

Economic Impact of Proposed Decatur Technology Park Data Center

Sabey Data Centers (SDC) has developed a proposal to build and operate a data center at the Decatur Technology Park in Marion County. SDC's proposed project includes approximately \$2.5 billion in new capital investment and the creation of 75 permanent jobs that are guaranteed to pay at least \$104,000 in wages per job once the data center is fully operational. Furthermore, as a colocation facility, SDC expects that data center clients will generate another \$1.5 billion to \$2.5 billion in capital investment. In addition to these direct effects, this proposed project would also have secondary impacts by generating additional economic activity in the area.

To estimate the full economic effects of this proposed project, SDC partnered with the Indiana Business Research Center (IBRC) at Indiana University's Kelley School of Business to conduct an analysis of these activities and measure the economic ripple effects that this investment will generate within Decatur Township, Marion County and throughout the state of Indiana.

Key Findings

Construction Phase

Impacts in Marion County:

- **710 direct construction jobs** per year on average over the six-year buildout.
- **440 annual "ripple effect" jobs** on average in Marion County during construction.
- All told, the project will support **1,150 total jobs** per year with average compensation of **\$105,200 per job**. For context, the average compensation for all jobs in Indiana was \$77,532 in 2024.
- **\$2.8 million in annual tax revenues** for local units of government in Marion County.

Statewide Impacts:

- Adding in ripple effects elsewhere in the state, the full impact in Indiana climbs to **1,400 annual jobs** over the life of the project with an average compensation of **\$97,100 per job**.
- **\$7.0 million in annual revenues** for state government.

Operations Phase

Impacts in Marion County:

- **75 direct workers** at a guaranteed wage of at least \$104,000 per job at the Decatur Technology Park.
- **105 additional ripple effect jobs** at other businesses in Marion County.
- In total, the Decatur Technology Park will support **180 permanent jobs** in the county with an average annual compensation of **\$101,300 per job**.
- The Decatur Technology Park will also generate significant revenues for local units of government. It is anticipated that the data centers will generate **\$11 million in local property taxes per year over** the first ten years of operation, and **\$22 million per year after that point**.
- In addition to these direct property tax revenues, the combined effects of this facility's operations will produce another **\$1.0 million in annual tax revenues** for local units of government in Marion County as well as **\$2.3 million in annual revenues** for state government.

Economic Impact of Decatur Technology Park: Detailed Results

As stated previously, Sabey Data Centers (SDC) proposes to invest roughly \$2.5 billion to build and equip its data center at Decatur Technology Park. Additionally, SDC would create 75 permanent jobs at a guaranteed wage of at least \$104,000 per job to staff the Decatur Technology Park once it is fully operational.

In the terminology of economic impact analysis, these details describe some of the “direct effects” of SDC’s contributions to the Marion County and Indiana economies. The economic activity generated by these direct effects then cascade throughout the state and local economies in the form of supply-chain expenditures and household spending. To estimate these additional economic contributions, the research team used the IMPLAN economic modeling package to conduct an input-output analysis of these various SDC-related sources of spending.

The IMPLAN model draws from a variety of secondary data sources to provide a detailed account of the state and local economies. For instance, the IMPLAN model estimates that Marion County-based data centers spend 77% of their operating budgets for goods and services with other businesses in the county. Similarly, the contractors involved in the construction phase of this project will source some of their inputs from suppliers in Marion County. The economic activity generated by these supply-chain purchases are known as SDC’s “indirect effects” on the local and state economies.

In addition to the indirect effects, SDC’s activities boost the economy when their staff—as well as employees throughout SDC’s supply chain—spend their earnings on food, shelter, health care, entertainment, etc., with much of this spending also occurring in Marion County. These household spending impacts represent SDC’s so-called “induced effects” on the economy. The combined contributions from each of these spending streams—the indirect and induced effects—are referred to as the economic “ripple effects” of SDC’s activities in the following text and tables.

This analysis will measure SDC’s economic contributions to the local and state economies in four ways: employment, employee compensation (i.e., pay and benefits), gross domestic product (GDP), and government revenues.

