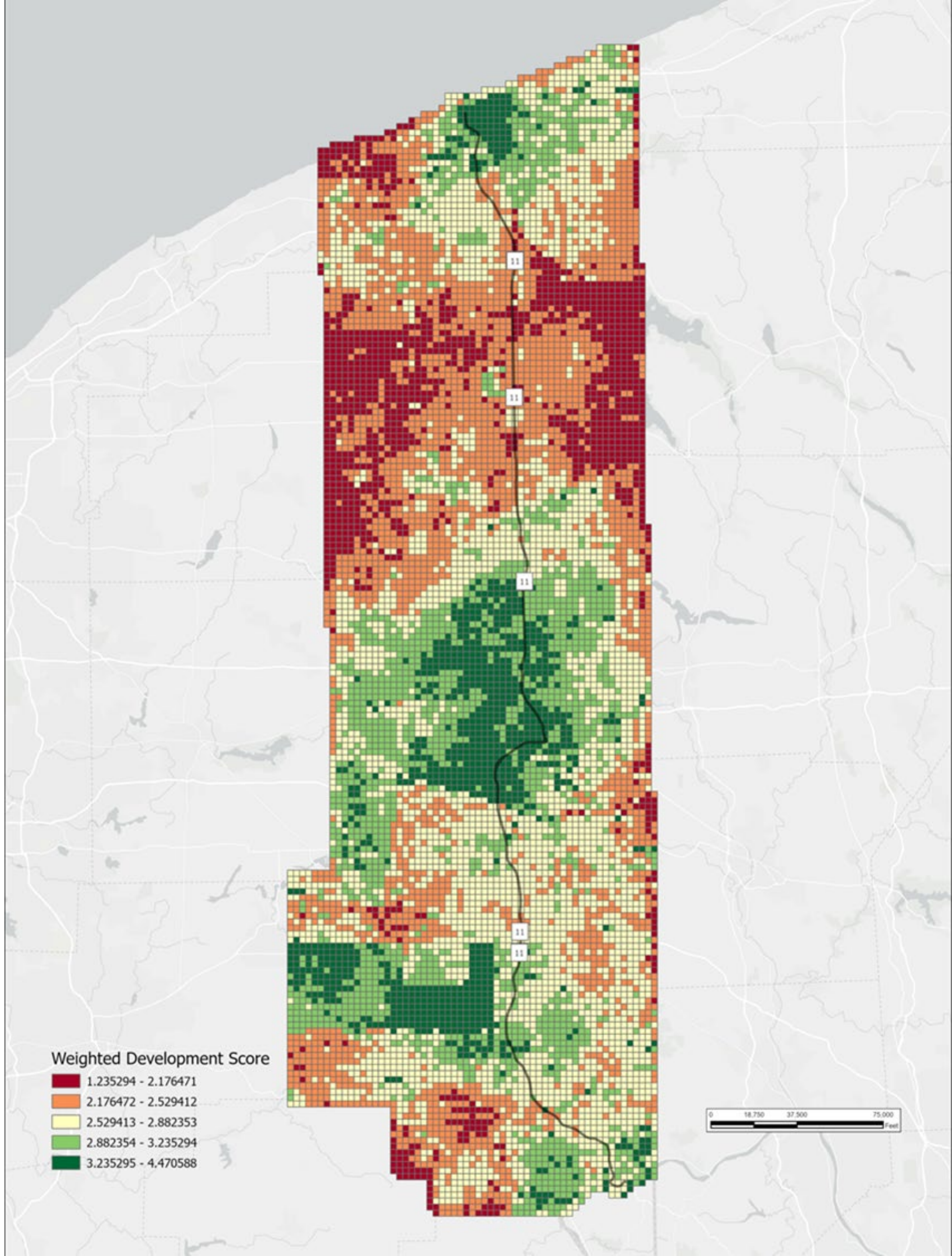
Site Suitability

Key site suitability factors:

- Power Availability
- Sufficient Natural Gas
- Water
- Broadband

The site must also be:

