Oregon
Tina Kotek, Governor

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June 11, 2026

To: Land Conservation and Development Commission

From: Brenda Ortigoza Bateman, Ph.D., Director
Kirstin Greene, AICP, Deputy Director
Leigh McIlvaine, Economic Development Specialist

Subject: **Agenda Item 6, June 25-26, 2026, LCDC Meeting**

Briefing: Data Center Development Trends in Oregon

I. Agenda Item Summary

Department of Land Conservation and Development (DLCD or the department) staff members will brief the Land Conservation and Development Commission (LCDC or commission) on their latest research into data center development trends in Oregon. Staff will provide information about the department's efforts supporting the Governor's Data Center Advisory Committee (DCAC), along with recommendations DLCD advanced to the DCAC. This is an informational item. As public comment is not accepted at this time, community members who wish to comment on data center development should participate in the public proceedings of the DCAC.

a. Purpose

Staff will provide a summary of data center development activity in Oregon and update the commission on the activities of the Data Center Advisory Committee.

b. Objective

Commissioners are up to date on the department's work around data center development trends in Oregon.

For further information about this report, please contact Leigh McIlvaine, Economic Development Specialist, at 971-701-1041 or leigh.mcilvaine@dlcd.oregon.gov.

II. Background

Unprecedented growth of the data center industry in Oregon and nationwide is fueling public dialogue about the costs and benefits of this industry. DLCD staff continue to closely monitor land use activity pertaining to data center development across the state. The department is supporting the work of the recently convened Data Center Advisory Committee (DCAC), appointed by the Governor to inform future development policy related to the industry in Oregon. Community members who wish to comment on data center development should participate in the public proceedings of the DCAC. DCAC members receive public comment at monthly

committee meetings and during public listening sessions. To participate, please visit: https://www.oregon.gov/energy/get-involved/pages/oregon-data-center-advisory-committee.aspx.

III. Industry Development Trends

There are three regional data center growth markets in Oregon: 1) the Umatilla Basin, consisting of Umatilla, Morrow, and to a lesser extent, Gilliam counties, 2) Central Oregon, where the industry is established in Prineville/Crook County, and 3) Hillsboro/Washington County. DLCD staff have analyzed development trends across the state, including existing data center locations and expected land demand. See Attachment A for maps of key regional data center markets.

The department's evaluation of established, operational data centers reveals a wide range of facility types. Many smaller data centers located in urban areas can be considered to be a part of the state's telecommunications infrastructure. The type of data center driving growth in Oregon and across the globe is known as a "hyperscale" facility. Although there is no commonly accepted, standard definition of the term, hyperscale data centers are generally understood to provide service that extends beyond a regional market and have significant power, water, and land needs. Silicon Valley tech firms such as Amazon (Amazon Web Services, or AWS), Google, Meta, and Apple operate existing hyperscale data centers in Oregon and are currently expanding operations.

a. Existing data center operations in Oregon

Although the department is currently unable to distinguish between hyperscale and other data center types for those already in operation, staff have compiled a thorough dataset that describes the location of existing data centers in the state. DLCD developed this data for the purpose of analyzing industry growth rates by location. Staff consulted a variety of sources to develop this data but have not confirmed individual locations. As of 2025, there were 123 established data centers[1] in Oregon. Of those facilities, 12 percent are located in Central Oregon, 44 percent are located in the Umatilla Basin,[2] and 40 percent are in Hillsboro/Washington County. (Attachment A)

The industry is growing at an exponential rate, with the number of operational buildings doubling every five years. Development in Hillsboro and Umatilla Basin markets are driving the majority of growth. Hyperscale facilities are fueling data center development in the Umatilla Basin. Hillsboro hosts a wider variety of facility types but is also experiencing the greatest amount of growth by hyperscale facilities.

