



CITY OF SALEM

585 Liberty St SE
Salem, OR 97301

Revision #1 to the City Council Agenda

Monday, July 27, 2026

6:00 PM

**Loucks Auditorium/
Salem Public Library**

Item 5.1

Report on Data Center

Added Presentation

Added the following note on the report:

*Representatives of Verrus will be present and available to
address questions from City Council.*

Page
Break

Verrus/Oakline at Mill Creek

An Informational Briefing for the Proposed Data Center Campus in Southeast Salem

July 27, 2026



Purpose of Tonight's Briefing

1. Set the baseline

What has been proposed, what is merely claimed and what has not yet been formally reviewed.



2. Explain the process

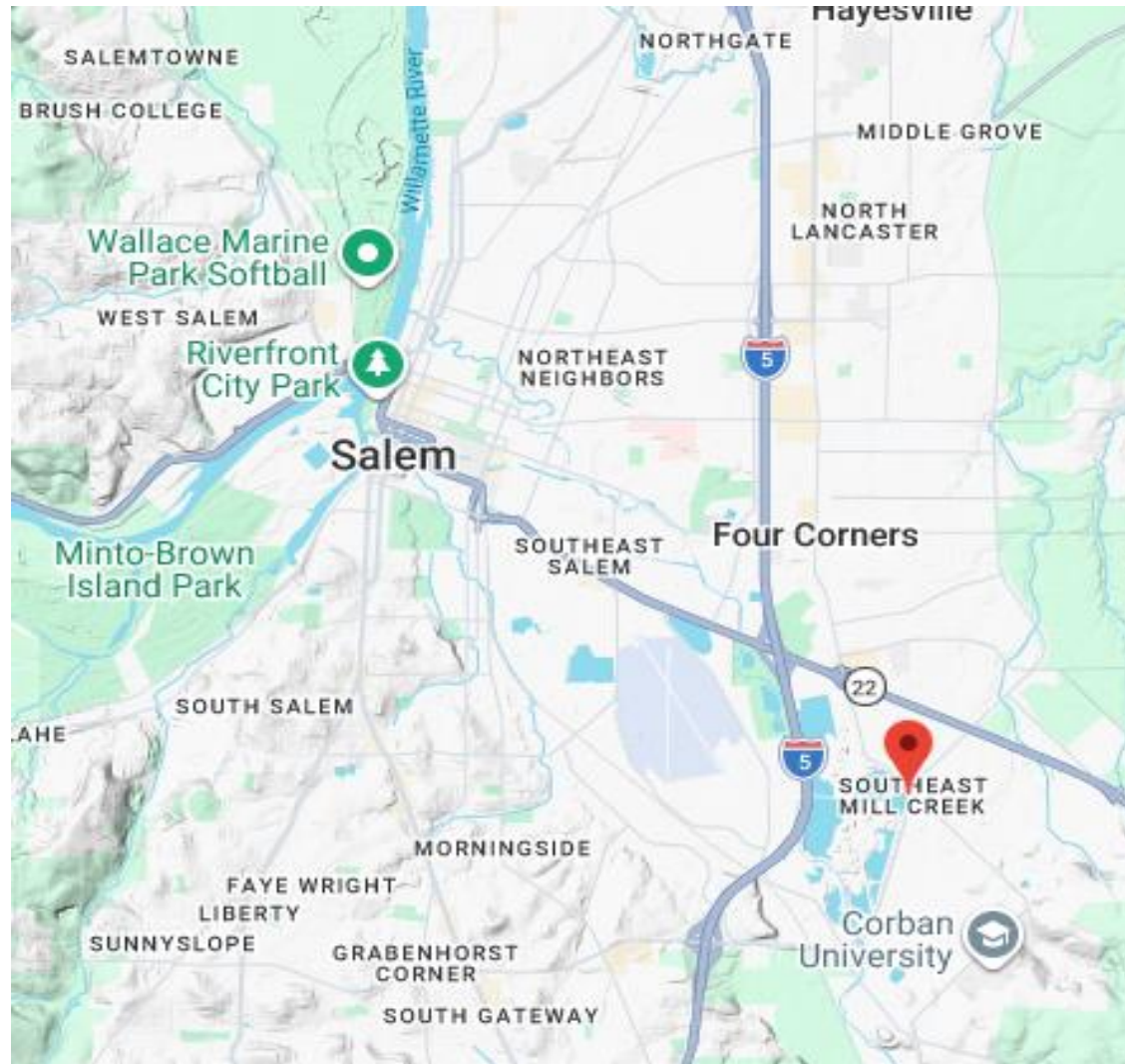
A data center is already an allowed use in the Employment Center Zone. The expected review is administrative site-plan review.