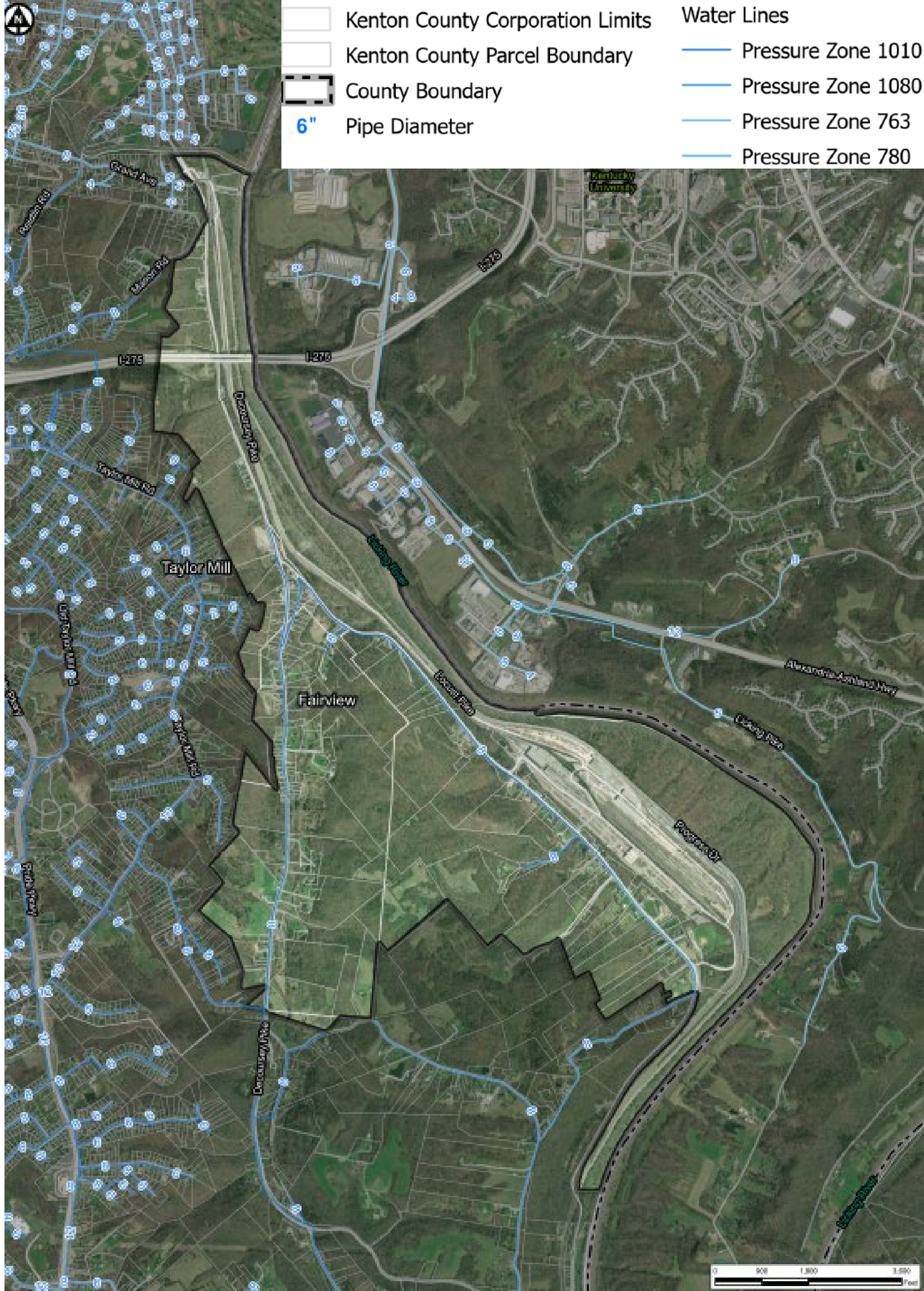
- At least 100+ continuous acres
- Free of Environmental Hazards
- Accessible
- A permitted or conditional use (in zoned communities)



Water

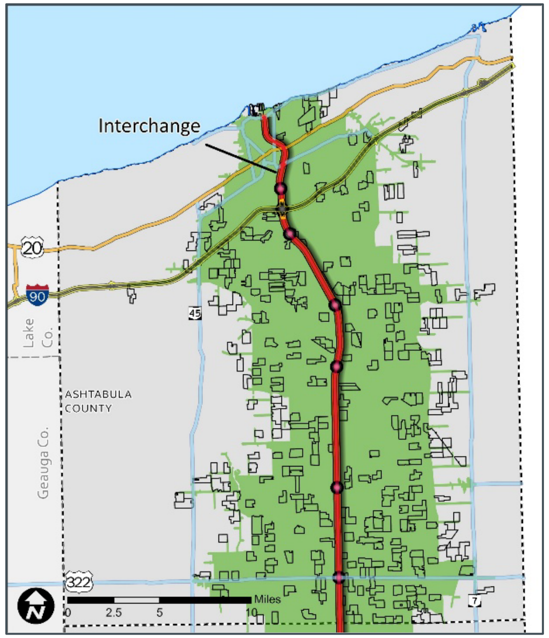
Accessibility to water is essential when determining suitability of land.

- Water is used as a cooling agent to keep the technology within the data center from over-heating
- Generally, municipal water systems seeing a decrease in demand, meaning there's an existing retainer data centers can pull from.
- Many data centers are located in areas near large bodies of water such as the Ohio River or Lake Erie because they have an abundant water source.
- Advise developers to first explore municipal systems and surface water opportunities, before considering ground water sources.