Most types of hyperscale data centers require significant water for cooling and therefore rely on community water availability. Cities and other public agencies that have not fully grown into their

[1] The term "data center" is also undefined. For the purposes of developing this dataset, DLCD considered any individual building, whether sited in isolation or as a part of a multi-building campus, as a single data center.
[2] For the purpose of this analysis, the Google facilities in The Dalles are included in the Umatilla Basin market region.

established water rights may choose to serve data centers with water. Water availability has shaped the industry's growth in Oregon, with the majority of data centers located in cities. However, 20 percent of all data centers in the state operate in rural industrial zones, outside of urban growth boundaries. This land use pattern is common in Morrow County, where the Port of Morrow supplies water for industrial purposes.

b. Future land demand by the data center industry

The department receives information about future data center land need in several ways. Communities that are working toward adoption of Economic Opportunities Analyses (EOAs) submit post-acknowledgement comprehensive plan amendment notifications to DLCD for review. Many local governments develop their EOAs in consultation with department staff, which provides the agency with some awareness of development plans before a formal plan amendment notification is issued. DLCD's regional representatives also are sometimes made aware of development interest in lands outside of urban growth boundaries or economic development priorities before local comprehensive plan amendment work begins in earnest.

When staff last reported to the commission on this topic in February 2026, the department estimated total future land demand for new data centers to be 8,571 acres. Estimated need has grown since then to approximately 9,100 acres of land for data center development. Staff estimate that approximately 6,500 acres of that total would need to be satisfied by expansion of urban growth boundaries or new rural industrial development. Table 1 displays these figures by region. Note that the Hillsboro/Washington County market[3] is excluded from this analysis; the city's inability to amend its urban growth boundary (UGB) to urbanize rural reserve lands in Washington County prevents data center industry growth plans that would otherwise be represented in the table below.[4]

Table 1. 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

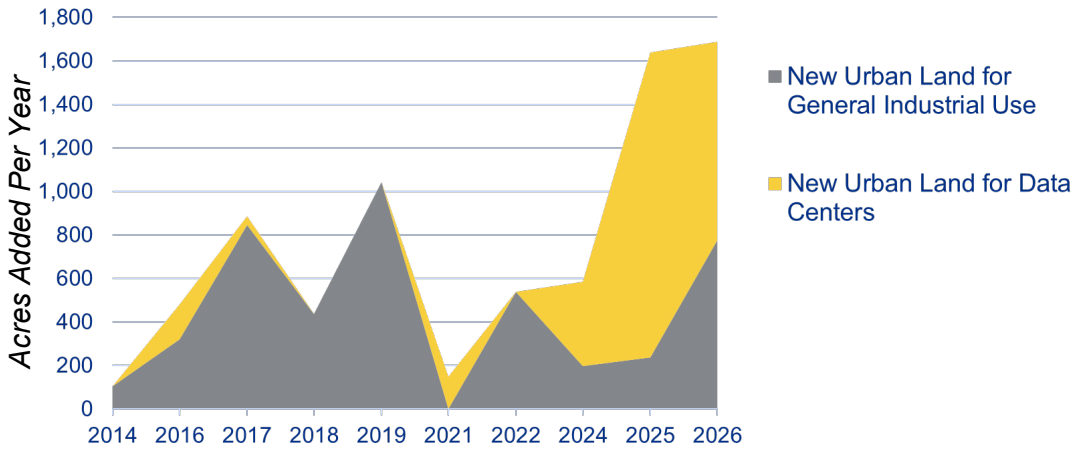
Hyperscale data centers require large sites of 50-150 acres or more. Communities that are interested in accommodating growth by this industry often need to pursue urban growth

[3] DLCD estimates that the total land use footprint of the data center industry in Hillsboro is approximately 430 acres, out of a total of approximately 15,000 acres in the city, with an additional 50 acres planned or under construction.

[4] In 2014 the legislature designated Rural Reserves adjacent to Hillsboro, making a significant amount of land ineligible for inclusion in the Metro urban growth boundary for a period of 50 years. This act of the legislature is known as “The Grand Bargain.”

boundary expansions to provide appropriate sites. DLCD staff evaluated urban growth boundary amendments between 2014 to 2026 that provided additional industrial land supply for future urban development. Of a total of 22 completed or planned UGB expansions for industrial land, eight were based on economic opportunities analyses that specifically included data center development as a target industry. These 22 completed or planned UGB expansions represent a total of 10,391 acres of newly urbanized land for industrial use. Data center-specific industrial land accounts for 3,243 acres of that amount, with the proportion of data center industrial land increasing rapidly over time. Between 2020 and 2026, approximately two thirds of all land added to urban growth boundaries for industrial use is (or will be) designated for data center development. Figure 1 shows the proportion of data center land demand as represented by UGB amendments growing over time.

