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What Could the City of Indianapolis Fund Instead of Giving Big Tech $395 Million in Tax Breaks for Data Centers?

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The Indianapolis Metropolitan Development Commission (MDC) is holding a hearing on Wednesday, September 16th to consider providing a data center project with $56 million in tax abatements.

Metrobloks is a data center developer based in Los Angeles, California. They are seeking this tax benefit to help lower the construction costs of their proposed 13-acre campus, which will be located in the Martindale Brightwood neighborhood.

From the very beginning, the residents of Martindale Brightwood organized to publicly oppose the Metrobloks project. However, the MDC ignored the community's protest and voted to approve and move forward with the development. In addition to the $56 million in tax abatements, a future data center tenant will receive more than $339 million in tax breaks on the purchase of new computing equipment. If the MDC approves this $56 million abatement for Metrobloks, they will be setting up the City to forgo nearly **$395 million** in total tax revenue over the next 15 years for this one project.

Data centers require and consume large amounts of electricity. They have been shown to raise utility prices for local communities and have untold environmental impacts. And now taxpayers are being asked to give up hundreds of millions of dollars to corporations while the socioeconomic needs of the community remain underinvested.

Instead of handing $395 million hard-earned taxpayer dollars to big tech billionaires, these funds could be used to:

- **Hire 250 teachers** to work in Indianapolis city schools for the next 15 years to address the teacher shortage and improve child reading and math scores;[1] OR
- **Provide free residential solar panel systems for 12,000 homes** in Indianapolis to reduce energy costs and help fight climate change;[2] OR
- **Fund a third of the City's housing initiatives over the lifespan of these tax breaks** per the city's FY 2027 budget request. These initiatives include diversion programs, rapid rehousing programs, and services to tenants facing eviction.

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[1] The National Priorities Project at the Institute for Policy Studies calculates the total cost of employing a teacher in Indiana is $104,390.69. Teacher salary information comes from the Bureau of Labor Statistics' Occupational Employment and Wage Estimates. Annual teacher compensation is calculated using the average annual compensation of an elementary school teacher in Indiana ($60,850), which is assumed to be 60% of total compensation when factoring in the cost of benefits like health insurance and pension contributions by their employer. The data year is 2025, adjusted to 2026 dollars.

[2] This trade off assumes it costs $32,729 per home to purchase and install residential solar panel systems in Indiana. There are 362,961 households in Indianapolis, according to the Census Bureau.