



DLCD



Data Centers & Land Use in Oregon



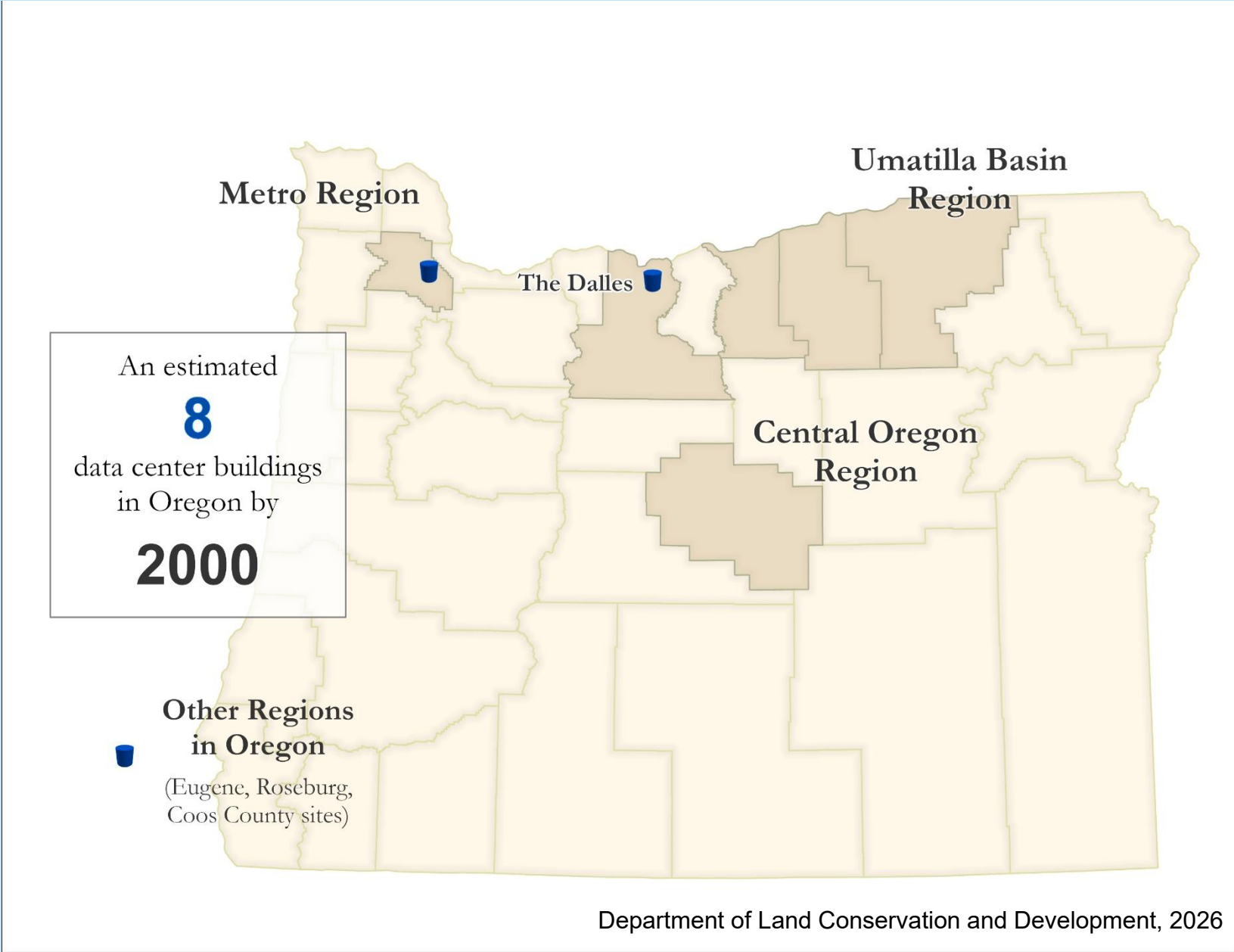
**Data Center Advisory Committee
April 24, 2026**

Leigh McIlvaine, Economic Development Specialist, Department
of Land Conservation & Development