Figure 1. Cumulative Statewide UGB Expansions[5] for Industrial Lands, 2014-2026



IV. Oregon Governor's Data Center Advisory Committee

In January 2026, Governor Kotek convened the Data Center Advisory Committee (DCAC) to develop recommendations for a comprehensive regulatory framework to strategically pursue economic development opportunities provided by the industry. The committee is asked to consider how industry utility costs, infrastructure investments, and environmental impacts affect sustainability and equity for all residents, especially low-income and working families.

Among its other responsibilities, Governor Kotek asked the DCAC to recommend actions that the State of Oregon can take to: 1) understand how the development of data centers affects and can help Oregon meet its climate, clean energy, and natural resource management goals; and 2) identify key issue areas needing to be addressed in order to develop a policy framework that will help guide the state in the responsible siting of data centers moving forward. The Governor's charge to the Data Center Advisory Committee is here:

[5] Inclusive of adopted EOAs that will support urban growth boundary amendments in future local comprehensive plan amendments.

https://www.oregon.gov/energy/get-involved/Documents/Data-Center-Advisory-Committee-Charge.pdf.

The co-chairs of the DCAC have convened a "state agency liaison table" that meets regularly to help identify key issues for the committee to address, inform the development of public meeting agendas, and support the committee in writing its report. DLCD staff worked with the DCAC to support its public meeting on land use on April 24. DLCD Director Bateman provided opening comments, to orient the DCAC to the mission of the department and the context of Oregon's land use planning program. Economic Development Specialist Leigh McIlvaine and Community Services Specialist Jon Jinings represented the agency for the full meeting.

Staff presented to the committee an analysis of future land use plans for the industry in Oregon. They described challenges that local governments face when responding to exponential industry growth. Staff additionally shared opportunities for Oregon's unique approach to land use planning; it plays a critical role in supporting local governments who are responding to growth pressure, while developing thoughtful data center siting priorities. Members of the DCAC were highly engaged in these land use discussions. Please find meeting materials and a recording of the proceedings of the committee on the Oregon Data Center Advisory Committee webpage: https://www.oregon.gov/energy/get-involved/pages/oregon-data-center-advisory-committee.aspx

The DCAC meets next on May 29 to focus on energy issues and industry demand. The committee's report to the Governor is due in October 2026.

V. Recommended Action/Conclusion

No action is required. Staff appreciate any guidance or feedback the commission may have.

