

THE DATA CENTER SURGE

Indiana Weighs Growth and Impact

By Rebecca Patrick

A farmer notices survey crews near a country road. A county commissioner fields calls about power, water use and tax revenue. A business leader sees the possibility of new investment that could strengthen the local economy for years.

Together, those moments capture the data center conversation now unfolding across many Indiana communities – one centered on local priorities, long-term possibilities and fast-moving decisions. In many ways, data centers are becoming the defining test of how Indiana grows next.

It's easy to understand the state's appeal: its central location, available land, reliable energy infrastructure and strong business climate.

And the opportunity is substantial. Hyperscalers – the major data center service providers powering artificial intelligence (AI), cloud computing and advanced industries – are investing billions in Indiana, bringing new infrastructure, an expanded tax base and fresh possibilities for communities.

The scale is hard to miss. Amazon Web Services' (AWS) Project Rainier near New Carlisle in St. Joseph County is one of the world's largest AI data centers. The 1,200-acre, $13.8 billion campus opened last fall and is expected to total 30 buildings once completed.

Meta broke ground in February on its 1,500-acre site in Lebanon's LEAP District. Google's $2 billion operation is open in Fort Wayne, with 12 structures slated overall, and projects are in development for Morgan County and Michigan City. Microsoft also is advancing major plans in northern Indiana, including its $1 billion La Porte campus and activity tied to St. Joseph County.

Inside Amazon Web Services' Project Rainier, rows of high-powered equipment underscore the physical infrastructure behind artificial intelligence, cloud computing and the digital tools people rely on every day.

Such projects are drawing new attention to traffic, water, power and local planning across Indiana, while revealing a complicated local reality: Some communities see data centers as a major economic development opportunity; others remain unconvinced. In many places, the conversation is shaped by incomplete information, evolving facts and concerns about local impact.

By July 2026, one-third of Indiana counties had adopted some form of data center restriction as officials weighed new investment against issues involving infrastructure capacity, land use, utilities, ratepayer protection and transparency.

"These projects are complex, and communities absolutely should ask tough questions, update local policies and put the right safeguards in place. But stopping the conversation altogether sends the wrong signal," stresses Indiana Chamber of Commerce President and CEO Vanessa Green Sinders. "A moratorium can quickly become a 'closed for business and opportunity' sign.

"That is not the message Indiana should send if we want to compete for transformational investment," she explains. "Communities though should not feel pressured to say 'yes' before they are ready. They should keep the door open, establish a clear framework and evaluate each project on its merits."

Data Centers 101 outreach

That gap between concern and clarity is what the Indiana Chamber and Indiana Economic Development Association set out to address this spring. Partnering with local organizations, they launched Data Centers 101 sessions around the state to give stakeholders a shared foundation of facts and practical guidance. The goal was not to promote a single outcome but to create a better starting point for local conversations that were already accelerating.

"We want to help state and local leaders understand what these projects are, what benefits they can bring, what they require and how to evaluate them thoughtfully and collaboratively on a case-by-case basis," Sinders reports.

Jeff Rea, president and CEO of the South Bend Regional Chamber of Commerce, was among the community leaders eager to get involved.

"We've learned some really valuable best practices from other communities that have gone through this (data center process) and shared them with us. So, part of it was wanting to share some of the lessons we had learned along the way," he says.

"I've also been watching the negative sentiment toward (data centers) and thought, 'If we're not careful, we'll miss out on this really big economic opportunity for our state.' So, we thought if we can help elected and appointed officials and others make sure they're asking the right questions or understand the protections that we've put in place (in our area), they will be armed to



This rendering offers an early look at Meta's Lebanon campus, where recently launched construction will bring a technology-focused presence to the LEAP District and add another visible marker of Indiana's growing role in the data center economy.

make better decisions along the way."

The Data Centers 101 outreach already has proven useful, offers Northwest Indiana Forum President and CEO Heather Ennis, who appreciates how regional leaders can now better speak from a common understanding.

"We're in the gold rush of this industry opportunity, so the more that we can do to educate people about these opportunities, the better it is for both our region and the state," she declares.

When the cloud meets the ground

Part of the challenge for communities is that data centers can feel abstract until they are proposed down the road. Yet the services they power permeate daily life.

Kenton Wooden, community engagement manager for Meta, puts it this way: "Data centers are as essential to 21st-century America as highways and power grids were to the 20th century. They are the infrastructure that allows every email, every electronic health record, every weather forecast, every bank transaction, every smart thermostat adjustment and every GPS-guided delivery truck to operate."

Broderick Green, a public affairs manager for Google, concurs, reinforcing that the digital world still depends on real-world infrastructure, which is part of why siting decisions have become so visible.