3. Clarify Council's Role

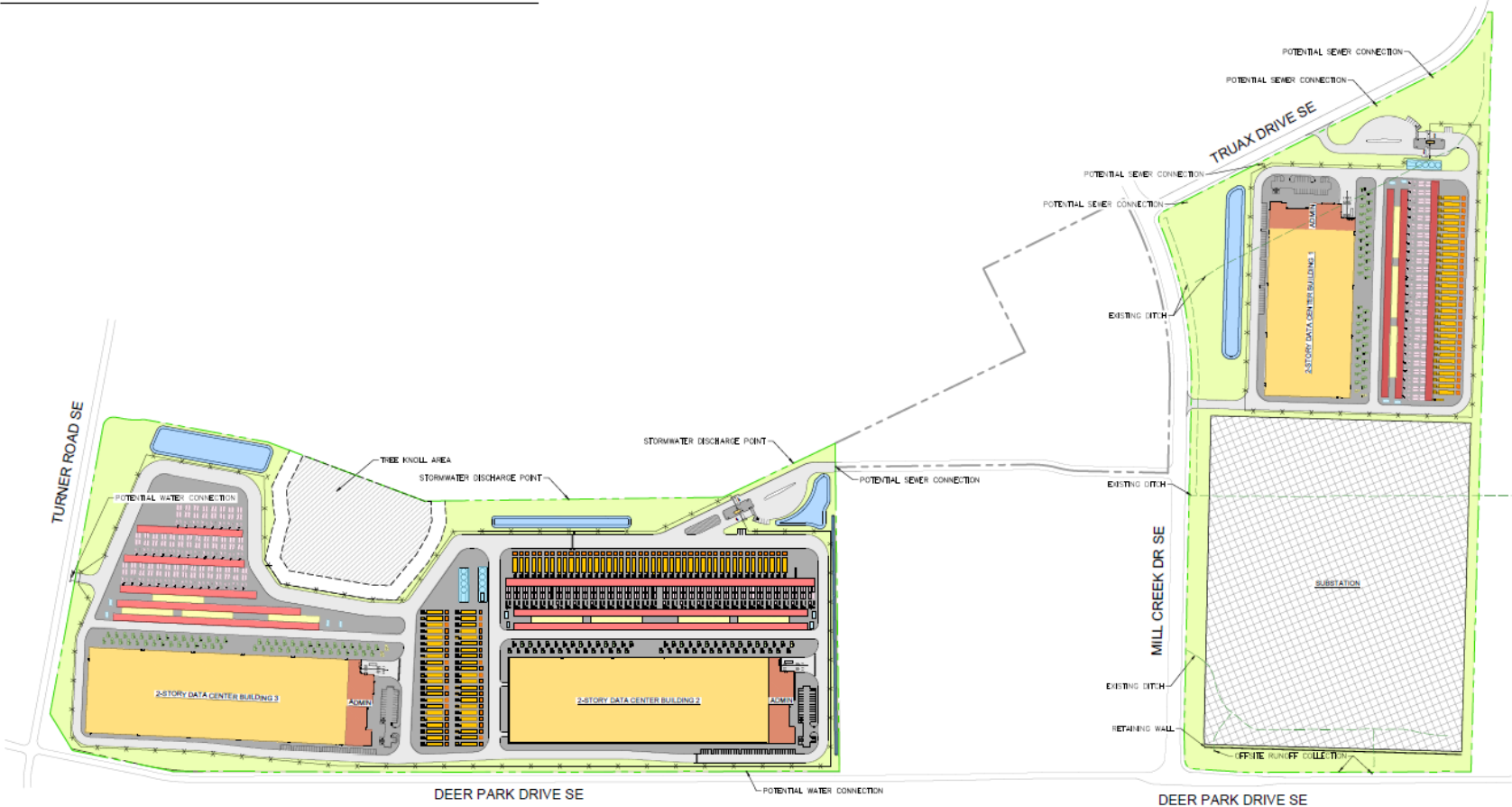
Council can elevate public questions and oversee transparency, but it is not the initial yes/no land-use decision-maker for a Type II site-plan review.

Vicinity Map



Site Map

CONCEPTUAL DATA CENTER CAMPUS PLAN



Project Snapshot

What the proposal is, as described by the Developer.

75±

acres at Turner Road
SE/Deer Park Drive SE

3

data center buildings
plus utility substation

\$5B+

projected capital
investment

75

projected permanent
jobs

Site context

Three current property owners
inside Mill Creek Corporate Center;
zoned Employment Center (EC).

Design claims

Closed-loop cooling, battery-first
backup, grid-interactive design,
low-impact lighting, native
landscaping.

Environmental commitment

Company states it will preserve on-
site heritage oak trees through a
conservation easement.

**Many project details are company statements and have not yet been tested
through a formal application or final studies.**

Current Status: Pre Application, Not Approval

As of July 27, 2026, no formal land-use or development application has been submitted.



Non-disclosure Agreement

March 2025

1. Access to Critical Decision-Making Data

-company details, proprietary financial data, capital investment figures, workforce requirements, or supply chain specifics

2. Competitive Nature of Site Selection

-competitive multi-city or multi-state searches, where refusing to sign a standard NDA disqualifies a community from consideration.

3. Preventing Real Estate Speculation

-land prices in that area can skyrocket overnight based on speculation and impact local development projects.