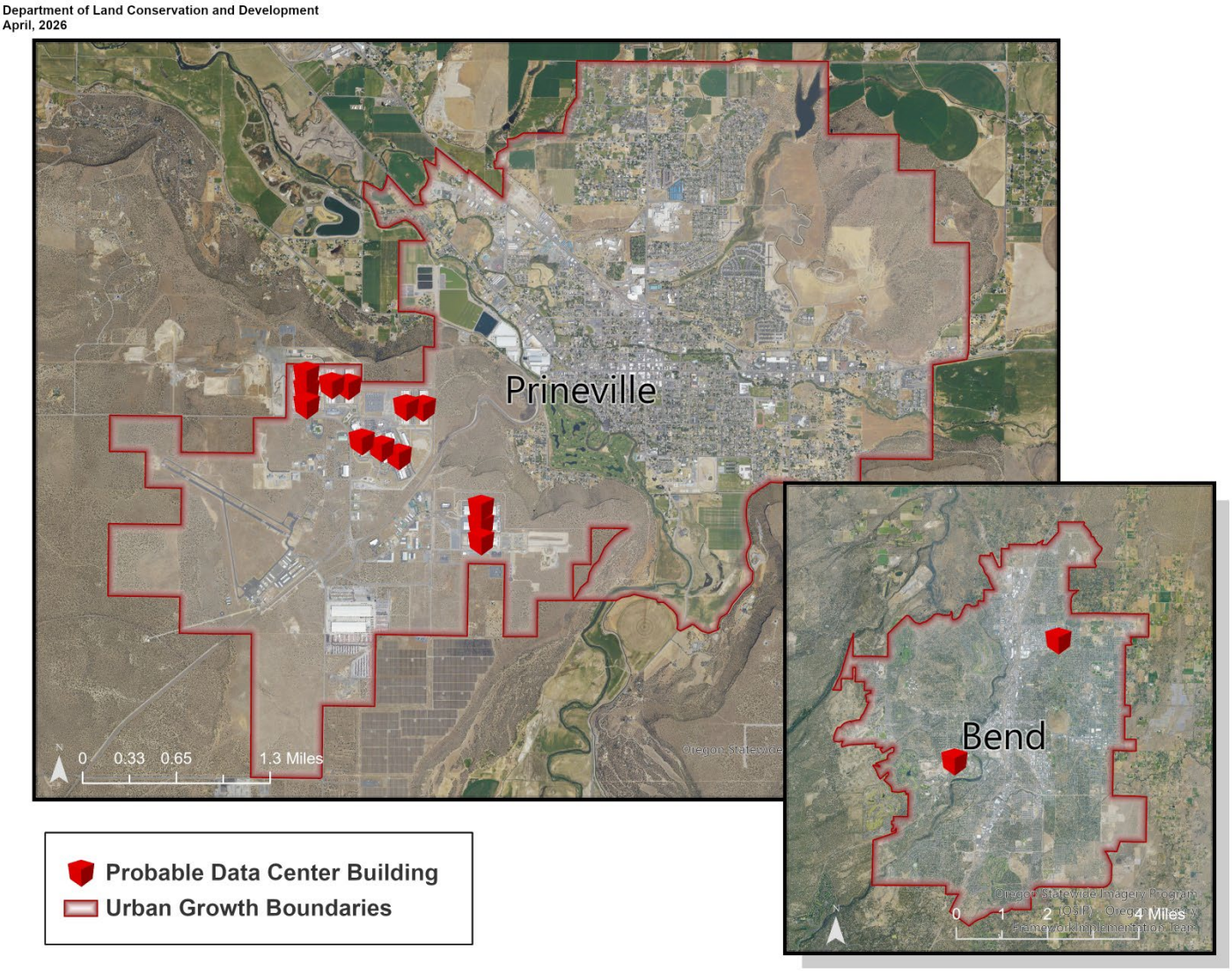
VI. Attachments

a. Maps: Key Data Center Market Regions of Oregon, 2026

b. Detail, sources, and credits for maps provided to the Data Center Advisory Committee, April 24, 2026