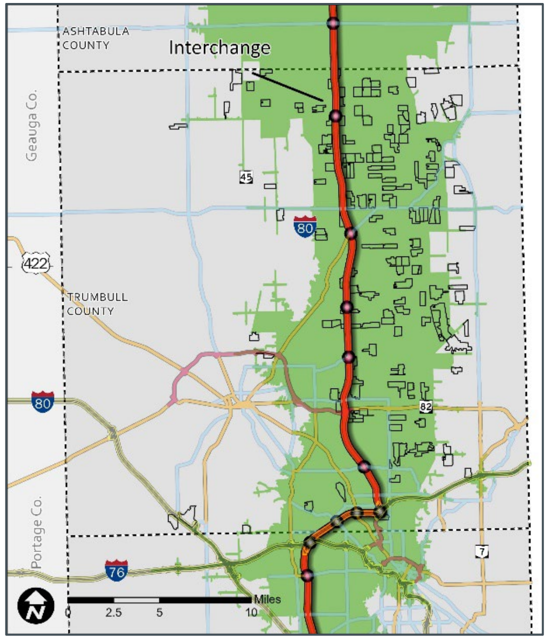
Large Scale Site Development & Access

Ashtabula



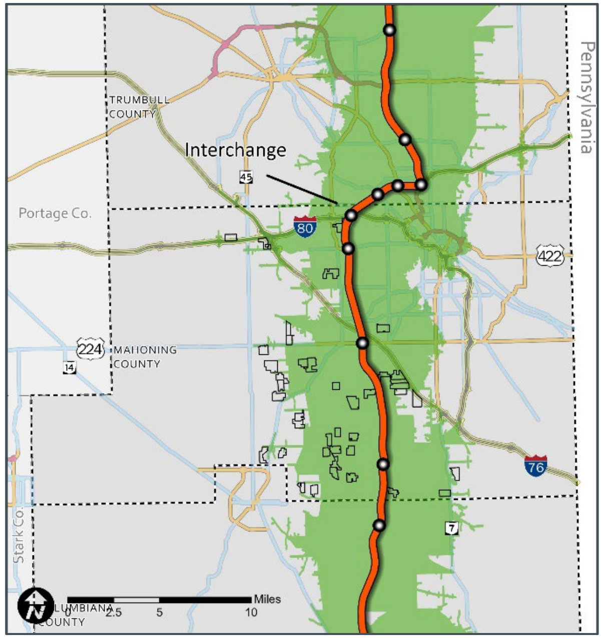
314 parcels

Trumbull



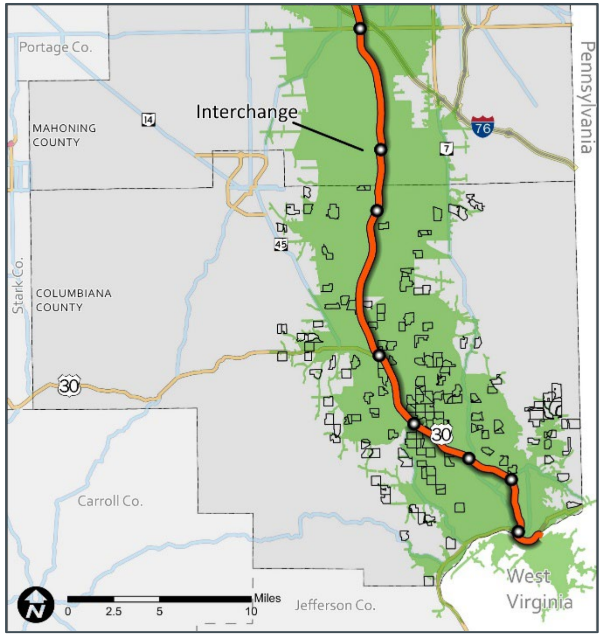
155 parcels

Mahoning



42 parcels

Columbiana



132 parcels

Parcels over 100 acres in size within a 10-minute driveshed of Route 11

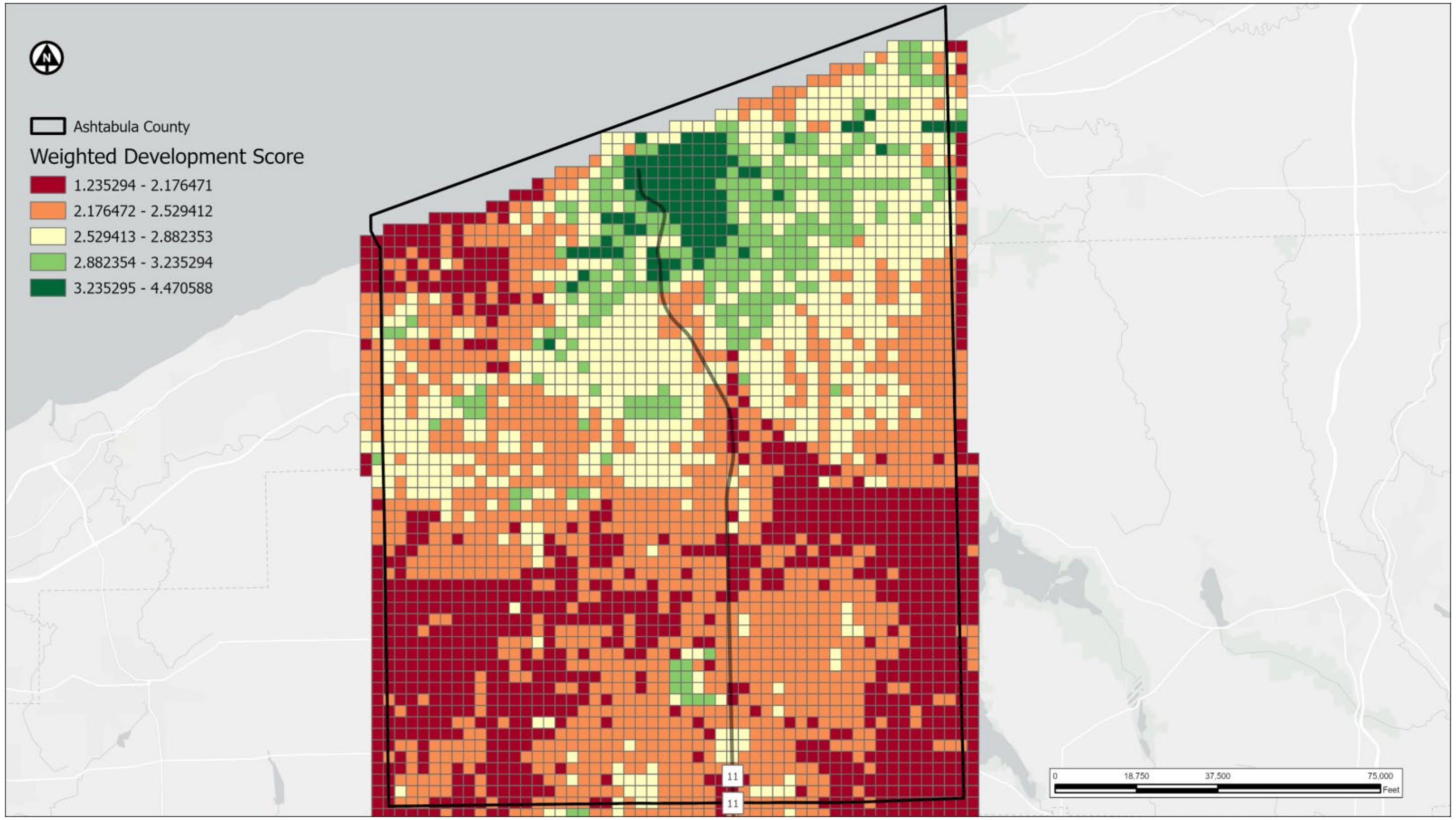
Local Example – Ashtabula County

