

Armory Innovation Data Center Project: Toplines on Project Conditions, Components, and Benefits

Summary

The Armory Innovation Data Center Project is structured to address community concerns and deliver substantial benefits by integrating three core components: the Conditional Use Provisions, a Community Benefits Agreement (CBA), and projected revenue. Together, these elements transform a potential high-impact development into a highly regulated and financially advantageous asset that generates long-term revenue for city infrastructure, schools, and other community assets.

How the Components Work Together

The **Conditional Use Provisions** enforce the highest standards for environmental mitigation and utility responsibility, ensuring the project is a good neighbor. The **CBA** secures legally enforceable financial and social benefits, prioritizing local residents and providing direct funding for City initiatives. The **Projected Revenue** provides a critical, unsubsidized funding source that vastly outweighs the project's regulatory burden, creating a net positive financial impact for all key St. Louis stakeholders. The **Projected Jobs** create hundreds of union construction jobs during the build-out phase and dozens of high-paying, permanent technical positions for the ongoing operation of the facility, providing economic opportunity for St. Louis residents.

Key Conditional Use Provisions

The data center developer must cover all costs related to utility infrastructure (water and electric) impacts, preventing public subsidy and protecting existing customers. The facility must use water-efficient closed-loop and air-cooled systems. An agreement may also establish a short-term rate for this use.

The project requires high energy efficiency (PUE of 1.25 or better), LEED certification, and must source at least 50% of energy from renewables within five years. Hazardous e-waste must be disposed of by an R2-certified contractor.

Noise-emitting equipment must be fully enclosed and acoustically treated, with compliance verified via an annual third-party noise report. Diesel generators must be the cleanest certified emissions tier (Tier 4), with testing strictly limited to weekdays, with no testing on bad air quality days, and battery storage for backup power to minimize reliance on diesel generators. The building must incorporate green infrastructure (e.g., Cool Roof, Green Roof, rooftop solar) and have a minimum of 30% landscaped/permeable non-building area.

A recorded CBA is mandatory, making all mitigation and community improvement commitments legally binding for the property's duration.

CBA Provisions

The Developer will not seek local tax abatement, immediately benefiting the City and local taxing districts with new property tax revenue.

The project guarantees revenue and jobs through enforcement tools:

- **Jobs:** Developer must meet escalating, median-wage job minimums for 20 years (25 in year 1, 100 thereafter). \$2,000 liquidated damages are assessed for each job short of the minimum. City residents are prioritized for entry-level jobs (First-Source hiring ordinance).
- **Revenue:** Developer must confirm tax revenue estimates. \$15,000 liquidated damages are assessed for every \$100,000 below projected annual tax revenues if targets are not met by 2029.

A substantial dedicated Community Fund of an estimated **\$15,750,000** (\$30/sq. ft. of data center development) will be directed by the City for:

- Multi-modal infrastructure enhancements (e.g., Brickline Greenway).
- St. Louis Digital Access Inclusion Plan activities.

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- Economic and environmental justice, including job retraining and grants for local distributed energy and weatherization.

Sustainability: The developer commits to using reasonable efforts to source at least 50% of energy from renewables within five years and provides annual reports on electricity, waste heat, and water usage.

Equity and Inclusivity: Requirements ensure inclusive and non-discriminatory economic opportunities, including M/WBE participation, workforce development, and prevailing wage compliance.

Protection from Negative Externalities: A decommissioning plan is required to safely remove e-waste if the data center is vacant for over a year. Leasing for crypto-mining or other undesirable, high-energy-consuming business uses is prohibited.

Infrastructure and Timeliness: The data center must be completely operational by Q4 2028. Infrastructure requirements will enhance pedestrian safety and connectivity, including sidewalks adjacent to Market Street and a pathway to the Grand Metrolink station.

Projected Project Revenue

The Armory Innovation Data Center is projected to generate substantial revenue for St. Louis entities over 10 years. Key beneficiaries and Revenue are:

- **St. Louis Public Schools (SLPS): \$206.3 million** (largest beneficiary, mainly from personal property taxes).
- **City of St. Louis: \$139.3 million** (diverse stream including utility taxes and permit fees).
- **Public Health & Social Services: \$21.5 million total** (Community Children's Service, Mental Health, Developmental Disability, Senior Services).
- **Cultural & Educational: \$42.5 million total** (Public Library, Junior College, Zoo/Museum/Garden District).
- **Infrastructure & State: \$5.2 million total** (MSD and State of Missouri taxes).

10-Year Revenue Breakdown by Tax Type:

Revenue Source	Total Projected Amount
Personal Property Taxes	\$254.5 million
Real Estate Taxes	\$104.0 million
Utility Taxes	\$61.9 million
Permit Fees	\$10.5 million
Earnings Taxes	\$1.4 million

Projected Jobs

The project is expected to create more than 1,000 construction jobs and generate over 2 million labor hours. A Project Labor Agreement (PLA) with the AFL-CIO is in place to maximize local workforce benefits and ensure union construction jobs.

In addition, the project is estimated to support approximately 200 permanent on-site positions and approximately 176 additional jobs across the local economy.