Attachment A: Key Regional Data Center Markets

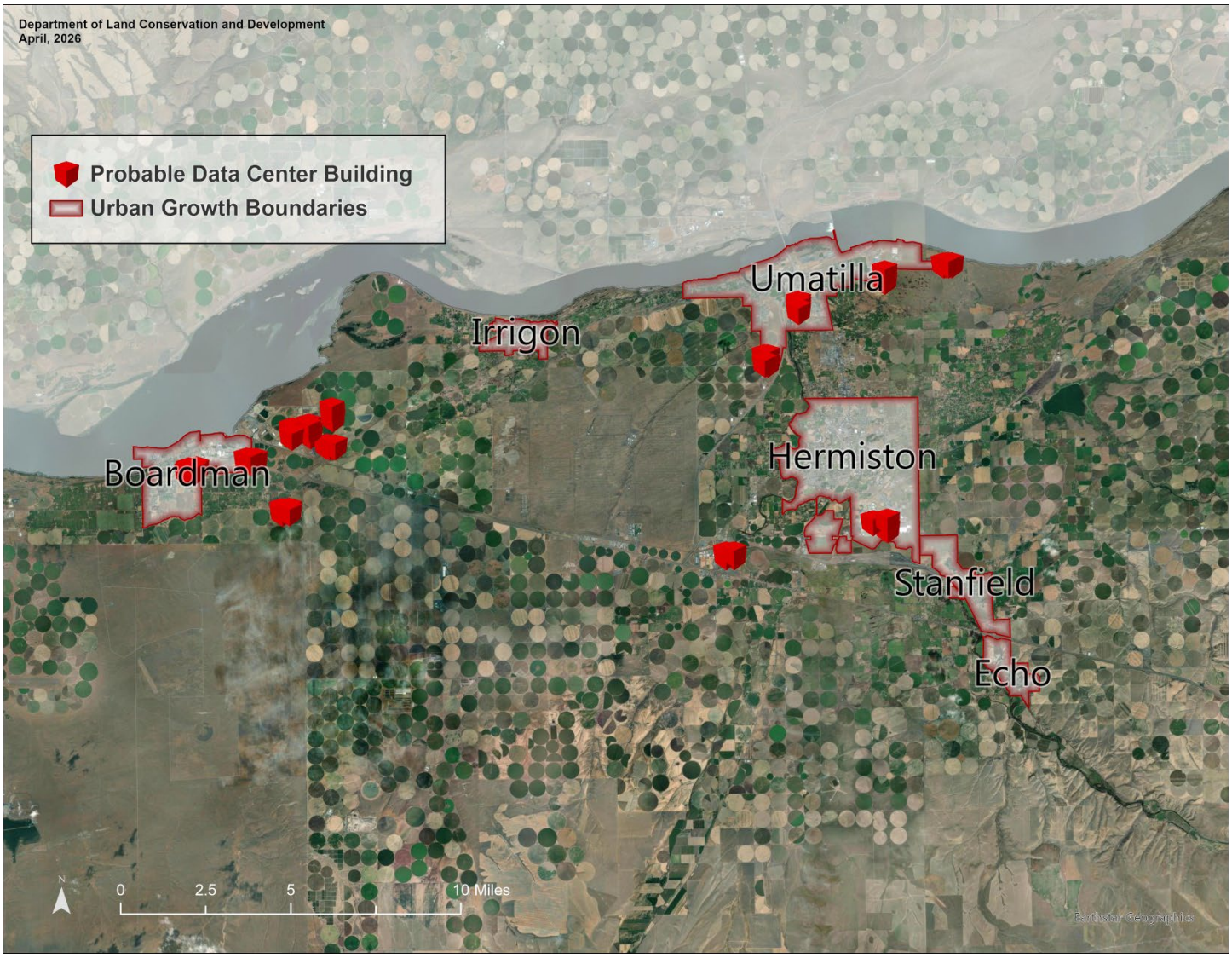
Central Oregon Regional Market, 2026



Please see Attachment B for mapping detail and credits.