Ashtabula County Offerings:

- Hundreds of parcels 100+ acres in size
- Developable land
- Abundant access to water
- Parcels free of environmental hazards

Ashtabula County Constraints:

- Limited grid strength
- Limited availability to natural gas
- Limited broadband



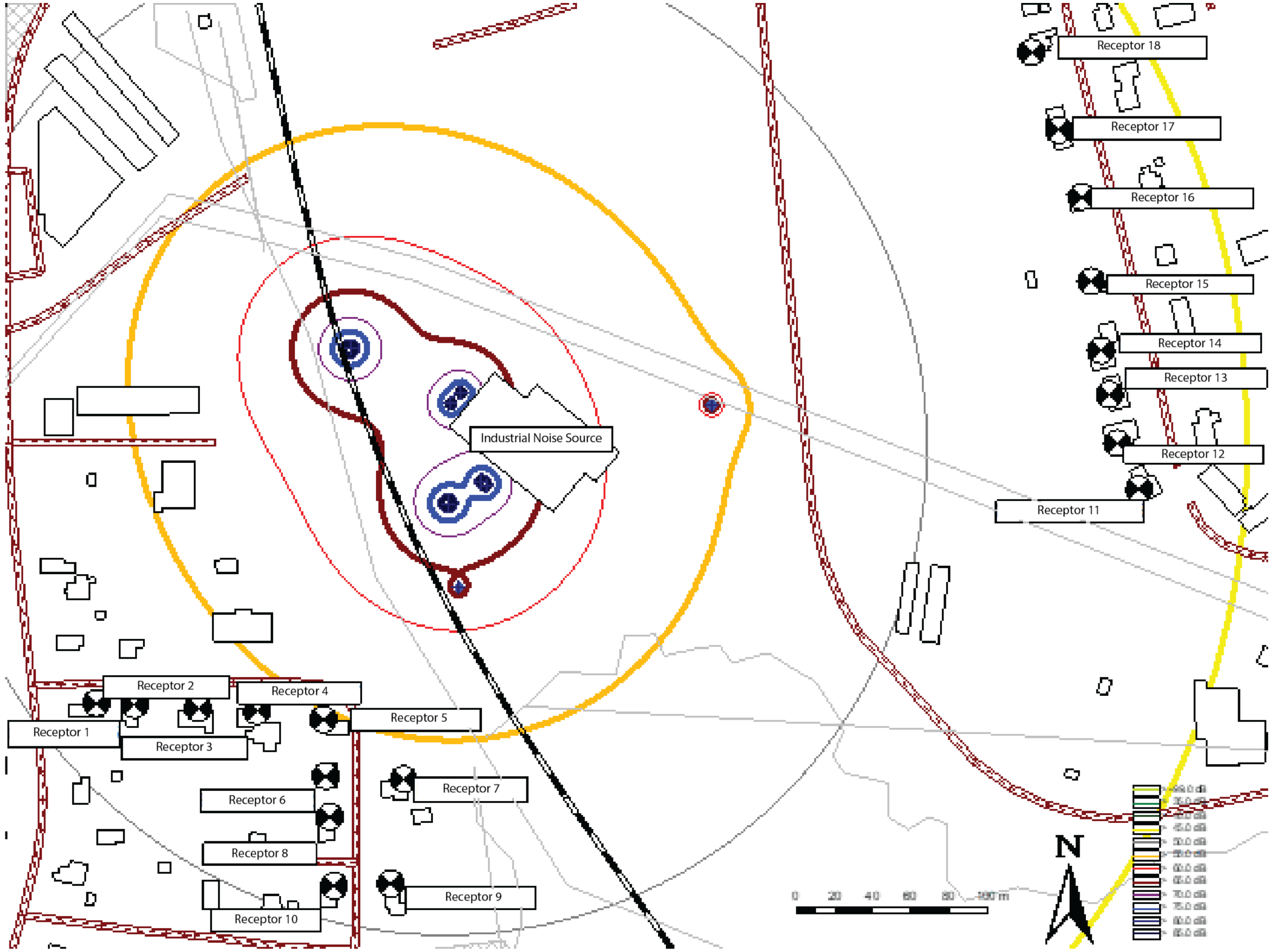
Noise Assessment

Noise Assessments can ensure data centers are compliant with zoning code regulations

