To: Metropolitan Development Commission, Marion County, Indiana

From: Devin Hillsdon-Smith, Hyphen Strategies, LLC

Date: March 6, 2026

Re: Independent Expert Site Assessment regarding **Sabey Data Center Properties, LLC**

I. Executive Summary & Hyperscale Benchmarking Matrix

The siting and development of a modern, 250-megawatt (MW) hyperscale and colocation data center is a highly specialized endeavor that is fundamentally different from traditional commercial, residential, or even standard industrial real estate development. It requires an exceptionally rare convergence of critical infrastructure, appropriate zoning, and geographic stability. I have been engaged as an independent economic development and site-selection expert to evaluate the suitability of the proposed Decatur Township site (located near Camby Road and Kentucky Avenue) based on objective national benchmarking criteria for hyperscale colocation campuses.

When benchmarking a site for a 250 MW class facility, site selectors rigidly screen for 138kV+ transmission voltage adjacency, minimum contiguous acreage of 100+ acres, immediate time-to-power feasibility, dense fiber optic redundancy, and minimal water risk exposure. Based on the existing physical infrastructure and the current land-use context of the Decatur Township site, it is my professional conclusion that the location chosen by **Sabey Data Center Properties, LLC** is a highly strategic selection that scores at the very top of national site-selection metrics.

Furthermore, my independent analysis validates that the proposed data center campus **will not be injurious to the public health, safety, morals, and general welfare of the community**. Instead, it represents the absolute lowest-impact, highest-value use for this legally zoned Light Industrial (I-2) land, providing unprecedented, privately-funded utility upgrades that will benefit the surrounding municipality.

II. High-Voltage Power Proximity & Grid Shielding (Primary Driver)

A 250 MW hyperscale campus requires immense, highly reliable power—equivalent to the load of a small city. The primary driver for selecting this specific parcel is its unprecedented access to existing high-capacity electrical infrastructure. This immediate proximity to heavy utility assets constitutes a **condition peculiar to the property** that makes it uniquely suited for this exact development.

- **Transmission Corridor & Substation Adjacency:** The site features a major high-voltage transmission corridor directly intersecting the property, which is critical for a 138kV+ interconnection at this scale. Furthermore, it sits immediately adjacent to an existing AES Indiana substation located directly across Kentucky Avenue. In standard development scenarios, developers are forced to acquire miles of public right-of-way and execute disruptive utility trenching through residential or commercial corridors to bring power to a site. This property's unique geographic adjacency to existing grid infrastructure eliminates that community disruption entirely.

- **Developer-Funded Utility Upgrades:** To accommodate the planned 15 MW initial phase-in up to the full 250 MW capacity, the developer is legally committing to self-fund a new, dedicated 10-acre on-site electrical substation, as well as all related generation, transmission, and distribution upgrades required.
- **Ratepayer Shielding & Grid Resiliency:** In many municipal infrastructure upgrades, the financial burden falls on local taxpayers or is subsidized through increased utility rates. By absorbing these massive infrastructure capital expenditures, the petitioner strictly limits municipal fiscal exposure and entirely shields local AES Indiana ratepayers. Furthermore, this privately funded modernization inherently stabilizes and reinforces the local grid for the surrounding Decatur Township neighborhoods, definitively ensuring the project is **not injurious to the public welfare**.

III. Spatial Geometry & Land-Use Compatibility

To properly evaluate land-use impact, the proposed development must be measured against the site's legal baseline and its physical geometry. The subject property consists of a roughly 130+ acre contiguous parcel. This massive scale is an essential prerequisite for designing a phased, highly secure, multi-building campus that can internalize its operational footprint.