Attachment A: Key Regional Data Center Markets

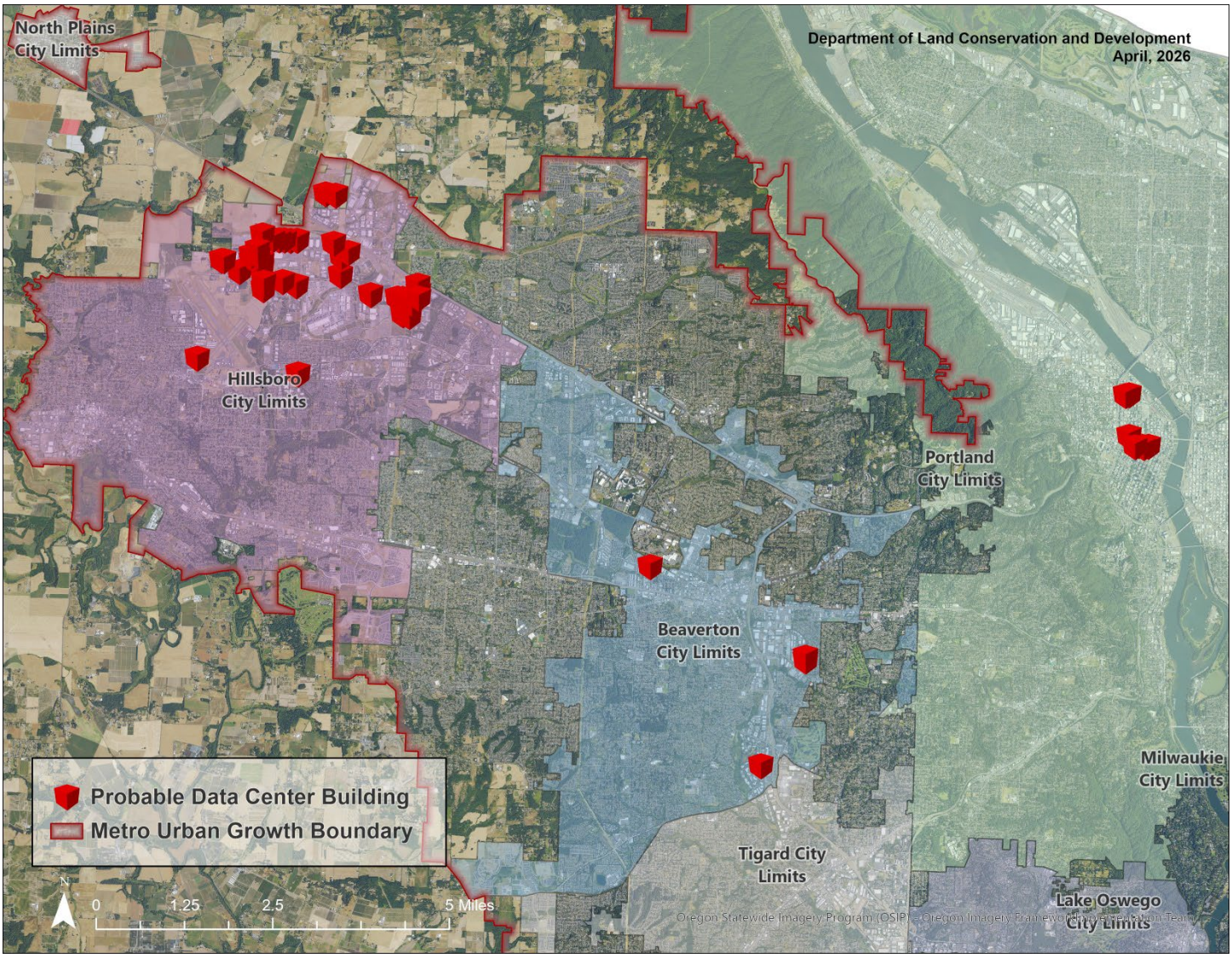
Umatilla Basin Regional Market, 2026



Please see Attachment B for mapping detail and credits.

Attachment A: Key Regional Data Center Markets

Hillsboro/Washington County, 2026



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Detail, sources, and credits for maps provided to the Data Center Advisory Committee, April 24, 2026

Credits

Bureau of Land Management; Oregon Department of Agriculture; Oregon Department of Transportation; Department of Land Conservation and Development; Oregon Department of Energy; Morrow County; Oregon Department of Revenue; Baxtel; datacentermap.com; Google Earth; Esri; Oregon Statewide Imagery program (2024)

Data Vintages and Disclaimer:

1. Zoning (2023): "DLCD created the Zoning feature class from geospatial, attribute, and imagery data which DLCD gathered and assembled from local government sources. DLCD aggregated and generalized the source data into statewide zoning classes based on the data standard endorsed by OGIC on June 18, 2014. While DLCD's goal is to make the statewide, generalized dataset as accurate as possible, the most accurate data will be housed with the local jurisdiction. Data were prepared by the particular source to meet accuracy requirements of a broad-scale, geospatial, information system and not for detailed design. DLCD accepts the Data in their "as is" condition. DLCD makes no warranty regarding the accuracy of the Data originating from local government records or from other sources. DLCD makes no warranty of title to the Data. DLCD acknowledges that the Data may contain defects or errors and that some portion of the Data may be illegible, incomplete, or unsuitable for a particular need or intended use. "
2. Probable Data Center Buildings (2026): "This dataset is a best-attempt effort to visualize certain geographic and temporal characteristics of data centers using the best available information and may contain errors. This dataset should not be considered an official inventory or complete catalogue of data center locations for Oregon. Individual records estimate where individual data center buildings are located and certain attributes but may represent campuses or other data center configuration types. DLCD created this point dataset from the following methods:
    a. Compiling location and attribute information from publicly available sources. Individual records were researched and best attempts were made to validate locations and certain attributes. As such, discrepancies may exist between this dataset and datasets published on other platforms.
    b. Collaboration with Oregon Department of Energy on collecting, compiling, and cleaning data.
    c. Best-attempt identification and verification by reviewing aerial photography. Years attributed in time series map are estimates using current and historical imagery to identify when buildings appeared on the landscape.
3. High-Value Farm Soils (2007): "This data set depicts the high value farmland soil as defined in OAR 660-033-0020(8). This data was created by merging 38 different soil shapefiles that were provided by the Oregon Department of Agriculture. Most SSURGO soil attributes were removed as they do not apply to this version/definition of the data."