Each assessment is tailored based on site conditions and operations

Sounds are measured over multiple days identifying background and dominant noise sources.

Data is evaluated against existing regulations to determine compliance and predictive noise models are developed



Is Your Community in the Running?

Yes

- Rural communities with land available
- No existing zoning code or future land use planning
- Codes and regulations that don't sufficiently define "Data Center"
- Unremediated brownfields
- Active economic and development incentives

No

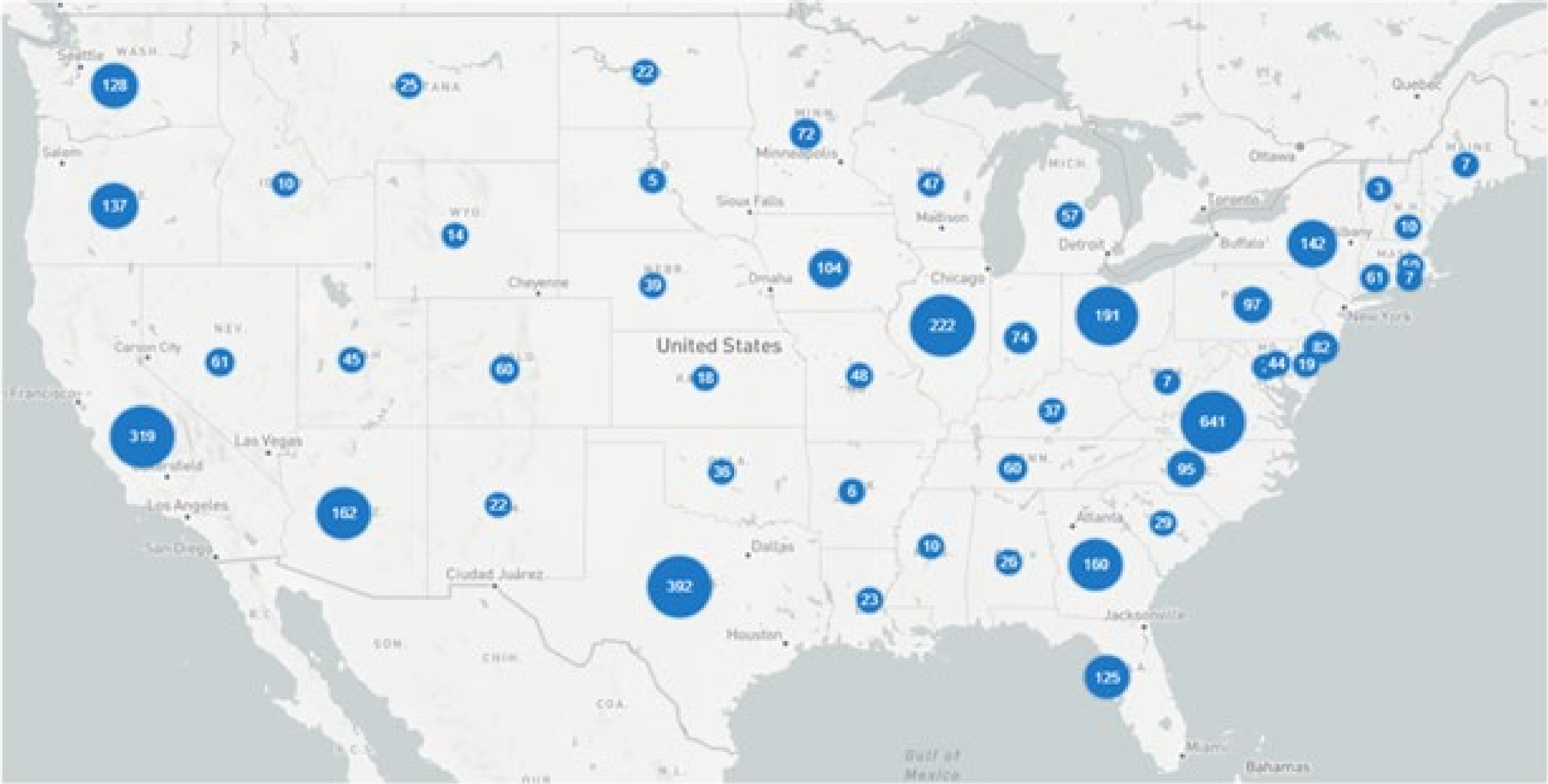
- Communities that are largely built out or urbanized
- Areas with little to no open land
- Insufficient power or water sources
- Strong land use planning and updated zoning code
- Vocal community opposition

Community Focus

Data Center Locations across USA

Source: DataCenterMap.com

- Northern Virginia is the national leader w/ 641
- TX (392), CA (319) and IL (222) also leaders
- Ohio Ranked #5 and growing w/ 191



Communities in the Driver's Seat

Planners must know that the economics and environment around data center development has shifted

Ohio's spending billions on tax breaks for data centers. Now an incentive battle is brewing.