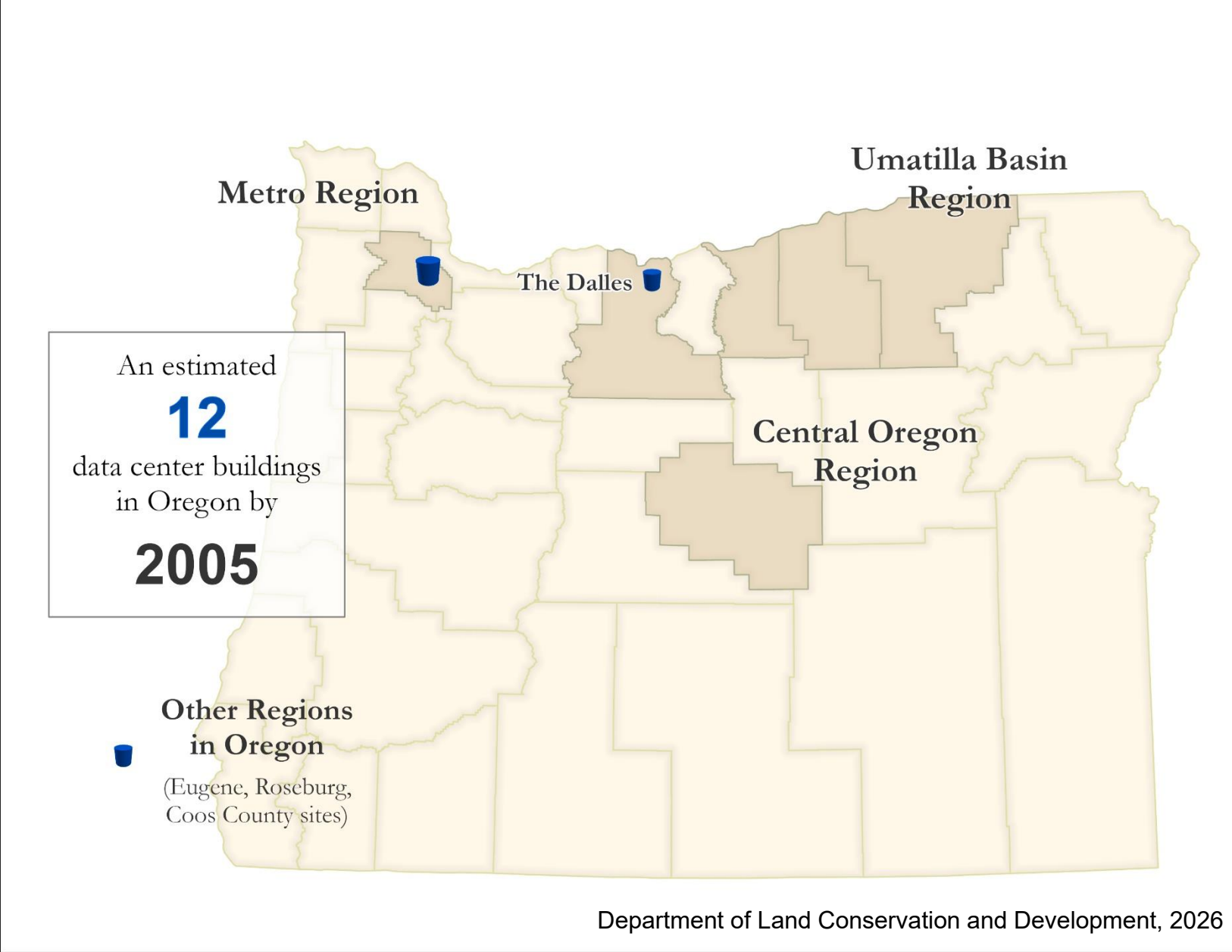


Photo Credit: Jenny Kane/AP

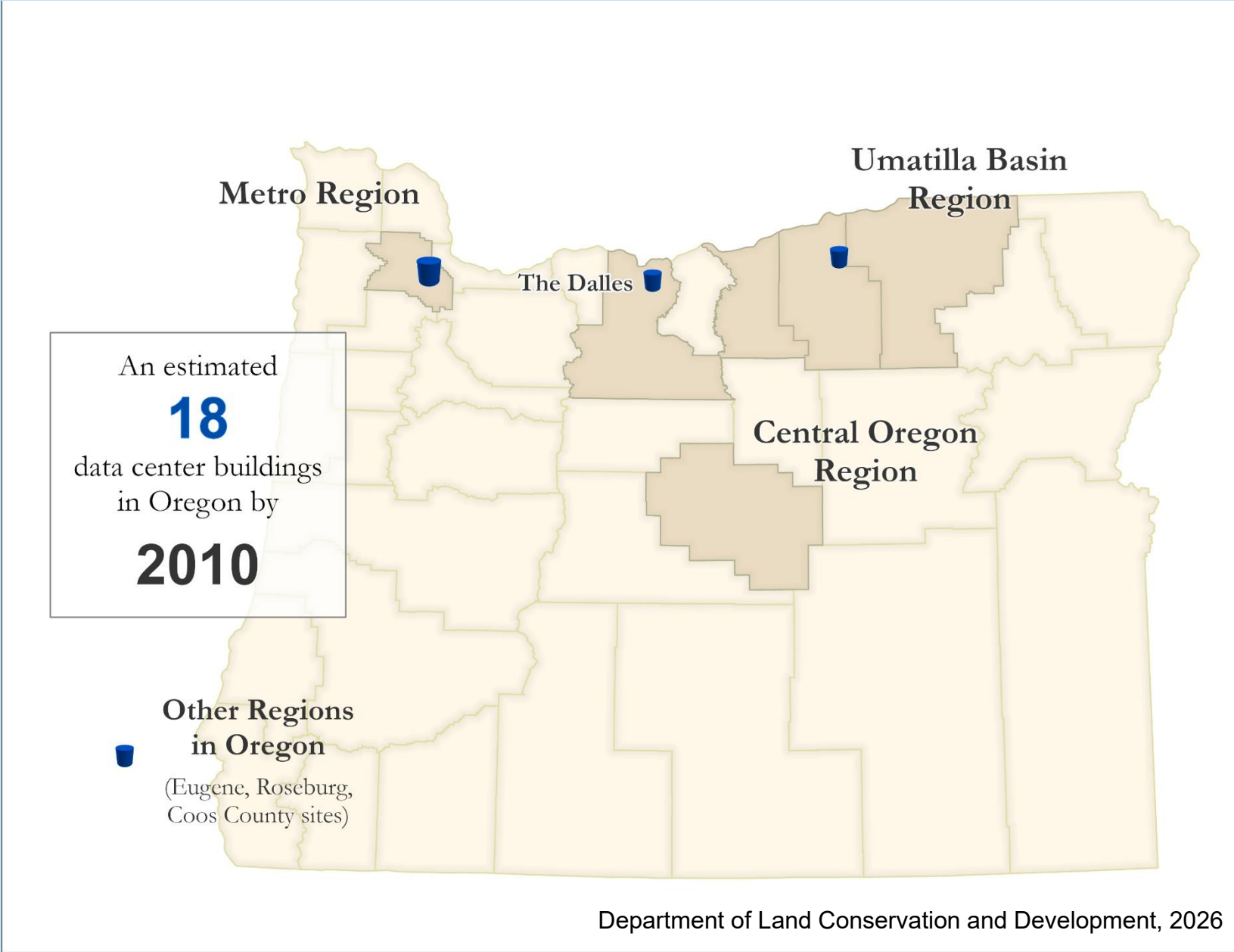
Data Center Growth in Oregon, 2000-2025



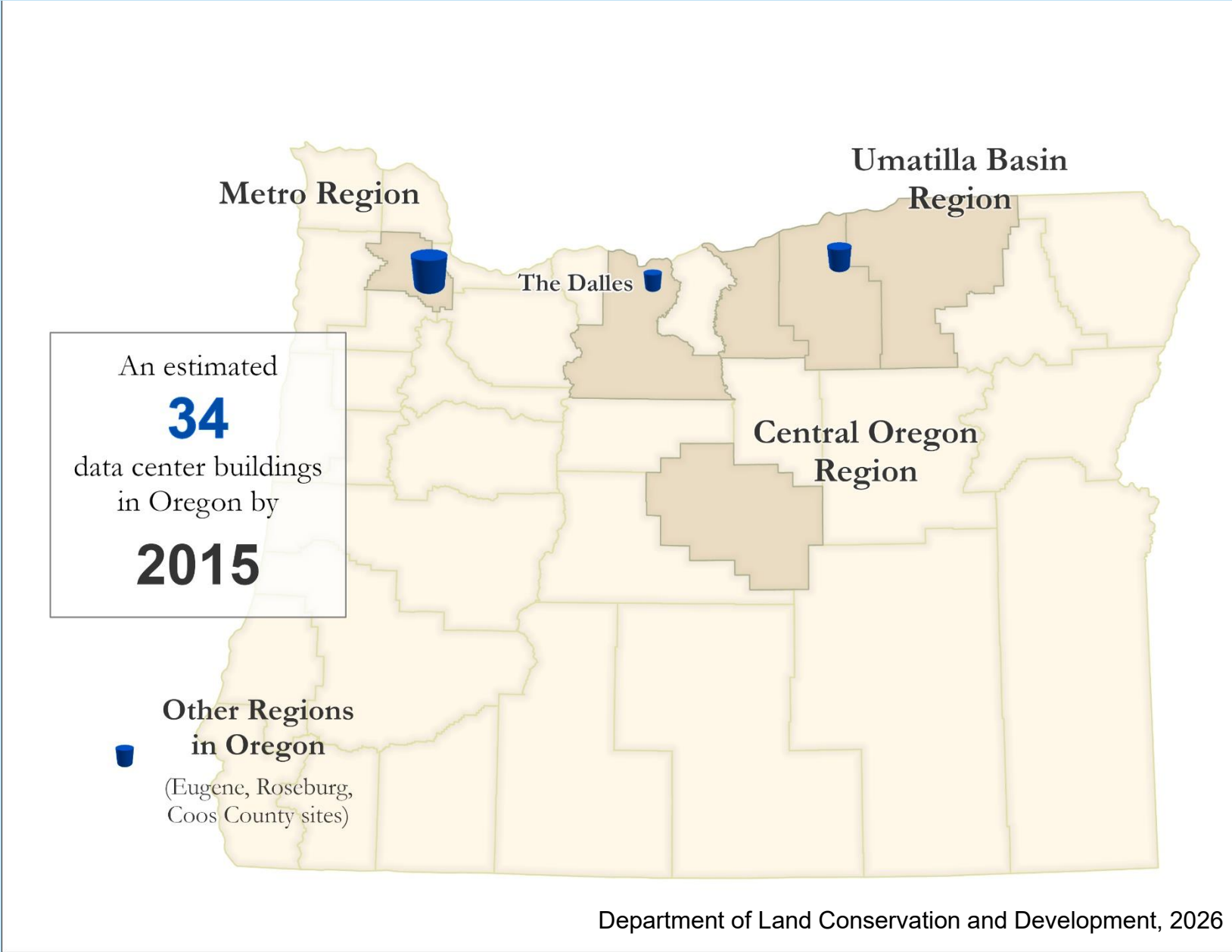
Data Center Growth in Oregon, 2000-2025



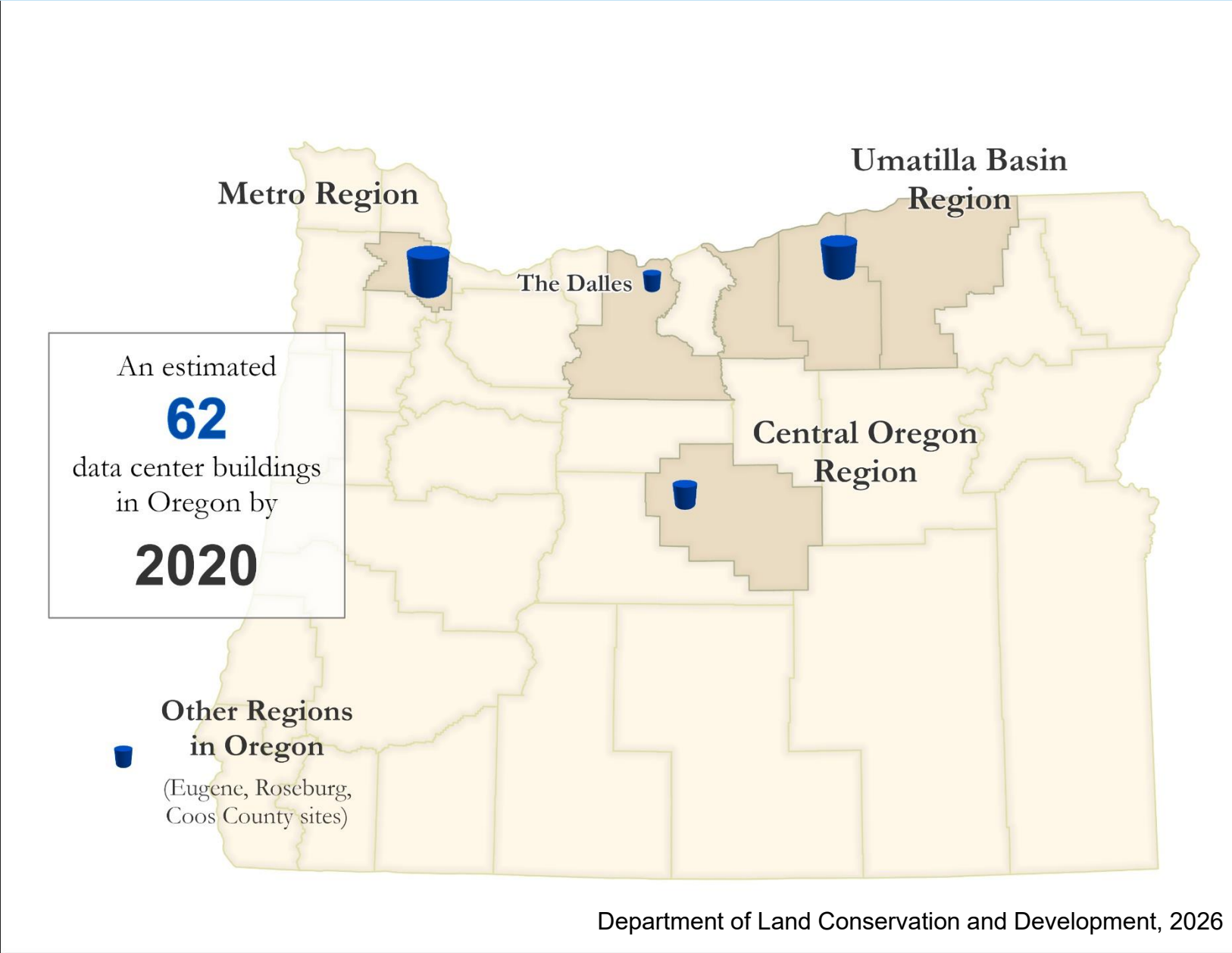
Data Center Growth in Oregon, 2000-2025



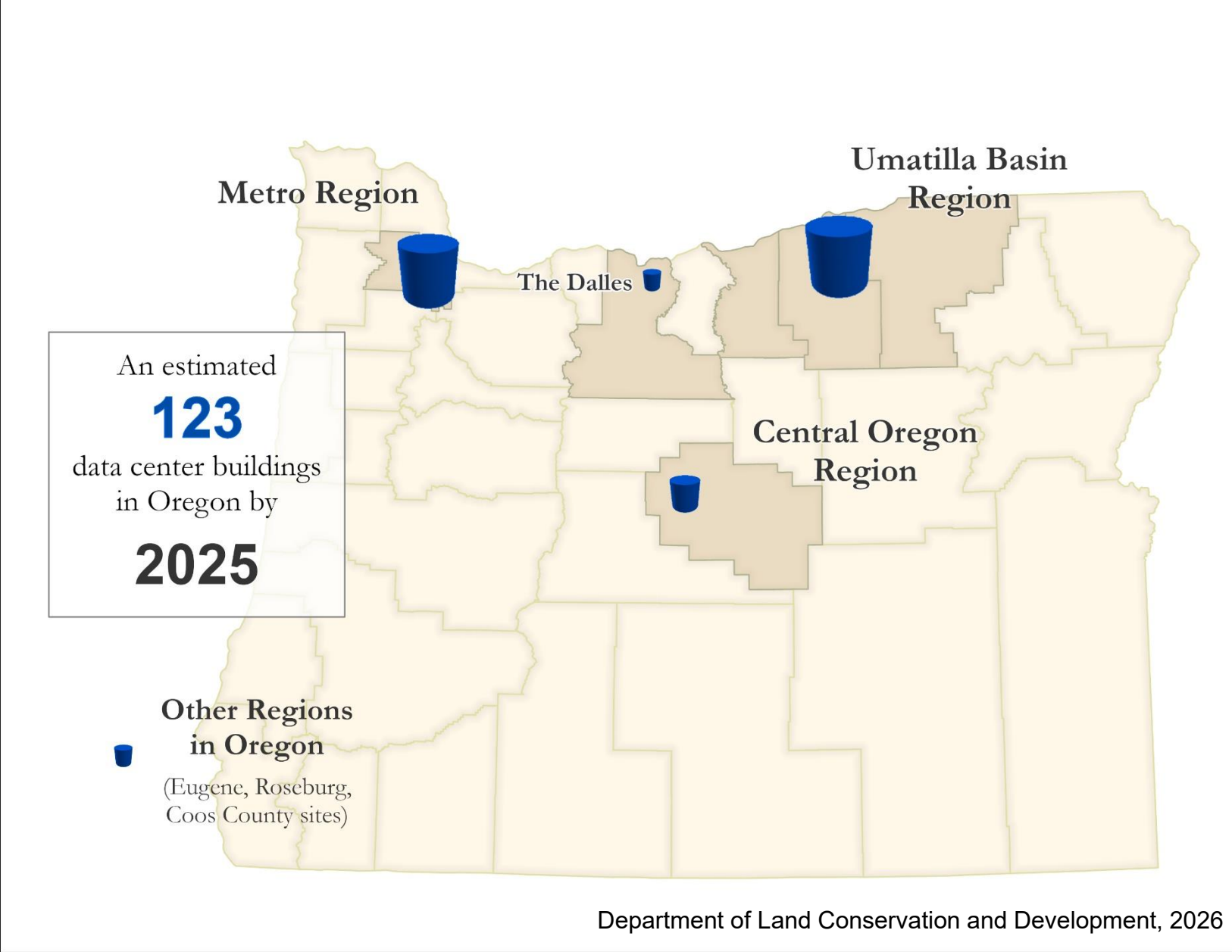
Data Center Growth in Oregon, 2000-2025



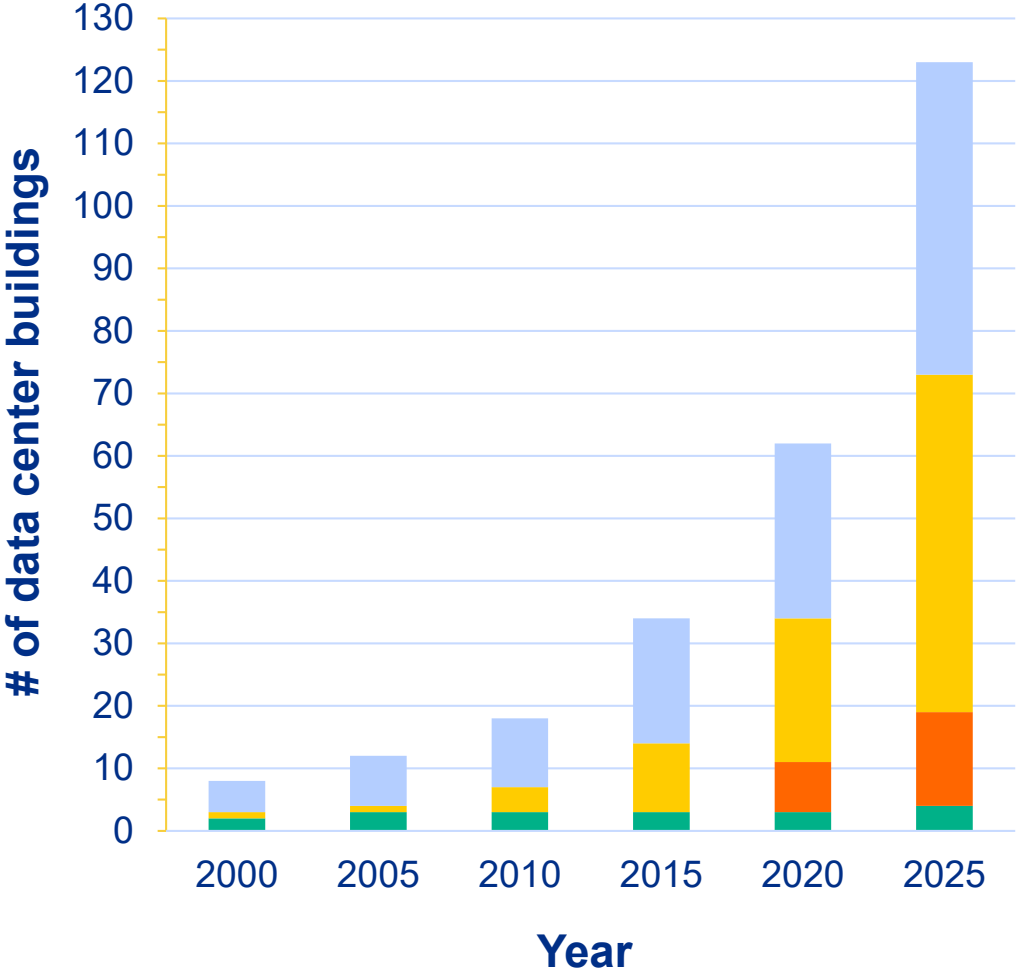
Data Center Growth in Oregon, 2000-2025



Data Center Growth in Oregon, 2000-2025



Data Center Growth in Oregon, 2000-2025



Data Center Buildings by Region

- Other Regions
- Central Oregon Region
- Umatilla Basin (incl. TD)
- Metro Region



Oregon Land Use Planning

Context & Purpose

- Oregon is a planned growth state
- Rural-Urban use spectrum
- Conservation of working/resource lands
- Efficient, place-based growth
- Laws, rules, and program evolve and change
- Processes are based in local control and public engagement



Oregon's Statewide Planning Program

Implementation

- 19 Statewide Planning Goals
- Implemented by Local Governments
- Directs growth to less productive lands
- Rural policies designed to maintain working landscapes and special places
- Urban Growth Boundaries provide 20-year land supply and are designed to expand
- Comprehensive plan amendments require adequate factual basis

- Local governments must *“provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.”*
- Local comprehensive plans must provide *“an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses.”*



Statewide Land Use Planning Goal 9

Economic Development

Land Use Planning Roles – Goal 9

State

- Assist local governments
- Develop policy to encourage economic development
- Support planned, efficient growth
- Support conservation of working and resource lands
- Review local government plans for consistency with state law and rules

Local

- Set local economic development priorities
- Forecast growth and determine need for UGB expansion
- Provide adequate employment land supply
- Serve employment lands with necessary infrastructure
- Provide community engagement opportunities

Where are existing data centers sited in Oregon?

