

JACK COUNTY COMMUNITY UPDATE



Friends and neighbors in Jack County,

Thanks to all who joined us at the May 28 community meeting, and to everyone who has reached out with questions about the proposed project. We appreciate your time and willingness to give us feedback.

We know some in the community have concerns about a project like this, while others see potential benefits. The purpose of the community meeting was to listen, answer questions, and better understand the issues that matter most to Jack County residents. We are committed to developing this site responsibly, operating transparently, and continuing to engage with the community as the project moves forward.

With ten developed sites here in our home state of Texas, CyrusOne considers any opportunity to develop digital infrastructure in the Lone Star State a privilege and a responsibility we take seriously. We hope to continue building on our 25-year track record of quality development in partnership with Jack County.

WHAT WE HEARD FROM THE COMMUNITY

At the meeting, we asked attendees to share their views through brief, anonymous surveys before and after the program. Responses reflected a range of perspectives. Among those who responded to the pre-meeting survey, 26% were supportive, 35% were unsure or still learning, and 39% were opposed.

After the meeting, responses from those who completed the post-meeting survey indicated that attendees left with more information about the project, regardless of where they stood at the start. The questions and concerns raised in the surveys closely reflected what we heard during the open discussion.

WHAT'S CHANGED SINCE THE MEETING AND WHAT HOLDS US ACCOUNTABLE

The proposed tax abatement agreement has been revised in response to community feedback. CyrusOne has agreed to two significant changes:

- 1. The abatement has been cut in half.** The abated portion of property taxes has been reduced from 30% down to 15%. CyrusOne will pay 85% of property taxes from day one of the agreement, rather than 70%. As a result, Jack County would receive substantially more revenue under the revised agreement while maintaining oversight provisions tied to the project.
- 2. Emergency Management Services support tripled to \$1.5 million.** The original commitment has been expanded to include \$1.5 million in total support for Jack County Emergency Management Services. This funding is structured to support local public safety capacity and covers the mobile security trailer that can be deployed at high-risk intersections, plus equipment, training, and other needs identified by the County.

These changes reflect the conversation we had together at the community meeting.

The revised agreement also includes a number of enforceable requirements that govern how CyrusOne builds and operates the project:

- Contractual sound limits at homes
- Documented repair of any county roads damaged by construction traffic
- Required setbacks and screening around homes
- A minimum 50% local hiring requirement for the construction workforce
- International Dark Sky Association-compliant lighting

ANSWERS TO QUESTIONS WE HEARD

Below are answers to the questions we heard at the meeting.

Q: Why did CyrusOne choose this specific site in Jack County?

Three pieces of existing infrastructure make the site the right fit: an existing Vistra power plant on adjacent land, a high-voltage transmission corridor that already crosses the area, and existing natural gas infrastructure that supports our self-generation phase. Locating next to existing infrastructure means the majority of power infrastructure is already in place.

Q: How much water will this facility use?

Our cooling system is designed to use very little water. Each building uses a sealed chilled-water loop that is filled once at the beginning of operations with water brought in from licensed suppliers and then continuously recirculated within the facility. The cooling system does not require an ongoing water supply to operate. The facility's only routine water use is for employee and visitor needs such as restrooms, sinks, breakrooms, and basic cleaning, estimated at approximately 1,100 gallons per day per building.

Q: Will the facility draw from the local aquifer for its cooling system?

No. We do not use local water for cooling. Water from an on-site well is used only for those everyday needs like restrooms, sinks, and basic cleaning at roughly 1,100 gallons per day per building. The facility will also register as a public water system with Texas Commission on Environmental Quality (TCEQ), which requires regular water-quality testing, monitoring, and reporting and holds the system to standards beyond those of a typical residential or ranch well.

Q: How loud will the facility be at the nearest home?

The agreement sets clear limits on how much sound from the site can be heard at nearby homes: 65 dBA during the day and 55 dBA at night. We conduct sound modeling before construction begins to ensure the campus, at full build out, will be compliant with this agreement. We then conduct ongoing monitoring during operations to ensure compliance. Sound from the facility should not create a noticeable increase above typical background levels in the area. These limits are written into the agreement and are enforceable. If we exceed them, the County can take action, including recovering the full value of the tax abatement.