"It's important for everyone to understand that the internet and the data that we all use has (to have) a home, a physical location. … It's why these projects are growing the way they are. … And it's important to have the latest technology applied there – and to remind everybody that the innovation that we seek oftentimes derives from these facilities as well."

Kelly Rentschler, Google's community and workforce development manager in Fort Wayne, submits that data centers often look different in practice than they are portrayed in public debates.

"Once these campuses are operational, they're actually extremely quiet," she remarks. "There's low traffic around them, and they are strictly regulated. So with sound monitoring, light (for unwanted illumination), etc. (Admittedly), the construction activities tend to be a bit more disruptive, but that's (temporary), when it's an active construction site."

Water use remains another of the most closely watched factors. All the major players – Amazon, Google, Meta and Microsoft – are prioritizing water sustainability and stewardship. Each is committed to being water positive, returning more water to local supplies or watersheds than is consumed, by 2030.

Green further explains Google's strategy. "We fund things like regional wetland restoration, municipal infrastructure projects. It's really designed to recharge local groundwater supplies. So, it's a very comprehensive approach that we take to being responsible to the environment."

"We design and build our data centers with efficiency, flexibility and sustainability in mind," Wooden echoes. "This starts at the data center design and operational level to minimize the water we use and then work with local partners to support meaningful water restoration projects."

For example, in Lebanon, Wooden says that approach includes a water-efficient closed-loop, liquid-cooled system. "This technology recirculates the same water and, by design, allows us to use zero water for the majority of the year."

Beyond the build

The economic development promise of data centers often begins with construction jobs, project scale and capital investment. Meta's Indiana footprint illustrates the point. Its Jeffersonville data center represents more than $800 million, while the Lebanon project totals $10 billion and is expected to support thousands of skilled trades workers during peak construction and 300 permanent jobs once complete.

Rea observes that in the South Bend region AWS has challenged one of the most common criticisms: Data centers do not create meaningful, lasting employment. "We see the (AWS) job average right now is $40.09 an hour. That's phenomenal for our market. Our normal average wage is about $28.50, so it's driving that up. Those wages then are (spent) in our stores and our communities."

He points to AWS' early hiring pattern as further evidence. "Everybody says there are no jobs associated with data centers. (Not) in our case; they've already hired close to a thousand. That puts them in the top five employers in our marketplace right away."

Such impact extends beyond the campus itself, Wooden relays.

"Meta is investing in the workforce that's building America's digital infrastructure – starting with the communities we call home. Here in Indiana, one way that commitment takes shape is through America's Workforce Academy," he explains. "(It's) a cost-free program that supports all participants while they learn and then guarantees a job for all graduates."

At Google, its commitment focuses on training pathways tied to skilled trades and broader community mobility, Rentschler reports. "Google has a huge interest in investing in and helping to stand up workforce development programs, and that's not just to serve us. We truly believe that upskilling and workforce development are the root causes that help a community thrive."

Rentschler shares that work includes Google's Skilled Trades and Readiness Program, or STAR, in Fort Wayne, which offers intensive training tied to career and apprenticeship pathways.

"While funding and housing issues exist, being able to have a sustainable long-term employment pathway is one way to help break that cycle," she maintains. "That's why



The Data Centers 101 series moves the conversation out of the headlines and into local gatherings, where community leaders can focus on what data center development could mean in the real world.



As Google expands its Fort Wayne data center activity, the company is investing in workforce efforts aimed at connecting residents to skilled trades and long-term career pathways.

we do a lot of investment around workforce."

For Meta, the workforce component is also central to the infrastructure buildout, Wooden stresses. "Our data centers support thousands of operational jobs – electricians, HVAC specialists, server and network techs, safety and security experts, and engineers – that work together to run some of the world's most advanced data centers."

Those workforce investments are only one way data center companies are trying to show up in their communities.

"We're also partnering with our local municipalities on how we are extending water main infrastructure," Rentschler notes. "And how we are supporting the overall grid and impact as a whole that benefits all of the community."

Those partnerships begin early, Green emphasizes. "We don't wait until our facilities are operational to start (them). We really look at the earliest stages, meaning that it could even be before groundbreaking. We want to make sure that our facilities are a long-term partner. These are not short-term projects by any means. So, from an operational standpoint, we want to figure out how to be true collaborative partners with the communities where we operate."

Power and planning

That long-term view is also what separates "responsible growth" from growth at any cost.

It's the phrase nearly every stakeholder uses, but it can mean different things depending on whether the speaker is a local official, utility, developer, resident or economic development leader. For the Indiana Chamber, Sinders conveys that means transparency, early community engagement, sound infrastructure planning, protection for existing ratepayers, careful project review and long-term community benefit.