Community Considerations

Where should they go?

- Industrially zoned land
- Appropriately buffered *(not like Virginia)*
- Parcels that are difficult to develop and/or have not been developed
    - Think of the “spec” industrial park that was built, but industry never came.
- Brownfield sites

Design: The Good

Design: The Bad

Community Considerations

- Economic Diversification
- Well designed incentives can generate significant revenue for the community
- Major construction project, creates indirect benefits (workers producing goods and services)
- Post construction, very little traffic impacts
- Average wage for permanent employees $100,000+

- Development agreements
- Incentives
  - CRA
  - TIF
  - Financial modeling
  - NPV considerations
  - Compensation agreements/minimum service payments
- New Community Authorities

Community Benefits

Project APA Planning and Zoning Conference

Anytown, Ohio

Real Property Tax Analysis

Primary Economic Impact Analysis

All Phase Scenario Assumptions
1,500,000 Finished SF Datacenter Installation (1)
150 Acres
$200/SF Auditor Appraised Valuation
$100,000/Acre Auditor Appraised Valuation
Assumes No Growth in Valuation or Millage
Assumes 3 Year Buildout of Phase One

TY25 Effective Class II Tax Rates-		
County	8.24513	17%
Local School District	27.13594	57%
Vocational School	4.895671	10%
Next door Township	1.012685	2%
Anytown Ohio	2.43	5%
County Health Department	0.621567	1%
Fire Levy	2.468259	5%
Local Library	0.65352	1%
Totals	**47.463**	

Executive Summary: Property Tax Impact 2027-2056		
County	$	26,455,913
Local School District	$	87,070,317
Vocational School	$	15,708,600
Next door Township	$	3,249,373
Anytown Ohio	$	7,797,072
County Health Department	$	1,994,404
Fire Levy	$	7,919,832
Local Library	$	2,096,931
Total Property Tax Impact	**$**	**152,292,443**

Economic Impact: Property Taxes

					Total Property Tax Impact Breakout								
Period	Tax Year	Land Value	Improvement Value	Total Appraised Value	Total Real Property Taxes	County	Local School District	Vocational School	Next door Township	Anytown Ohio	County Health Department	Fire Levy	Local Library
1	2027	$ 5,000,000	$ 35,640,000	$ 40,640,000	$ 675,110	$ 117,279	$ 385,982	$ 69,636	$ 14,404	$ 34,564	$ 8,841	$ 35,109	$ 9,296
2	2028	5,000,000	71,992,800	76,992,800	1,279,002	222,185	731,245	131,926	27,289	65,482	16,750	66,513	17,611
3	2029	5,000,000	108,000,000	113,000,000	1,877,153	326,095	1,073,226	193,624	40,052	96,107	24,583	97,620	25,847
4	2030	15,000,000	108,000,000	123,000,000	2,043,272	354,953	1,168,202	210,759	43,596	104,612	26,758	106,259	28,134
5	2031	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
6	2032	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
7	2033	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
8	2034	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
9	2035	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
10	2036	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
11	2037	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
12	2038	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
13	2039	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
14	2040	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
15	2041	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
16	2042	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
17	2043	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
18	2044	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
19	2045	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
20	2046	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
21	2047	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
22	2048	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
23	2049	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
24	2050	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
25	2051	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
26	2052	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
27	2053	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
28	2054	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
29	2055	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
30	2056	15,000,000	324,000,000	339,000,000	5,631,458	978,285	3,219,679	580,871	120,155	288,320	73,749	292,859	77,540
				Totals	**$ 152,292,443**	**$ 26,455,913**	**$ 87,070,317**	**$ 15,708,600**	**$ 3,249,373**	**$ 7,797,072**	**$ 1,994,404**	**$ 7,919,832**	**$ 2,096,931**

Community Engagement

When a project is reliant on local zoning approval, it is important for community engagement to happen **early** so **residents feel informed and involved** in the decision-making processes.

When community engagement happens at the **end** of a decision-making process, community members often **feel blind-sided** by major changes and are more likely to **oppose new development**.

Developers want residents to be **supportive** of the development and are more likely to be **up front** about potential projects if the community is **open** to listening.

Educate first, then seek feedback.

Types of Engagement

Community Engagement comes in many forms but should move away from typical townhall style. Have conversations take place in small groups or one-on-one:

- Open House
- Pop-Up Event
- Online Survey
- Focus Groups

Education – County Planning Commission

A County Planning Commission plays a key role in educating the public on data centers

Help residents understand the regulatory development process:

- Zoning regulations
- Site plan review
- Performance standards
- Advertised public hearing opportunities

Explain how a large industrial development does or does not meet the required standards.

Focus any public-facing information on community impacts. Residents care less about the technology and more about how their everyday life and property could be affected.

When possible, be transparent about the likelihood of data center development. Keep the community informed with regular updates.

Publish meeting agendas and meeting minutes promptly.

Provide recordings of meetings to post on the County website.

Host public information sessions to educate residents and address concerns.