- **Functional Topography & Geometry:** The site is relatively flat, which reduces the need for heavy, disruptive civil grading and earth-moving during construction. More importantly, its triangular geometry naturally separates the heavy operational utility yards from the residential edges.
- **Aesthetic Buffering & Tree Preservation:** A core tenet of modern data center development is minimizing visual and auditory impact on surrounding neighbors. To ensure adjacent properties are protected, the developer has executed a binding legal commitment to maintain massive **200-foot transitional yards at residential property lines**. These setbacks will feature constructed earthwork berms, highly secure solid perimeter fencing, and the extensive preservation and planting of mature trees, effectively rendering the facility's profile visually unobtrusive from the residential boundary.
- **Statutory Alignment with Industrial Baselines:** The site is already legally zoned I-2 (Light Industrial) and was previously approved for a massive "large technology park" warehousing project. Therefore, the baseline expectation for this land is high-intensity industrial usage. **The requested variance does not authorize a use inconsistent with the underlying zoning district; it merely allows a reasonable and modern configuration of a use already contemplated by the zoning ordinance.** The proposed data center features a significantly lower-intensity physical and operational footprint than the permitted warehouse alternative. As such, **the use and value of the area adjacent to the property will not be affected in a substantially adverse manner**, nor does the grant interfere substantially with the comprehensive plan.

IV. Water Conservation & Municipal Infrastructure Feasibility

Older, legacy data centers often utilized evaporative "open-loop" cooling towers, which required

high, continuous volumes of local water to reject heat. This proposed campus directly mitigates environmental risk by adhering to the most current, ecologically responsible engineering standards available in the hyperscale industry.

- **Closed-Loop Air-Cooled Technology: Sabey Data Center Properties, LLC** has committed to utilizing advanced, closed-loop air-cooled systems. While Sabey utilizes liquid cooling in other geographic markets, they are legally committed to utilizing solely air-cooled technology at this Decatur Township campus. Unlike open-loop systems, closed-loop air cooling merely recirculates the same contained fluid continuously to cool the servers. After the initial system fill, daily "make-up" water consumption is negligible. This entirely removes continuous water withdrawal dependency and minimizes long-term water stress exposure for the municipality. The facility's daily domestic water draw will roughly equate to that of a standard commercial office building.
- **Wastewater & Stormwater Management:** The site offers the capacity to tie into existing sanitary sewer infrastructure for standard domestic use. Any emergency discharge protocols related to the mechanical systems will be strictly compliant with the Indiana Department of Environmental Management (IDEM) and will never overwhelm municipal treatment facilities. Furthermore, the expansive acreage allows for engineered, on-site stormwater detention, preventing runoff issues for neighboring properties.

V. Telecommunications Density & Latency Profile

Modern hyperscale and colocation facilities require massive, highly redundant data transmission capabilities. Access to dense, multi-carrier dark fiber is a strict, non-negotiable prerequisite for site selection. Without it, the site is unviable, regardless of power availability.

- **Fiber Redundancy & Multi-Carrier Access:** The site’s immediate proximity to the Kentucky Avenue corridor supports vital telecom backbone routes. The location provides convergence for multiple Tier-1 Metro and Long Haul fiber carriers, including Lumen, Everstream, Crown Castle, Windstream, Arelion, and Zayo. This ensures path diversity and absolute network redundancy.
- **Geographic Centrality & Latency:** Indianapolis serves as a highly strategic, low-latency node connecting major Midwestern and national markets, including Chicago, Columbus, St. Louis, and Louisville. This established data infrastructure market, combined with the physical fiber presence at the site pin, makes this specific location highly attractive for mission-critical enterprise and cloud deployments.

VI. Transportation Logistics & Traffic Mitigation

When compared to the legally permitted industrial alternative (large-scale warehousing), a data center is objectively the lowest-impact industrial use available regarding municipal traffic congestion and local road wear.

- **Controlled Access & Mitigation:** The campus will utilize direct access to IN-67 / Kentucky Avenue for both heavy construction logistics and long-term operations. This intentionally keeps heavy supply trucks and commuter traffic off local, secondary roads. Crucially, the site plan dictates that there will be no direct vehicle access from Camby Road, further shielding the residential neighborhood from industrial traffic patterns.

