

Armory Innovation Data Center Project: Summary of CBA Provisions

The term sheet outlines the core commitments the Developer will make to the Land Clearance for Redevelopment Authority (LCRA) in a future Community Benefit Agreement (CBA). These provisions are important because they secure quantifiable economic, environmental, and infrastructure benefits for the City and its residents, and they provide enforcement mechanisms to ensure accountability. Here is a summary of the key provisions and their importance.

Provision Category	Key Terms	Importance
No Local Incentives	The Developer will not seek local tax abatement or other financial incentives for the data center or Armory buildings. The Developer will cooperate with the termination of the Armory Tax Increment Financing (TIF) and allow surplus funds to be returned to taxing districts.	This ensures the City and local taxing districts immediately benefit from new property tax revenues generated by the project, as public subsidies are forgone for the primary development components.
Tax Revenue & Job Requirements	The Developer must confirm tax revenue estimates and pay \$15,000 in liquidated damages for every \$100,000 below the projected annual tax revenues if not met by 2029. The Developer must meet escalating, median-wage "Job" minimums for 20 years (starting at 25 in year 1, 50 in year 2, and 100 thereafter) and pay \$2,000 in liquidated damages for each job short of the required total. The Developer and large tenants must comply with the City's First-Source hiring ordinance to prioritize City residents for entry-level jobs.	These clauses are critical enforcement tools to guarantee the project delivers on its promise of generating significant new tax revenue and high-quality, full-time equivalent jobs for the community over the long term. If targets are not met, there are financial penalties. First-Source hiring ensures local residents benefit from new employment opportunities.

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Other Community Benefits (Financial)	The Developer will contribute \$30 per square foot of approved data center development, an estimated \$15,750,000, to a Fund. The funds are for the City's use on (a) multi-modal enhancements (e.g., Brickline Greenway), (b) St. Louis Digital Access Inclusion Plan activities (e.g., expanding public wifi across the city), and (c) economic and environmental justice activities, including grants for local distributed energy and weatherization, and job retraining for anticipated data center/A.I. impacts.	This creates a substantial, dedicated funding source for the City to proactively address infrastructure improvements, digital equity, and climate goals, mitigating local impacts of the development while advancing broader community initiatives.
Utilities and Environment	The Developer must use reasonable efforts to source at least 50% of the data center's energy load from renewable sources (wind, solar, geothermal, etc.) within five years of commencing operations. If the renewable goal is not met, the Developer must endeavor to purchase localized renewable energy credits. The Developer must also recycle e-waste. The Developer must annually report electricity usage, waste heat, and water usage, which may be made public.	This ensures the energy-intensive data center commits to sustainability, helping the City meet its climate goals and reduce e-waste. Annual reporting promotes transparency and allows the public to monitor the project's environmental footprint.
Equal Opportunity & Non-Discrimination	The Developer and its contractors must comply with all federal, state, and local Nondiscrimination Laws, as well as specific City ordinances pertaining to minority-owned and women-owned business (M/WBE) participation, workforce development, and prevailing wage compliance. Covenants will run with the land to prohibit discrimination in the sale, lease, or use of the property.	These requirements ensure that the economic opportunities created by the construction and operation are inclusive and non-discriminatory, supporting equity goals for contracting and workforce diversity.

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Project Construction & Design	Establishes a performance schedule, with the data center completely operational by the end of Q4 2028. Permits will not be issued until all Green Street properties are current on taxes. The Developer must install and maintain sidewalks adjacent to Market Street and a pedestrian pathway to the Grand Metrolink station. The 500 Prospect property must conform to mutually agreeable plans for pedestrian, stormwater management, and heat island mitigation enhancements if used for parking.	The schedule ensures timely completion. Infrastructure requirements enhance pedestrian safety and connectivity to public transit. The mitigation requirements ensure the development minimizes negative environmental impacts on the immediate area.
Miscellaneous Restrictions	The Developer must file a decommissioning plan to safely remove and recycle electronic waste if the data center is vacant for over a year. The Developer must not lease the data center to tenants primarily using the premises for crypto-mining or other undesirable business uses. Public disclosure of tenants must be provided unless commercially unreasonable due to national security interests.	These provisions protect the City from potential negative externalities, such as environmental hazards from e-waste or undesirable, high-energy-consuming business uses like crypto-mining. Tenant disclosure promotes transparency.