Capital Investment Impacts

SDC’s contributions to the local and state economies would begin with a \$2.5 billion capital investment to be completed over a three-year period. Approximately 45% of this total is dedicated to typical construction activities such as labor, site preparation, shell and core build out, and professional services. Meanwhile, the remaining 55% of the investment will be spent on

specialized information technology equipment and infrastructure unique to data centers. In addition, through collaboration with AES Indiana, SDC reports that it will pay all related costs associated with the new substation for the data center and the additional generation, transmission, and distribution infrastructure needed to service the data center.

As **Table 1** details, these capital investments will support an average of 710 direct construction jobs per year over the three-year buildout. In addition to these direct jobs, supply-chain spending by contractors and household spending by workers will support an additional 440 annual “ripple effect” jobs in Marion County over the duration of the project, which brings the total employment footprint during the construction phase to an estimated 1,150 jobs per year in Marion County. All told, these jobs will generate nearly \$121 million in annual compensation, which translates to an average annual compensation of \$105,200 per job over the life of the construction project.

One useful way to interpret these impacts is to look at the multipliers. A comparison of the direct construction jobs to the total employment impact, for instance, yields a ratio of 1.62, meaning that every direct construction job supports an additional 0.62 jobs at other businesses in Marion County (or every 100 construction jobs support another 62 jobs in the county). The compensation multiplier of 1.55 suggests that every dollar of direct payroll for construction labor creates an additional \$0.55 in employee compensation for workers at other businesses in Marion County.

As for broader economic activity, the combined effects of these capital investments will contribute an estimated \$213 million per year to Marion County’s GDP during the construction phase. The multiplier of 1.49 indicates that every dollar of direct GDP spurs an additional \$0.49 in economic activity elsewhere in the county.

Table 1: Decatur Technology Park Construction Phase: Average Annual Impacts in Marion County

	Direct Effects	Economic Ripple Effects	Total Economic Effects	Multipliers
Employment	710	440	1,150	1.62
Employee Compensation (\$mil)	\$78.0	\$43.0	\$121.0	1.55
GDP (\$mil)	\$142.6	\$70.4	\$213.0	1.49

Source: Indiana Business Research Center, using data from SDC and the IMPLAN economic modeling package. All dollar values are in 2026 dollars.

These capital investments will also stimulate economic activity for other Hoosier businesses outside of Marion County. When we expand our focus to the statewide economic impacts of this construction project, the employment ripple effects climb to 690 jobs per year across Indiana (see

Table 2). This brings the full employment impact in the state to an estimated 1,400 annual jobs worth \$136 million in annual compensation (\$97,100 per job).

Table 2: Decatur Technology Park Construction Phase: Average Annual Impacts in Indiana

	Direct Effects	Economic Ripple Effects	Total Economic Effects	Multipliers
Employment	710	690	1,400	1.97
Employee Compensation (\$mil)	\$78.0	\$58.0	\$136.0	1.74
GDP (\$mil)	\$142.6	\$100.0	\$242.6	1.70

Source: Indiana Business Research Center, using data from SDC and the IMPLAN economic modeling package. All dollar values are in 2026 dollars.

The economic activity created during the construction phase will also generate tax revenues for state and local units of government. As **Table 3** shows, this project would generate an estimated \$2.8 million in annual tax revenues for local units of government in Marion County during the construction phase. Add in spending with other Hoosier businesses outside of Marion County, and the local government revenue impacts statewide rise to \$3.8 million per year. This project would also produce an estimated \$7.0 million in annual revenues for state government during construction.

Table 3: Decatur Technology Park Construction Phase: Average Annual Tax Impacts

Geographic Area	Local Government Revenue (\$mil)	State Government Revenue (\$mil)
Marion County	\$2.8	\$5.3
Indiana (remainder)	\$1.0	\$1.8
Indiana Total	\$3.8	\$7.0

Source: Indiana Business Research Center, using data from SDC and the IMPLAN economic modeling package. All dollar values are in 2026 dollars.

