

ZONING ORDINANCE AMENDMENT
DATA CENTERS SPECIAL USE DISTRICT
PETITION 2026-AO-001

Metropolitan Development Commission (MDC)

PUBLIC HEARING:

July 1, 2026, at 1 p.m.

200 E Washington St. Indianapolis, IN 46204

Public Assembly Room (PAR) – 2nd Floor

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Zoning Petition 2026-AO-001

A proposal to amend the Consolidated Zoning and Subdivision Control Ordinance of Indianapolis-Marion County.

Specifically, Chapter 740-202 (Definitions) and 742-109 (Special Use Districts), pertaining to data center development.

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What is a Data Center?

- A specialized building or facility that stores the physical components of IT infrastructure.
- Typically includes:
 - Servers (machines that store data)
 - Networking equipment
 - Power & back-up power infrastructure to avoid power outages
 - Cooling systems to keep systems from overheating
 - Security & fire suppression systems

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Proposed Definition | Data Center Zoning

- A facility **used primarily for the storage, management, processing, and transmission of digital data** and that **houses computer or network equipment, systems, servers, appliances**, and other associated components related to digital data storage, processing, and related operations. Data center uses include data storage facilities, server farms, artificial intelligence training or processing, image processing, cloud computing, email servicing, and similar uses. **This definition does not include information technology (IT) services and equipment which are incidental and subordinate to a primary, permitted use.**

*This would not include hospitals, telecommunications facilities, and ISP headend facilities.

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Background | Current Zoning

- Staff began research on data center regulations when a Google data center was proposed in March 2025.
 - Large-scale development we had not encountered before.
- 4 data centers have been proposed in the last year:
 - Google
 - Metrobloks
 - Sabey
 - DC Blox
- Zoning ordinance currently lacks regulations for data centers.
 - Staff is required to intake and review applications regardless.
 - Staff identified similar uses, size, and resource consumption (industrial, warehousing, telecommunications facilities, etc.) and recommended development conditions that should be considered for approval.

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Background | Current Economic Landscape

- State tax incentives are making Indiana an attractive place to build data centers
 - Tax Incentive: Lower taxes for a set number of years
- Private investment is going toward data center projects because of their high return on investment
- Companies use data centers to support the infrastructure load of modern technology.

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Background

Zoning

- Property owner has legal right to seek rezoning & land use change requests.
 - Staff must process applications.
- Limitations on what regulations are allowed.
 - Regulations limited to allowances provided by state law.
- DMD's mission is to ensure Indianapolis's growth is done responsibly and respectfully towards citizens.

Tax Incentives

- Negotiated by Indianapolis Economic Development, Inc. via Data Center Scorecard
- More flexibility to require higher standards – i.e. Company pays for all electrical infrastructure
- Allows the City to attract the 'best in class' companies.
- IEDI's mission is to create a strong business environment ensuring Indianapolis remains competitive to attract high-quality companies.

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Proposed Zoning Regulations

Special Use District 47 (SU-47)

Base Zoning District: Medium Industrial District (I-3)

- **Rezone Approval** | Required
- **Noise** | 55 Decibels
- **Setback** | 400' from protected districts (All Residential, Schools, Churches)
- **Landscaping & Screening**
- **Operations Plan**
- **Annual Reporting**
- **Public Dashboard**

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Responsible Regulations

- DMD putting forward best recommendation in alignment with policy objectives that have been established by elected officials.
 - State policies
 - Tax Incentives
 - Local policies
 - Indianapolis Economic Development, Inc. supported developments
 - Approval of Metrobloks Data Center by MDC and City County Council
 - Councilor support for Sabey Data Center
- No regulations = no defined guardrails

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Legislative Timeline

Anticipated Schedule – Subject to Change

July 1, 2026 Metropolitan Development Commission	• PUBLIC HEARING • MDC will provide recommendation to City-Council.
July 6, 2026 Full City Council Introduction	• NO PUBLIC HEARING
July 13, 2026 City Council Metropolitan Economic Development Committee	• PUBLIC HEARING • MEDC will provide recommendation to Full City-Council.
August 10, 2026 Full City Council Final Vote	• NO PUBLIC HEARING

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FAQ



*Other avenues to provide feedback include elected officials at the local & state level

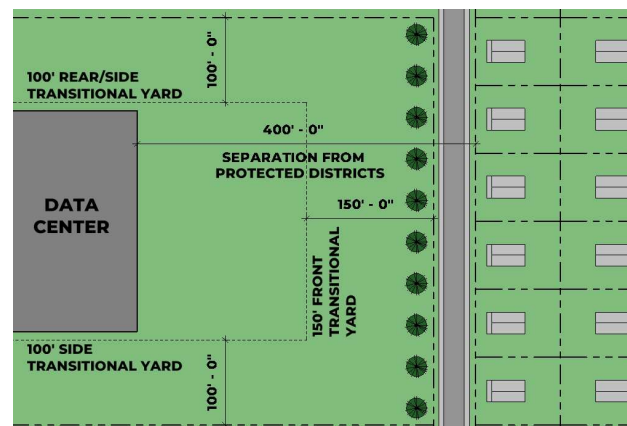
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