Provide one-pagers of information that is easily digestible to residents.

Implementation of Regulations

Zoning Code clearly defines and thoughtfully regulates data centers

A rushed zoning code can result in inadequate regulations, difficulty in enforcement, and rooted in misinformation

Use moratoriums to determine the community's desired approach to data centers—not just to "pass the buck" on difficult decisions.

Legal Considerations

Legal Considerations – Data Centers

- PSA Negotiations
- Incentives
    - CRA
    - TIF
    - Financial Modeling
    - Compensation Agreements
- New Community Authorities
- Municipal Income Tax/JEDDs

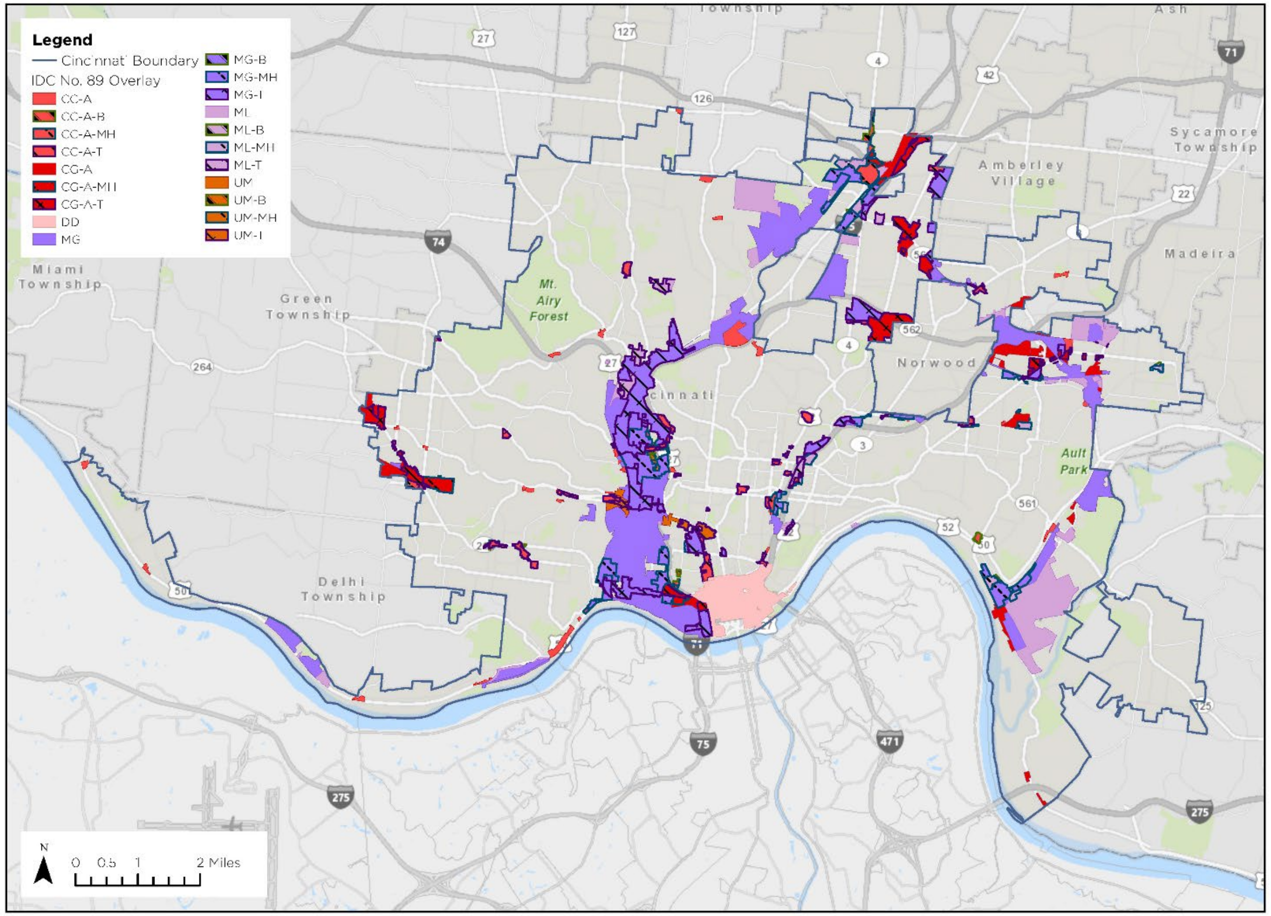
- Sales Tax Exemptions
    - Ohio Data Center Pgrm.
    - Port Authority exemptions
- Water & Sewer Agreements
    - Funding
    - Capacity commitments
    - Peak and minimum flows
    - System Maintenance
- Zoning

Planning & Zoning Legal Framework

- Ask yourself is a data center allowed by right under existing zoning?
    - If yes, do you like that answer? Do you like where?
- If no, how do you want to handle data centers?
    - Moratoriums - risks
    - Rezoning
    - Conditional Use Process
    - Overlays
- Standards:
    - Noise/Landscaping/Design Review

Zoning Pre-Regulation Example

Proposed Interim Development Control Overlay District No. 89, "Data Centers"



- Temporary regulations and creation of temporary overlay district
- Treating them similar to Storage Units – from a definitional standpoint
- Working on a study to propose zoning revisions to account for data center development