Economic Impacts of Decatur Technology Park Operations

Once fully operational, SDC expects to employ 75 direct workers at a guaranteed wage of at least \$104,000 per job at the Decatur Technology Park. As **Table 4** highlights, the economic ripple effects generated by the new data center will support an estimated 105 additional jobs in Marion County, bringing the total employment footprint to 180 jobs in the county. In total, these Marion County-

based jobs will pay an estimated \$18.2 million in annual employee compensation, which works out to roughly \$101,300 per job.

The employment multiplier of 2.40 means that every direct job at the Decatur Technology Park will support 1.4 jobs with other employers in Marion County (or every 10 direct jobs create another 14 jobs at other Marion County businesses).

The combined effects of the Decatur Technology Park’s activities will also contribute an estimated \$29.7 million to Marion County’s GDP. The multiplier of 2.10 suggests that every dollar of GDP created by the technology park directly will spur an additional \$1.10 in economic activity with other businesses in the county.

Table 4: Decatur Technology Park Operations Phase: Annual Impacts in Marion County

	Direct Effects	Economic Ripple Effects	Total Economic Effects	Multipliers
Employment	75	105	180	2.40
Employee Compensation (\$mil)	\$8.7	\$9.5	\$18.2	2.10
GDP (\$mil)	\$14.2	\$15.6	\$29.7	2.10

Source: Indiana Business Research Center, using data from SDC and the IMPLAN economic modeling package. All dollar values are in 2026 dollars.

When we consider the additional economic effects in other parts of the state, the full employment impact of the Decatur Technology Park rises to 220 total jobs in Indiana earning \$20.5 million in annual compensation (\$93,200 per job). Additionally, the combined effects of these activities will contribute an estimated \$34.5 million to Indiana’s GDP (see **Table 5**).

Table 5: Decatur Technology Park Operations Phase: Annual Impacts in Indiana

	Direct Effects	Economic Ripple Effects	Total Economic Effects	Multipliers
Employment	75	145	220	2.93
Employee Compensation (\$mil)	\$8.7	\$11.8	\$20.5	2.36
GDP (\$mil)	\$14.2	\$20.3	\$34.5	2.44

Source: Indiana Business Research Center, using data from SDC and the IMPLAN economic modeling package. All dollar values are in 2026 dollars.

The Decatur Technology Park will also generate significant revenues for local units of government. It is anticipated that the data centers will generate \$11 million in local property taxes per year over the first ten years of operation, and \$22 million per year after that point.

In addition to these direct property tax revenues, the combined effects of this facility’s operations will produce another \$1.0 million in annual tax revenues for local units of government in Marion County as well as \$2.3 million in annual revenues for state government (see **Table 6**).

Table 6: Decatur Technology Park Operations Phase: Annual Tax Impacts

Geographic Area	Local Government Revenue (\$mil)	State Government Revenue (\$mil)
Marion County: Direct Property Taxes	\$11.0*	
Marion County: All other revenue sources	\$1.0	\$1.9
Indiana (remainder)	\$0.2	\$0.4
Indiana Total	\$12.2	\$2.3

*Anticipated annual property tax revenues over first 10 years of operations. Property tax payments expected to rise to \$22 million after first 10 years
 Source: Indiana Business Research Center, using data from SDC and the IMPLAN economic modeling package, All dollar values are in 2026 dollars.

Relevance of Economic Impact Findings to Petition for Variance of Use

The results of this economic analysis, along with the findings from other studies related to data center activities, provide support for some of the Findings of Fact in Sabey Data Center’s Petition for Variance of Use, particularly Findings of Fact items 1 and 2 regarding general welfare of the community and impacts on adjacent properties.

1. The grant will not be injurious to the public health, safety, morals, and general welfare of the community because:

The findings of this economic analysis show that Sabey Data Center’s activities will contribute to the community’s general welfare. This proposed project will generate approximately \$2.5 billion in private capital investment from SDC and will create significant construction employment, permanent jobs once the facility is operational, and additional benefits for the community through its economic ripple effects. In short, the Decatur Technology Park will generate meaningful economic benefits for Marion County and the state of Indiana through significant capital investment, job creation and a long-term expansion of the local tax base.