- **Traffic Reduction Metric:** Traditional logistics hubs require thousands of daily vehicle trips, heavy diesel emissions, and constant 18-wheeler supply truck traffic. Conversely, the hyperscale operational profile features limited daily employee commutes (roughly 50-150 specialized technicians spread across three shifts). According to the industry-standard **Institute of Transportation Engineers (ITE) Trip Generation Manual** and validated by the site-specific **American Structurepoint** traffic study, this operational profile yields an astonishing **80% reduction in peak-hour vehicle trips** compared to the prior heavy-industrial warehouse approval.
- **Quantifiable Community Investment:** In addition to drastically minimizing industrial traffic impact, the developer has made a monumental community commitment. **Sabey Data Center Properties, LLC** has pledged **$5 million** directly toward local road repaving, intersection improvements, and pedestrian trail development in Decatur Township.

VII. Regulatory Feasibility & Acoustic Environmental Alignment

From a regulatory and environmental risk standpoint, the developable envelope of this site is highly feasible. It is not materially constrained by FEMA flood zones, ensuring the long-term safety of the multi-billion-dollar infrastructure investment. It also aligns perfectly with the established industrial character of the corridor, which is already accustomed to heavy utility infrastructure.

- **Generator Testing & Acoustic Safeguards:** To address common community environmental and acoustic concerns, the facility will feature no permanent, continuous on-site power generation (e.g., no permanent combustion turbines or nuclear facilities). The campus will rely strictly on standard, heavily regulated emergency backup generator systems. **Sabey Data Center Properties, LLC** has made a binding commitment that these generators will *only* be utilized for emergency outages and standard maintenance testing.
- **Decibel Limits & Siting:** To ensure acoustic compliance, the developer has committed to conducting rigorous sound testing, guaranteeing that noise levels will be **no louder than 65 decibels at the property line** while generators are running. Furthermore, the utility yards housing these generators are heavily screened and located at a significantly large distance from any property lines, ensuring the acoustic and visual profile is completely mitigated for neighboring residents.

VIII. Campus-Scale Architecture & Redundancy

The requested development standards variance is a direct result of the unique architectural requirements of a 250 MW hyperscale campus, not an arbitrary developer preference or aesthetic whim.

- **Phased Deployment & Operational Yards:** The 130+ acre site is necessary to phase the construction of multiple 30-50 MW data halls over time while securely accommodating large utility yards for generators, switchgear, and transformers. These yards are critical to achieving the N+1 or 2N electrical redundancy architectures demanded by hyperscale tenants.

- **Development Standards (Practical Difficulty):** To achieve the stringent sustainability, hot-aisle containment, and energy-efficiency standards of modern data centers, the facilities must be designed with significant verticality to house advanced air-handling and cooling infrastructure. The requested height variance (up to 75 feet) for Building B is a strict physical engineering requirement for this technology. Therefore, **the strict application of the terms of the zoning ordinance will result in practical difficulties** in the use of the property, effectively prohibiting the deployment of highly efficient, environmentally sustainable building designs.
- **Consistency with Zoning:** Importantly, the requested development standards variance does not introduce a use inconsistent with the underlying I-2 Light Industrial zoning classification. Rather, it permits the reasonable configuration of a modern hyperscale data center facility, a form of industrial infrastructure that, based on objective operational characteristics such as traffic generation, water consumption, and employment density, represents a lower-impact industrial use than the warehouse and logistics operations already contemplated for the property.

IX. Risk Mitigation & Statutory Conclusion

Sabey Data Center Properties, LLC has presented a site layout and operational plan that inherently mitigates typical land-use conflict risks. The expansive acreage, the massive 200-foot landscaped setbacks (with berms, fencing, and trees), the legally recorded financial commitments to public infrastructure, and the area's established heavy-industrial zoning history provide significant operational certainty and community protection.

Local zoning ordinances frequently predate the spatial, architectural, and engineering realities of modern data centers. The existing local code currently lacks a defined classification that accurately captures this modern, high-value, low-impact, and low-traffic use. Therefore, **the strict application of the terms of the zoning ordinance constitutes an unusual and unnecessary hardship** because it forces an ultra-modern technology campus to adhere to outdated, restrictive standards originally designed for traditional, heavy-traffic warehouses and logistics centers.