Community Reinvestment Areas

- Abates real property taxes
- Required characteristics of area:
  - Housing facilities or structures of historical significance
  - New construction and repair of existing facilities or structures has been lacking or discouraged
  - Objective signs of dis-investment
- If not already created, the legislative body may work to establish a Community Revitalization Area

Community Reinvestment Areas

- Legislation establishing area may set incentive parameters:
  - Eligible property types (residential, commercial/industrial)
  - Eligible investment thresholds
  - Period of exemption (maximum 15 years)
  - Percentage of exemption (maximum 100% of increase in taxes)
    - ***ONLY applicable to structure or building value—taxes attributable to land are never exempted in CRA***
  - Compensation to overlapping subdivisions

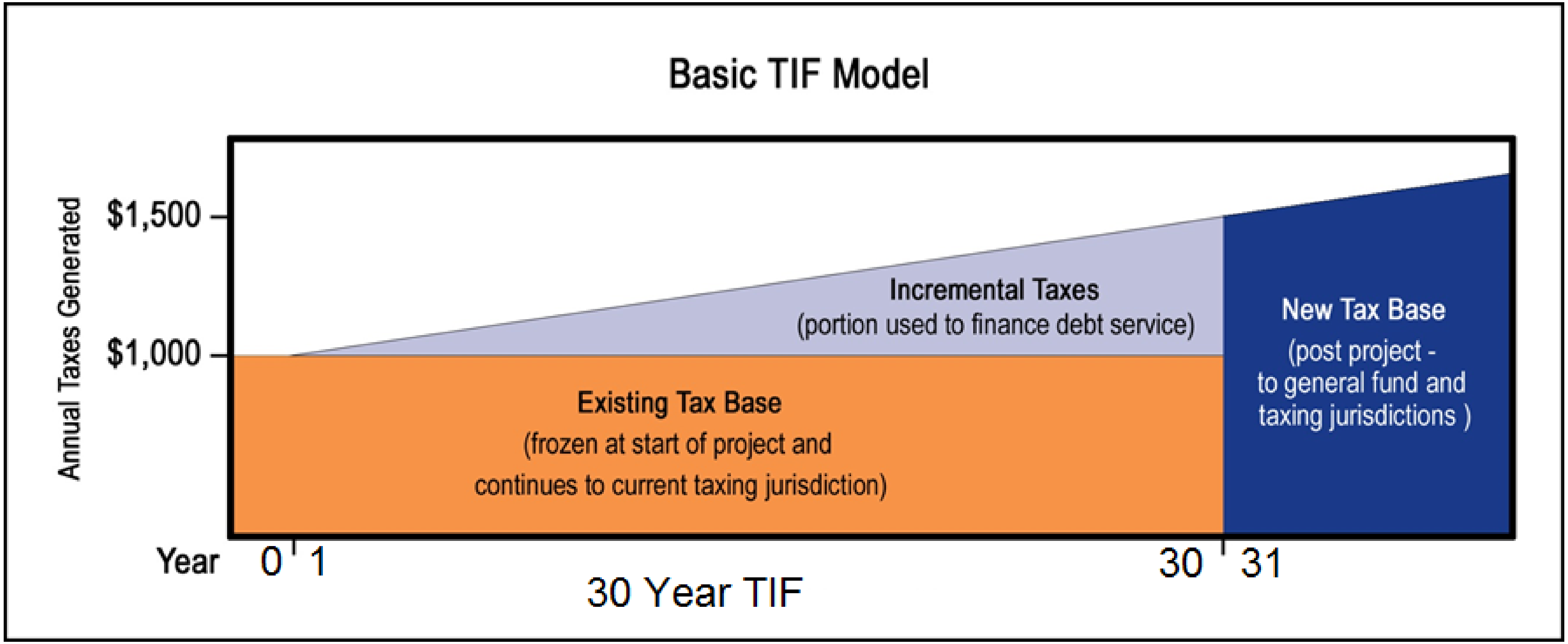
TIF – Tax Increment Financing

- Redirect new tax property tax revenue in connection with a new development (or redevelopment) away from normal recipients and toward payment of costs of improvements that benefit that development
  - Infrastructure Improvements
  - Direct Development Costs

Increment

- Increase in real estate taxes resulting from development over and above the value prior to the date that the development occurred.
- Existing taxes continue to go to taxing districts (i.e., schools, county, city, continue to receive predevelopment tax revenues).

TIF – Tax Increment Financing



New Community Authority

- Separate governmental body organized to encourage the orderly development of an economically sound new community
- Developer-driven (developer can include local government)
- Community development charge based on millage, residents' income, gross receipts, or business revenues (including lease rentals)
    - Issue bonds repaid from assessments
    - Revenue directed to "Community Facilities": public buildings, parks, lakes and streams, cultural facilities, streets, lighting, water / sewer, gas or electric

Data Center Sales Tax Exemption

- A tax credit for eligible data center equipment
- The Data Center Tax Exemption provides a sales-tax exemption rate and term that allow for partial or full sales tax exemption on the purchase of eligible data center equipment
- Projects must meet minimum investment ($100M) and payroll thresholds ($1.5M) to be eligible
- Final approval of the tax exemption is contingent upon the approval of the Ohio Tax Credit Authority

Thank You!

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