Regarding fiscal impacts, a 2024 study on data centers in Virginia by that state’s Joint Legislative Audit and Review Commission noted that data centers can be a particularly attractive industry since they generate significant government revenues while placing relatively light demands on public services in comparison to many other industries.¹

¹ “Data Centers in Virginia, 2024,” Joint Legislative Audit and Review Commission, Commonwealth of Virginia, December 9, 2024, <https://jlarc.virginia.gov/pdfs/reports/Rpt598.pdf>

2. The use and value of the area adjacent to the property included in the variance will not be affected in a substantially adverse manner because:

While the results of this economic analysis do not directly address impacts on the uses or values of properties near the Decatur Technology Park, other studies suggest that the Decatur Technology Park will not have negative effects on nearby properties.

For instance, a Trip Generation Comparison study conducted by American Structurepoint, Inc. shows that the proposed data center use for the Decatur Technology Park property will result in an 80% reduction in traffic volumes when compared to a previously approved site plan for this property (this site plan consisted of a mix of industrial, warehousing, and short-term storage uses). Such a reduction in traffic volumes would help reduce traffic congestion, benefit pedestrian and motorist safety, and reduce wear and tear on transportation infrastructure.

Additionally, a study titled Analysis of Residential Property Value Impact conducted by Integra Realty Resources (IRR) analyzed changes in estimated residential property values near four other data centers in Indiana that have similar characteristics to the facility proposed for the Decatur Technology Park site. These comparison data centers are located in New Carlisle, LaPorte, Jeffersonville, and Fort Wayne. The analysis examined a five-year trend in estimated residential property values (based on Zillow Zestimates and the Zillow Home Value Index) within 1.5 miles of each site. The IRR analysis found that residential properties near these data centers appreciated at roughly the same rate as in the corresponding local market areas. According to IRR, then, based on available data and comparable developments, data centers do not cause measurable decreases in nearby residential property values. These findings led IRR to conclude that “the values of the residential properties surrounding the proposed Sabey Data Center will not be affected in a substantially adverse manner.”

These findings are consistent with a recent analysis from George Mason University on the impacts of data centers in Northern Virginia on home sales.² Researchers conducted a regression analysis on Northern Virginia home sales in 2023 and concluded that “this analysis fails to demonstrate statistical evidence that proximity to a data center negatively impacts housing values.”

² Keith Waters and Terry Clower, “Data Centers and 2023 Home Sales in Northern Virginia,” Center for Regional Analysis, George Mason University, August 2025, https://cra.gmu.edu/wp-content/uploads/2025/08/NoVa_DataCenters.pdf

Conclusion

The economic conclusions of this report, which are based on an independent analysis conducted by the Indiana Business Research Center at Indiana University's Kelley School of Business, show the economic benefits of SDC's proposed development at the Decatur Technology Park.

The direct impacts of this proposed development—both in terms of initial capital investments and the ongoing facility operations—will create new jobs, labor income, and GDP at the Decatur Technology Park site. Additionally, the economic ripple effects that result from these activities will generate additional economic activity for existing businesses in Marion County or create entrepreneurial opportunities. In addition to these construction and operations jobs, this project will generate substantial ongoing government revenues that will support local public services. Based on this economic analysis, the proposed Decatur Technology Park is expected to produce substantial public benefits while not causing measurable economic harm to surrounding properties.

Appendix

Methodology Notes

The IBRC made two important assumptions when modeling the economic impacts of the construction and the operations phases of this proposed development. First, the IBRC assumed that all the specialized information technology equipment that is unique to data centers will be procured from sources outside of Indiana, meaning that the value of this equipment is considered an economic leakage from the state. Second, the IBRC adjusted IMPLAN’s default spending pattern for the industry that includes data centers to reflect the assumption that 40% of this facility’s operating expenses will go towards the purchase of electricity. Both assumptions make this analysis consistent with a recent study on the impacts of data centers in the Great Lakes region conducted by the Weldon Cooper Center at the University of Virginia.³

Key Terms

Direct Effects: Refers to the change in employment, income, or GDP in a geographic area that can be attributed specifically to data center-related economic activities.

