Community Question & Response: Tax Projections, Indirect Employment, and Village Economic Outlook

Resident Question

"The tax estimations reported by the Auditor indicate a $1 billion property valuation. What is the basis for this estimate? What are the building costs used by the developer which would create this valuation?

In the economic development plan, there are “indirect employment” considerations. What are some examples?

In the absence of a data center, what is the financial and economic outlook of the Village, and what are the plans to keep that if the project does not continue?"

- Submitted by Caleb Ziamba at the Perry Village Town Hall

Village Response

1. Basis for the $1 Billion Valuation Estimate

The $1 billion property valuation estimate comes from industry-standard data and publicly available information on data center capital investment. This includes a combination of:

- Real property (buildings and land improvements)
- Tangible personal property (servers, cooling systems, power infrastructure)

According to the U.S. Chamber of Commerce and Data Center Frontier, enterprise-scale data centers often exceed $300–$500 million per building, with total campus costs approaching or exceeding $1 billion depending on scale and equipment lifecycle. This estimate was validated using comparables such as:

- New Albany, OH data center campus valuations (Franklin County Auditor)
- Dublin and Hilliard economic development agreements
- Uptime Institute capital expenditure reports

Sources:

- U.S. Chamber of Commerce, 'Data Centers and Local Economic Growth', 2021
- Franklin County Auditor Property Search, 2024
- Data Center Frontier, 'What a Hyperscale Facility Really Costs', 2023

2. Indirect Employment: What Does That Mean?

Indirect employment refers to jobs supported in the local economy as a result of data center development, even if those individuals are not employed directly by the facility. Examples include:

- Construction contractors, engineers, electricians, and landscapers
- Security companies and facility maintenance crews
- Local businesses providing food, lodging, fuel, or logistics services
- Telecom and fiber optic infrastructure contractors

According to the Economic Innovation Group (2023), each large data center job typically supports 4–6 indirect or induced jobs within the region. This economic multiplier was reflected in planning projections.

Sources:

- Economic Innovation Group, 'The Economic Impact of Data Centers', 2023
- JobsOhio, 'Data Center Incentive Guide', 2022

3. Village Economic Outlook Without the Project

Without the data center project, Perry Village will continue to operate under current financial constraints, with limited growth opportunities. The Village has limited excess funds to invest in much needed capital improvements, including sewer upgrades, regular road resurfacing, and replacement of road department equipment. The Village relies heavily on:

- Income Taxes
- Local government fund allocations
- Modest commercial and residential property tax contributions
- Permit fees and service charges

However, the Perry area is constrained by limited commercial development and aging infrastructure. Without a large commercial taxpayer, there is greater long-term pressure on residential taxpayers or reduced services. The data center represents a chance to diversify revenue and reduce financial dependence on the Perry Nuclear Power Plant (Perry Schools, North Perry, Perry Township).

The Village is actively pursuing multiple economic strategies, including:

- JEDD agreements to capture payroll and net profit revenue
- Infrastructure grants and partnerships
- Zoning updates to support controlled commercial growth

Sources:

- Ohio Office of Budget and Management, Local Government Fund Estimates, 2024
- Perry Village Council Financial Workshop Minutes, 2024
- Ohio Revised Code Section 715.72, Joint Economic Development Districts