Based on the infrastructure characteristics of the site, the objective reduction in industrial traffic, the closed-loop air-cooled conservation guarantees, and the robust legal and financial safeguards offered to the municipality, the proposed development satisfies the statutory variance criteria under **IC 36-7-4-918.4** & **IC 36-7-4-918.5**. It represents the highest, best, and least intrusive use of this industrial land.

Attachments

- **Appendix A:** Devin Hillsdon-Smith Curriculum Vitae

Signed:

Devin Hillsdon-Smith
Founder & Principal Consultant
Hyphen Strategies, LLC

March 6, 2026

Appendix A

Devin J. Hillsdon-Smith

Hyphen Strategies, LLC | Founder & Principal Consultant

PROFESSIONAL SUMMARY

Independent economic development consultant and site-selection expert with over 12 years of experience specializing in corporate real estate strategy, industrial land-use compatibility, and mission-critical infrastructure. Recognized authority in hyperscale data center site selection, utility infrastructure benchmarking (power and fiber optics), and economic impact analysis. Frequently engaged by leading real estate developers and data center users to provide objective site selection advisory services. **Represented 10+ data center projects averaging 300 MW and $3.5 Billion CapEx per project.**

RELEVANT CORE COMPETENCIES

- **Mission-Critical Site Selection:** Hyperscale data centers, colocation facilities, and advanced manufacturing.
- **Infrastructure Analysis:** High-voltage utility grid capacity, substation development, and multi-carrier fiber optic network density.
- **Land-Use & Zoning Strategy:** Variance justification, comprehensive plan alignment, and industrial buffering standards.
- **Economic Impact Modeling:** Capital expenditure (CapEx) tracking, municipal tax base revenue generation, and job multiplier effects.
- **Municipal Approvals:** Expert testimony and reporting for local planning commissions, zoning boards, and city councils.

RELEVANT PROFESSIONAL EXPERIENCE

Hyphen Strategies, LLC | *Founder & Principal Consultant (2022 – Present)*

- Lead a specialized consultancy providing objective site-selection advisory and economic development strategies for high-impact industrial and technology projects.
- Conduct complex spatial and infrastructural analyses to benchmark sites against national industry standards for power resiliency, environmental sustainability (e.g., closed-loop cooling), and telecommunications density.
- Provide independent, clinical assessments for real estate developers, validating development standards and use variances for multi-billion-dollar capital investments.

Cushman & Wakefield | *Director (2022 – 2025)*

- Led team site selection for data center clients, overseeing strategy, risk mitigation, and utility negotiations.
- Partnered directly with major utility providers (e.g., AES, Duke Energy) to forecast grid capacity and negotiate custom tariff structures and substation funding models for high-megawatt industrial users.
- Authored comprehensive market entry reports detailing municipal tax structures, regulatory environments, and fiber optic network availability across Tier 1 and Tier 2 US markets.

River Ridge Development Authority | *Deputy Director, Business Development (2019 – 2022)*

- Managed industrial attraction and retention for a major Midwestern industrial park, overseeing attraction interaction with comprehensive planning, tax abatement negotiations, and public-private infrastructure partnerships.
- Served as the primary liaison between developers, utility companies, and prospects to ensure alignment with comprehensive land-use plans.

SELECTED PROJECT EXPERIENCE

- **Hyperscale Data Center Campus Site Validation (Midwest):** Conducted an independent land-use compatibility study for a $3B+ data center campus, successfully demonstrating to local officials that the operational profile (traffic, noise, water usage) represented a lower-impact use than legally permitted baseline warehousing.
- **Utility Infrastructure Benchmarking (National):** Advised a leading colocation provider on the site selection of a 150MW campus, prioritizing access to existing high-voltage transmission corridors and multi-carrier dark fiber access to minimize right-of-way disruption.
- **Zoning & Variance Strategy for Technology Park (Southeast):** Provided expert reporting that secured critical height and development standard variances by demonstrating that modern vertical cooling infrastructure was a practical necessity for environmental sustainability, rather than an arbitrary architectural preference.

EDUCATION

Indiana University Robert H. McKinney School of Law | Indianapolis, Ind.

Juris Doctor

Ball State University | Muncie, Ind.

Bachelor of Arts