Ripple Effects: A combination of the indirect and induced effects generated by the direct effects. Indirect effects measure the change in GDP or employment caused when SDC increases its purchase of goods and services from suppliers, for instance, and, in turn, those suppliers purchase more inputs and so on throughout the economy. Induced effects reflect the changes—whether in GDP or employment—that result from the household spending of employees directly linked to SDC-related activities, along with the employees of its suppliers.

Total Effects: The sum of the direct effects and ripple effects.

Multiplier: The multiplier is the magnitude of the economic response in a particular geographic area associated with a change in the direct effects. The multiplier equals the total effect divided by the direct effect.

Employee Compensation: Includes wages and salary plus supplements, such as employer contributions to retirement and insurance funds and government social insurance programs.

³ “Economic, Fiscal, and Energy-related Impacts of Data Centers in the Great Lakes Region,” Center for Economic and Policy Studies, Weldon Cooper Center, University of Virginia, January 13, 2026, <https://www.coopercenter.org/research/GLDC>

GDP: Also known as value added, GDP is a measure of the economic activity generated by a given industry. GDP is the difference between an industry's total sales and the cost of its production inputs. GDP consists of four components: employee compensation, proprietor income, other property income, and indirect business tax.

About Input-output Analysis and the IMPLAN Modeling Software

IMPLAN is built on a mathematical input-output (I-O) model that expresses relationships between sectors of the economy in a chosen geographic location. In expressing the flow of dollars through a regional economy, the input-output model assumes fixed relationships between producers and their suppliers based on demand. It also omits any dollars spent outside of the regional economy—say, by producers who import raw goods from another area, or by employees who commute and do their household spending elsewhere.

The idea behind input-output modeling is that the inter-industry relationships within a region largely determine how its economy will respond to economic changes. In an I-O model, the increase in demand for a certain product or service causes a multiplier effect, layers of effect that come in a chain reaction. Increased demand for a product affects the producer of the product, the producer's employees, the producer's suppliers, the supplier's employees, and so on—ultimately generating a total effect in the economy that is greater than the initial change in demand. For instance, say there is increased demand for a specific pharmaceutical product. Sales grow, so the pharmaceutical manufacturer has to hire more people, and the company may buy more from local vendors, and those vendors in turn have to hire more people ... who in turn buy more groceries. The ratio of that overall effect to the initial change is called a regional multiplier and can be expressed like this:

$$(\text{Direct Effect} + \text{Indirect Effects} + \text{Induced Effects}) / (\text{Direct Effect}) = \text{Multiplier}$$

Multipliers are industry- and region-specific. Each industry has a unique output multiplier, because each industry has a different pattern of purchases from firms inside and outside of the regional economy. (The output multiplier is in turn used to calculate income and employment multipliers.)

Estimating a multiplier is not the end goal of IMPLAN users. Most wish to estimate other numbers and get answers to questions such as: How many jobs will this new firm produce? How much will the local economy be affected by this plant closing? What will the effects be of an increase in product demand? Based on those user choices, IMPLAN software constructs "social accounts" to measure the flow of dollars from purchasers to producers within the region. The data in those social accounts will set up the precise equations needed to finally answer those questions users have—about the impact of a new company, a plant closing, or greater product demand—and yield the answers.

IMPLAN constructs its input-output model using aggregated production, employment and trade data from local, regional, and national sources, such as the U.S. Census Bureau's annual County Business Patterns report and the U.S. Bureau of Labor Statistics' annual Covered Employment and Wages report. In addition to gathering enormous amounts of data from government sources, the company also estimates some data where they haven't been reported at the level of detail needed (county-level production data, for instance), or where detail is omitted in government reports to protect the confidentiality of individual companies whose data would be easily recognized due to a sparse population of businesses in the area.

The IBRC's analysts have advanced training in the use of IMPLAN modeling software. The estimates that the IBRC analysts generate are scrutinized closely to ensure that they are accurate and reflect the most trustworthy application of the modeling software. In all instances, the most conservative estimation assumptions and procedures are used to produce the IMPLAN results.