Three primary regional markets in Oregon:

- Umatilla Basin
- Central Oregon (Prineville)
- Washington County (Hillsboro)

Cities, inside Urban Growth Boundaries:

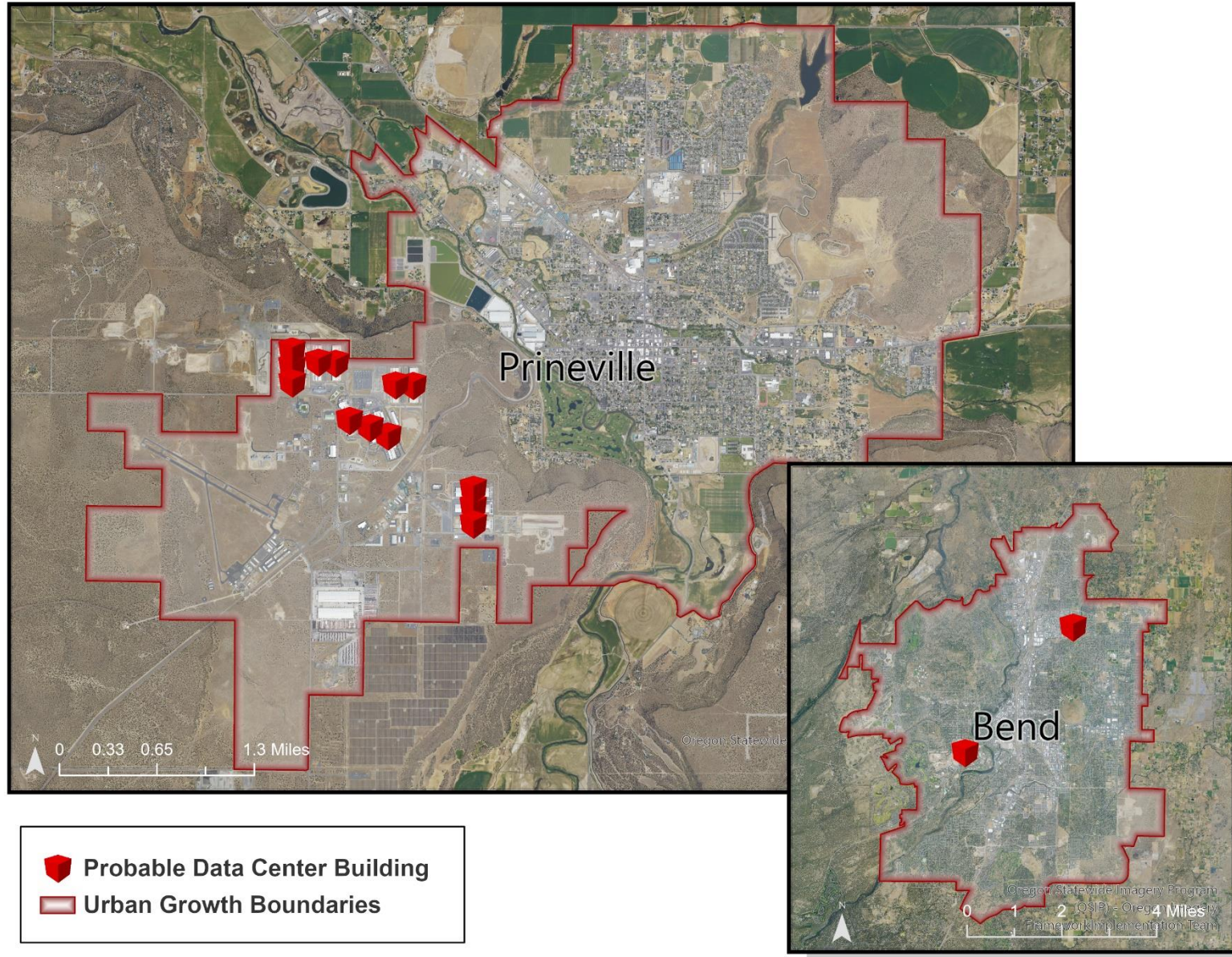
- ~80% of all data centers
- Available water supply

Outside UGBs, on “rural” lands:

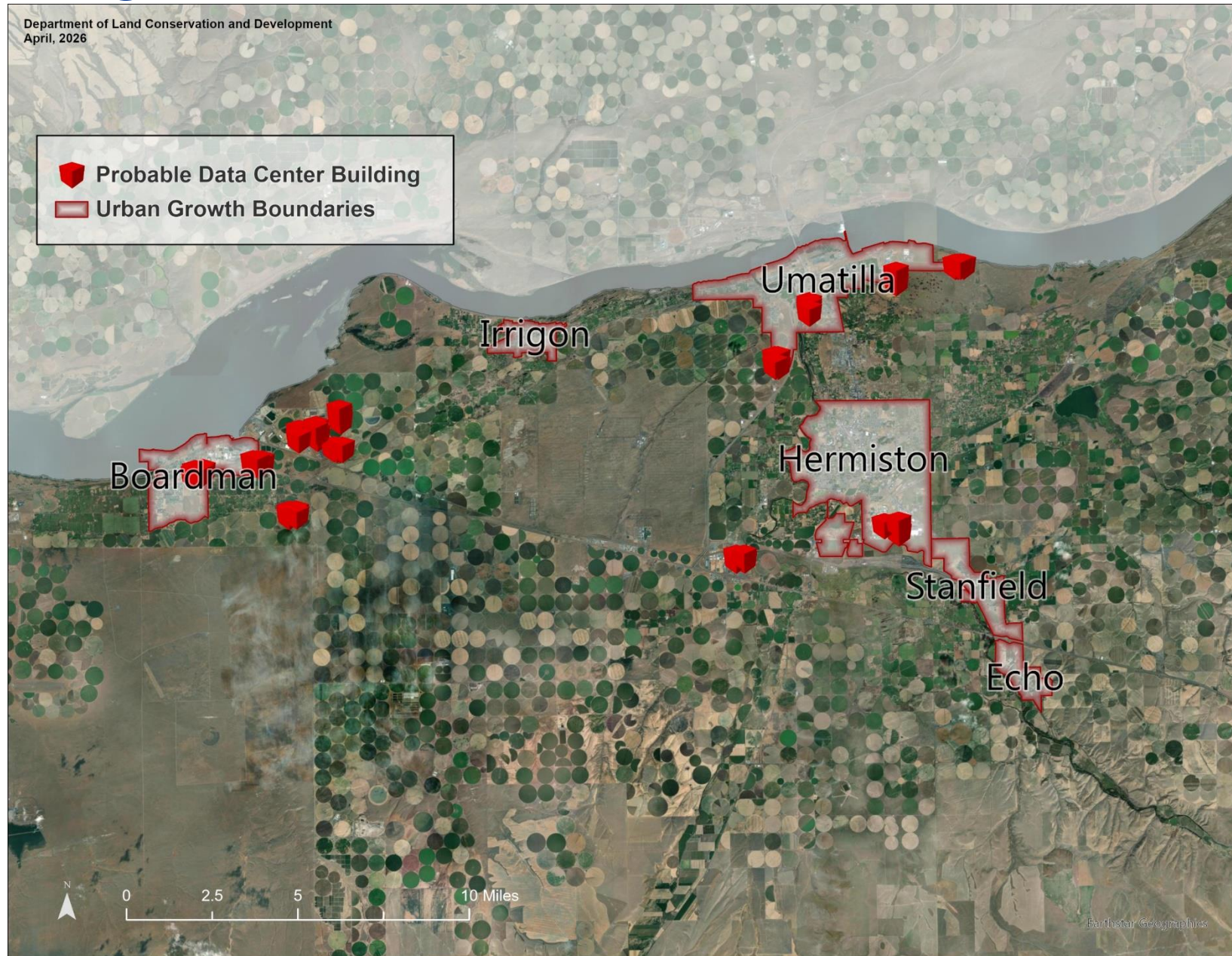
- ~20% of all data centers
- Morrow County
- Existing rural industrial lands
- Limitations on RI

Key Regional Data Center Markets, 2026

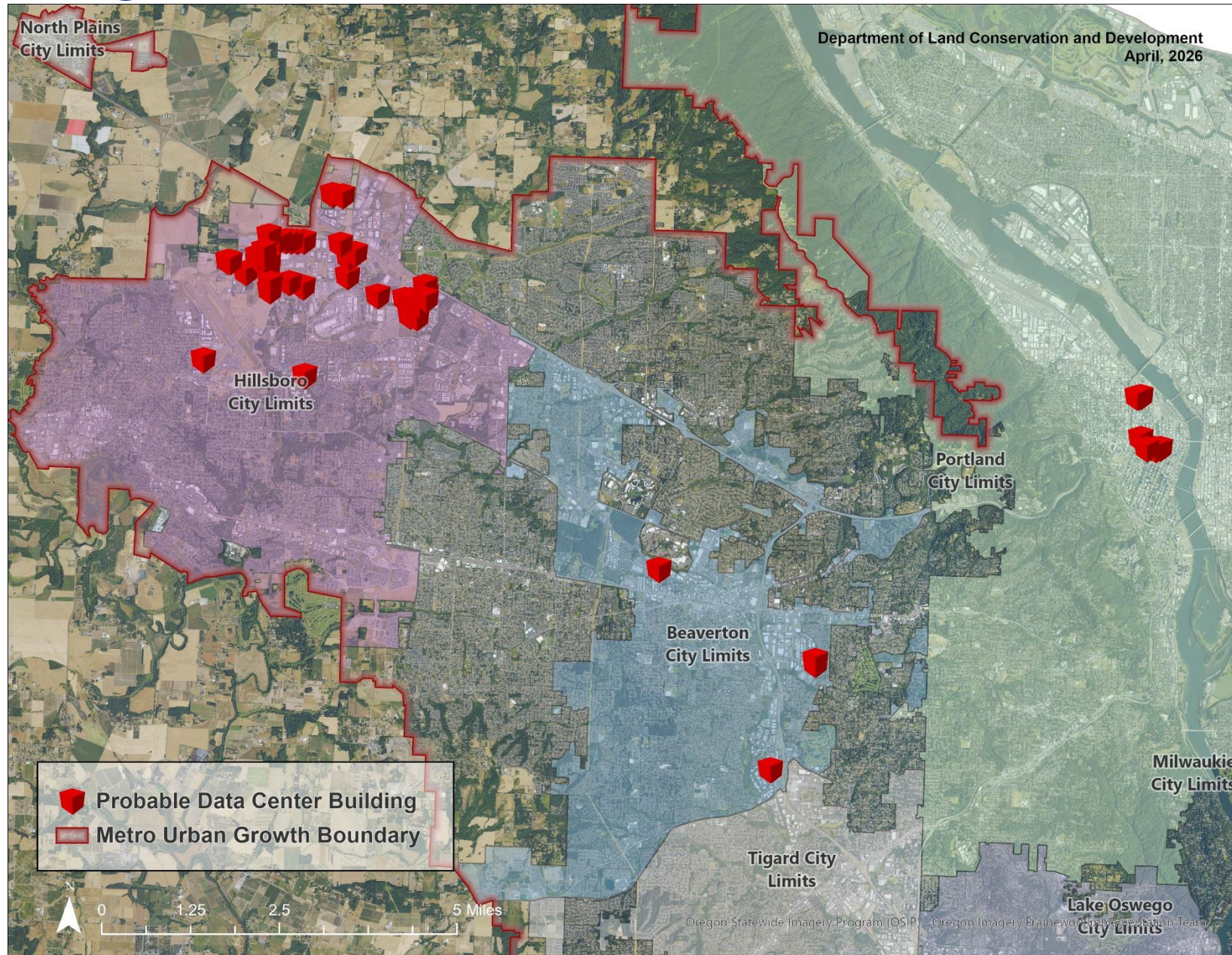
Department of Land Conservation and Development
April, 2026



Key Regional Data Center Markets, 2026



Key Regional Data Center Markets, 2026




What are the site requirements?

- Large, flat sites (50-200+ acres)
 - Available water
 - High-capacity electrical transmission lines
 - Light industrial zoning (current or future)
-
- Other siting factors:
 - Supportive/permissive local gov't
 - Property tax subsidies
 - Inexpensive, available land



What are the determinant site needs?