"Responsible growth is not a blanket 'yes' or a blanket 'no,' " she asserts. "It is a deliberate evaluation process that asks: Is this the right project, in the right place, with the right safeguards and long-term benefits?"

In northwest Indiana, Ennis says responsible growth starts with making sure companies are prepared to be true community partners and that local standards are clear – from setbacks (minimum distance required between the structures and other property lines) and noise ordinances to design expectations and lasting local value.

That's especially true when the talk turns to power.

Utilities are an integral part of that planning as data center growth adds to broader industrial and technology-related electricity needs. Jeffrey Wade, spokesperson for Indiana Michigan Power (I&M), says Indiana is experiencing one of the most significant periods of demand growth in its history, with peak demand across I&M's Indiana service territory expected to more than double by the early 2030s.

The concern for many communities is not only whether power is available, but also who pays for the infrastructure needed to serve large new customers. Wade says I&M has structured its approach around customer protection.

"(We are) guided by a simple principle: Growth should benefit everyone," he imparts. "The company built a customer protection framework, approved by the Indiana Utility Regulatory Commission, with unanimous agreement from consumer advocates and data centers, that ensures large-load customers carry their own weight. When they do, the fixed costs of the grid get shared more broadly, helping to lower rates for existing customers."

I&M and other utilities across Indiana continue to assess how large users such as data centers fit into future grid needs, generation resources and infrastructure timelines.

"For policymakers and communities, the most important thing to understand is that energy infrastructure and economic development go hand in hand," Wade surmises. "Attracting major investments such as data centers requires reliable electric service, long-term planning and appropriate customer protections."

When done responsibly, he adds, all customers win.

The issue comes down to balance and execution for Sinders. "If Indiana can pair its competitive business climate with strong safeguards – including ratepayer protections – and thoughtful energy planning, that becomes a real advantage."

Location matters

Putting that balance into practice starts with a basic question: Is the project the right fit?

It has to align with local priorities and create benefits area leaders can buy into and explain.

Ennis encourages communities to understand both the developer and the end user before making long-term decisions.

"(It's) understanding what the opportunity is in front of them, what the true needs of that facility are, what resources that community has at its disposal and how that aligns well with the needs of the data center," she spells out.

"Know who they're dealing with … know what the opportunity really looks like because they're not all created equal."

As with anything in life, sometimes things just don't work out.

Google withdrew its proposed Franklin Township project in Indianapolis last September after public opposition grew.

The experience was "eye opening," admits Green, who worked on the effort. He says it underscores that every location is different and that communities may need even earlier, more transparent engagement before they can fully evaluate a potential data center.

"We were really disappointed that it wasn't able to go forward. But as we met with neighbors and local leaders, it really became clear that our proposed campus was not the right fit for that specific location," he states.

"Moving forward, the lesson learned is … be open as an entity (earlier in the process) so that communities really get a chance to have full clarity on what our project is, how the community stands to benefit, from the very beginning of the project."

The potential payoff

When the fit is right, the benefits can extend beyond any single campus or investment announcement.

Ennis sees long-term opportunity in the industries that could grow around data center development.

"I think we will see ancillary investment come alongside these data centers," she notes, pointing to complementary services, equipment providers and research or technology operations that benefit from being close to major digital infrastructure hubs.

Rea describes the ideal outcome in more community-minded terms: a project that eventually feels integrated rather than imposed.

"I think of it as when they build a new house in your subdivision; it's pretty disruptive. (But) when the new family moves in, the house feels like it's always been there," he reasons. "And I think that's how we'd like to feel about the data centers, too."

In the South Bend region, Rea has urged local leaders to keep that viewpoint in mind.

"We have three other users that have interest in doing data center projects in our market, and we think they're either going to happen (here), next door or across the state line. So, we're trying to keep our own officials from saying, 'We've got enough.' "

For Sinders, the stakes extend beyond individual sites.

"We will have gotten it right if Indiana builds a reputation for responsible, community-centered growth, one that strengthens our economy, earns public confidence and positions the state for the next generation of innovation."

RESOURCES: Heather Ennis, Northwest Indiana Forum, at www.nwiforum.org | Broderick Green and Kelly Rentschler, Google, at www.datacenters.google Jeff Rea, South Bend Regional Chamber, at www.sbrchamber.com | Vanessa Green Sinders, Indiana Chamber, at www.indianachamber.com | Jeffrey Wade, Indiana Michigan Power, at www.indianamichiganpower.com | Kenton Wooden, Meta, at www.datacenters.atmeta.com