Q: Will the facility affect livestock or local wildlife?

We understand this is an important concern for ranchers and landowners. Our approach is to design and operate the site in a way that avoids disruption to surrounding properties and the animals that depend on them. Activity from the facility is intended to remain within normal background conditions for the area. We are also committing to baseline measurements before construction begins, ongoing monitoring during operations, and corrective action if monitoring identifies facility-related impacts. More broadly, we take care in adapting our sites to fit the existing land and habitat. That includes making habitat improvements and supporting the natural environment. For one, we know that pollinators, like bees, are highly sensitive to changes in their environment, so we built custom bee hotels at two of our campuses where, today, active beehives are thriving alongside our data centers.

Q: Will the facility affect my property values?

The largest analysis available, conducted by George Mason University in 2023, examined thousands of home sales in Northern Virginia, one of the most active data center markets in the country, and did not find consistent evidence that proximity to data centers lowered property values. More broadly, research on infrastructure projects shows that significant new tax revenue and local investment contribute to property values and overall community stability.

Q: Will jobs go to local Jack County residents? Who will work at the site?

Local hiring is contractually required. The agreement requires that at least 50% of the construction workforce come from Jack County when possible. We also expect many trades to commute from Wise County, Parker County, and the wider DFW area rather than relocate, which limits pressure on local housing and community resources.

Q: What protects the county roads during construction?

We pay for any damage caused by our construction traffic. The agreement requires documented and invoiced repair costs to be paid within 30 days. Construction traffic will also be limited to designated county roads, meaning project traffic cannot be used on any county road it chooses.

Q: What is being done to support emergency services and public safety?

The proposed agreement includes a \$1.5 million commitment for Jack County Emergency Management Services (EMS). This funding will support local public safety, including support for equipment and training for fire and EMS personnel, a mobile security trailer for traffic management during construction, and other priorities identified by the County.

Q: Where does the power for the facility come from, and will this drive up my electric bill?

Power during the initial phase of operations is planned to come from on-site natural gas generation with Tier 4 emissions controls, permitted by Texas Commission on Environmental Quality (TCEQ). During this phase, the facility would not add new load to the local transmission grid because it would be self-generating. CyrusOne expects to connect to the existing high-voltage transmission corridor that currently exists in 2029 or later, at which point the on-site units become dispatchable generation in the Texas energy market. CyrusOne is responsible for paying the cost of serving its sites and for the power required to operate them.

Q: What about light pollution at night?

All exterior lighting on the site will meet International Dark Sky Association standards, meaning it is directed downward, fully shielded, and designed to stay within the property rather than spill onto neighboring land. In practical terms, that means no bright lights shining into nearby homes and no visible glow from the site at night. These requirements are written into the agreement and are enforceable. If we do not meet them, the County can take action.

Q: What does the project mean for the county's tax base and the school district?

The project represents \$600 million-plus in new construction value, all of which becomes tax base for Jack County that would not exist without the project. Under the revised agreement, CyrusOne pays 85% of property taxes from day one of the 10-year term. After year 10, CyrusOne pays 100% of property taxes on the full assessed value, every year, with no remaining abatement. Importantly, the county abatement applies only to county-level taxes. School district property taxes are not reduced by the agreement, meaning the full taxable value of the project applies to Perrin-Whitt CISD from day one of the project.

Q: What protects the County if CyrusOne does not deliver on its commitments?

The agreement is structured to hold us accountable. If we do not meet our commitments such as sound limits, road repairs, or local hiring requirements, the County can enforce the agreement and recover the full value of taxes that were abated, along with penalties and interest. The agreement also includes a guaranteed minimum payment each year (often called a PILOT, or payment in lieu of taxes). This ensures the County receives a defined level of revenue annually, even if property values fluctuate, or other factors change over time.

CONTINUING THE CONVERSATION

Engaging with this community is not a one-time event. We'll continue to have conversations with neighbors and answer questions as we work through this process. This is how we operate in every community where we build and operate. We stay engaged, we stay available, and we keep the conversation going over time. That's the standard we'll hold ourselves to here.

Whether you're supportive, opposed, or still forming an opinion, you're welcome to reach out. We're here to answer your questions and continue the conversation.

Sincerely,

John Hatem

President, CyrusOne

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