Long-Range Planning and Data Centers (Urban)

Local Comprehensive Plan Amendments

1. Economic Opportunities Analysis
 - Required by Oregon Administrative Rules
 - Used to forecast future economic growth
 - Evaluates sufficiency of employment land to meet need
2. Urban Growth Boundary Expansion
 - Directs growth to least valuable resource lands
 - Considers specific industry site needs
3. “Acknowledgement” by Land Conservation and Development Commission

Rural Industrial Zones & Data Centers (Umatilla Basin)

Unique local land use strategy - key ingredients:

- Space Age Industrial (SAI) Overlay Zone
- Port of Morrow – industrial development capabilities
- Significant land holdings in common ownership

DLCD perspective*:

- Preserve Exclusive Farm Use (EFU) lands in active farm use
- Defer to local governments
- Zoning “swaps” of SAI land for EFU are acceptable outcome

Should data centers be sited exclusively inside UGBs?

**unofficial*

Data Center Land Demand by Region (2026)

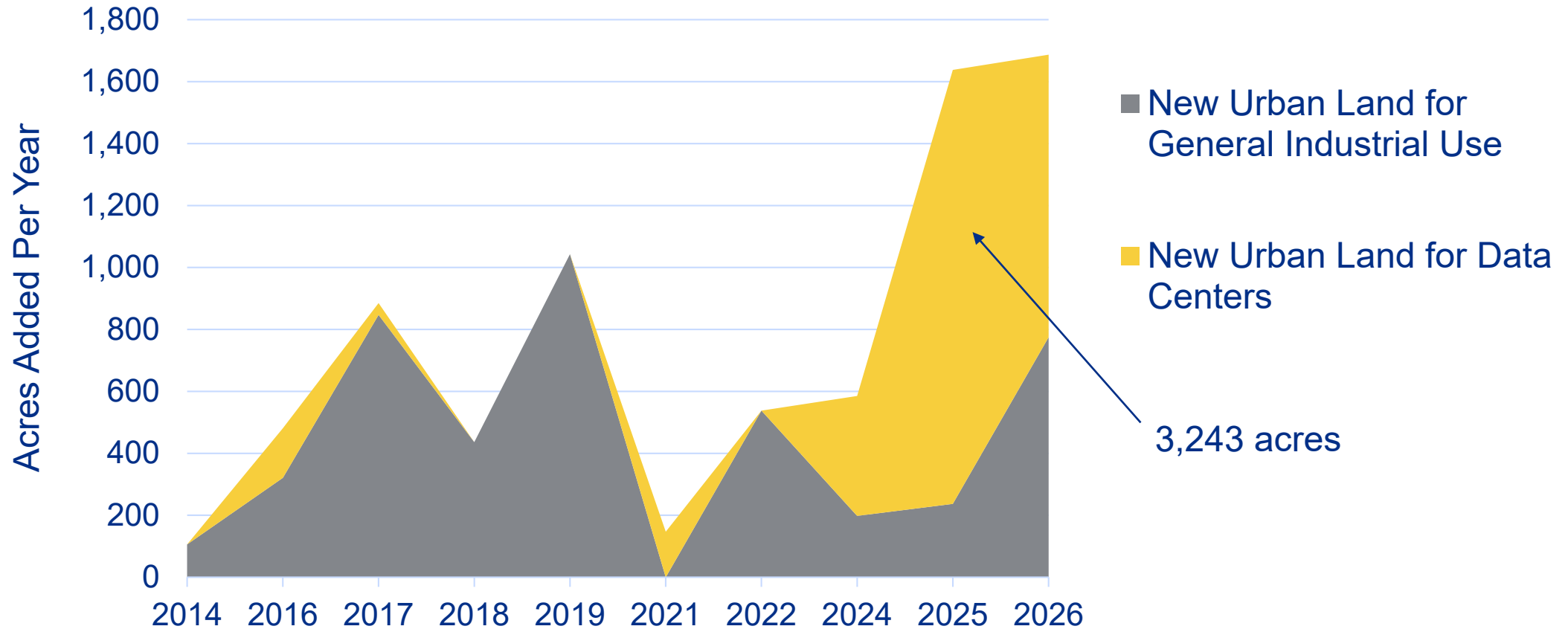
Land demand identified by local governments in key data center markets, 2021-2026

	Total land demand	To be satisfied by UGB expansion or rural upzoning
Eastern Oregon/ Umatilla Basin	7,073	5,972
Central Oregon	2,020	500
Total acres	9,093	6,472

Existing and planned data center development in Hillsboro (February 2026)

	Existing/ operational	Planned/ under construction	Total acres
Washington County/ Hillsboro	436	50	486

Cumulative Statewide UGB Expansions* for Industrial Lands, 2014-2026



*Including Recently Adopted EOAs

- Local preference & community character
- Land use compatibility issues
- Resource allocation opportunity costs (water, industrial lands)
- Expense of planning and UGB expansion
- Water, sewer, transportation requirements
- Local political concerns

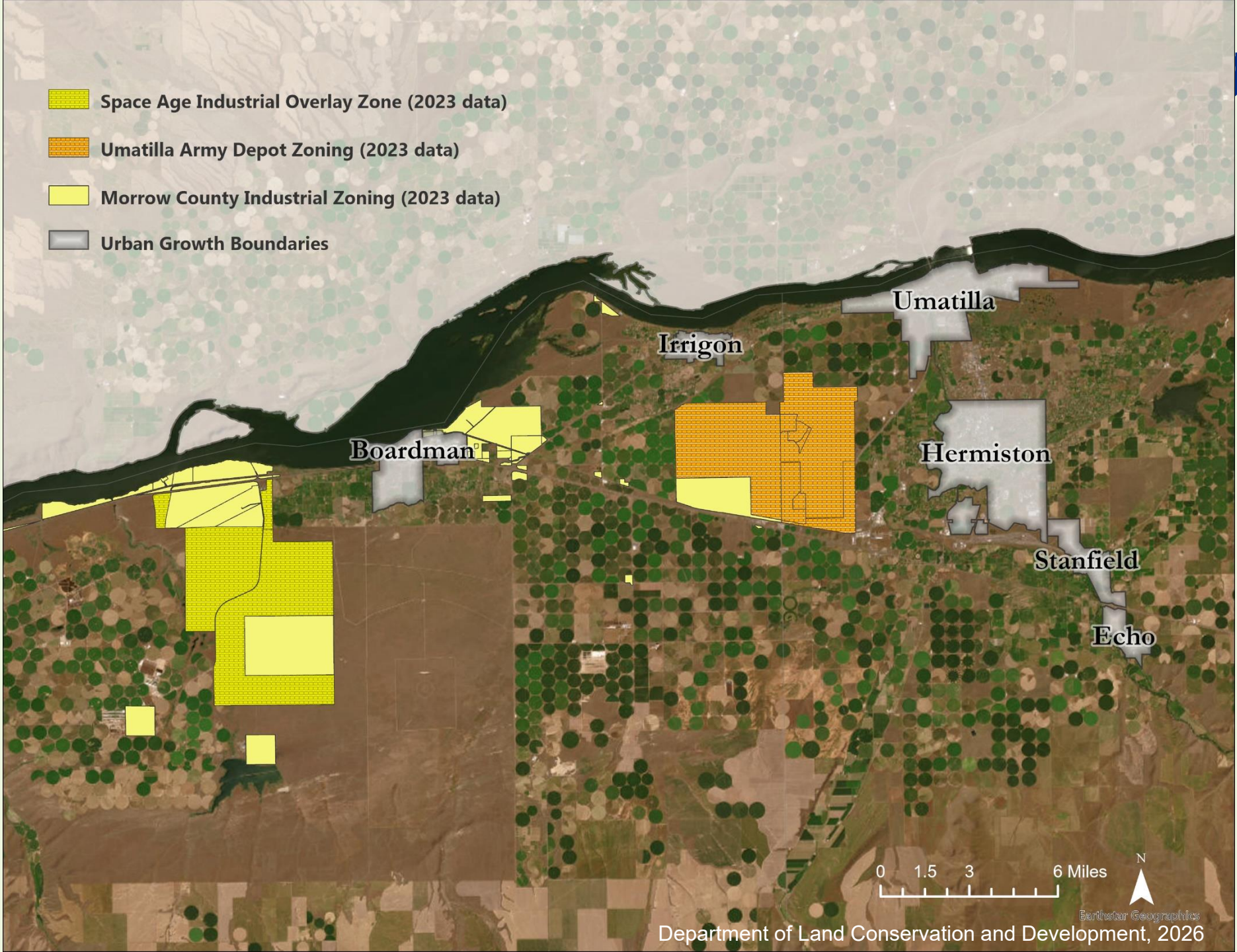


Community Land Use Considerations

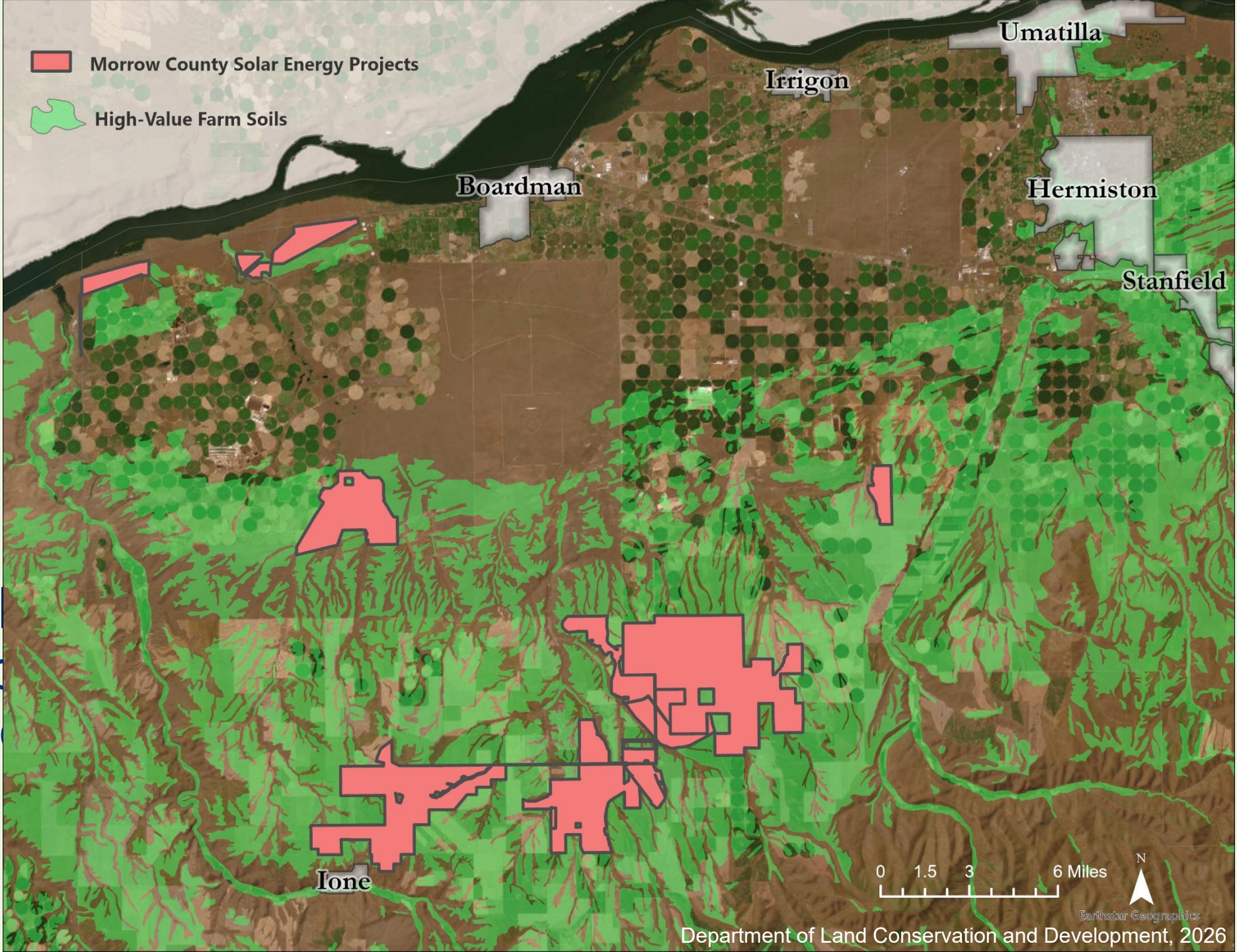


Regional & State Considerations

- Need for regional coordination regarding resource allocation
- Impact to agricultural economy
- Wildlife habitats
- Land is a non-renewable resource; opportunity cost of development
- Speculative real estate development dynamics
- Rural capacity
- Intra-regional competition



Umatilla
Resource
& Pro





Envisioning Best Land Use Outcomes of Smart Data Center Planning

- Mitigation of potential land use conflicts
- Conservation of highest quality resource lands and wildlife habitats
- Integrated land use strategy with clean energy (and land coverage)
- Systems capacity-based approvals process that considers opportunity costs
- Enhanced local government resources and capacity
- Increased certainty for community members and developers
- Increased confidence and trust in local government planning and approval processes



DLCD

Department of
Land Conservation
& Development

Leigh McIlvaine

leigh.mcilvaine@dlcd.Oregon.gov

971-701-1041

Thank you!

DLCD's Ace Crew on Data Centers
(AC/DC):

Leigh McIlvaine

Karen Grosulak-McCord

Jon Jinings

Dawn Hert

Alyssa Bonini