4. Protecting Existing Local Employers & Labor Markets

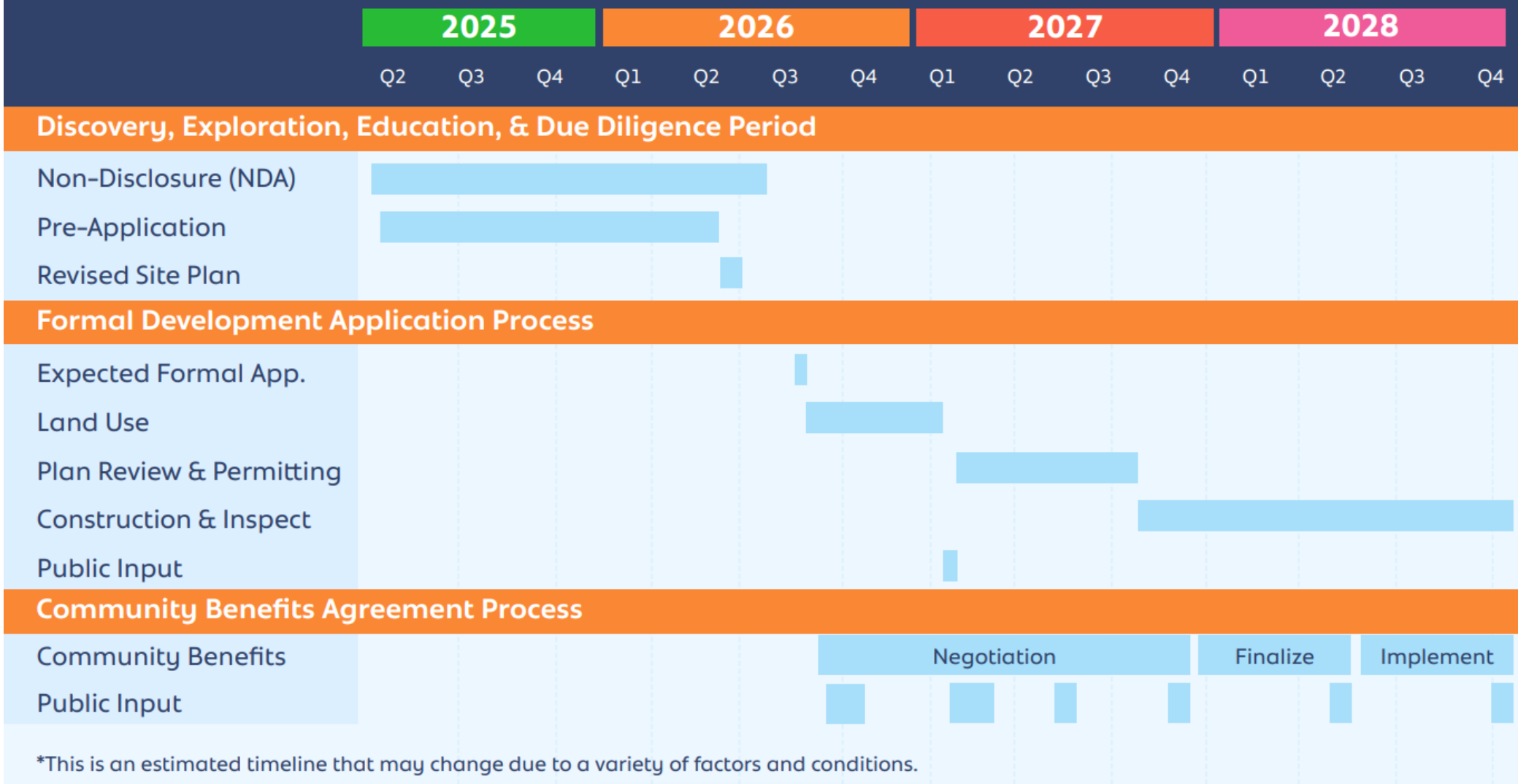
-premature poaching rumors, wage inflation scares, or disruptions to existing local businesses while the deal is still hypothetical.

5. Preventing Premature False Hope or Unwarranted Panic

-site selection talks can fall through during due diligence (e.g., due to soil testing, grid capacity, or internal company restructuring).

Date	Milestone
Mar. 27, 2025	City signs NDA with Verrus to begin confidential discussions.
Apr. 1 – May 14, 2025	Initial meetings to discuss land use process, infrastructure, and application requirements.
Aug. 11, 2025	Pre-application conference held with City staff.
Sept. 5–8, 2025	City issues pre-application comments; Verrus submits Tree Variance application.
Sept. 17, 2025	Meeting regarding oak knoll conservation easement and site constraints.
Oct. 8, 2025	Tree Variance application deemed incomplete.
Mar. 8, 2026	Tree Variance application expires due to missing information.
Apr. 6 – May 6, 2026	Verrus submits revised site plan and continues technical meetings on design and stormwater.
May 12, 2026	Enterprise Zone application submitted.
July 7–8, 2026	City released from NDA, allowing public discussion.
July 10 & 17, 2026	City, SEDCOR, and Verrus meet regarding community engagement and briefings.
July 20, 2026	Technical meeting on permitting requirements before formal development application.

Development and Community Benefits Agreement General Timelines*



Completed.

We are here. ★

Public input informs and guides the CBA.

What is Already Established vs. What is Still to be Evaluated

Already established

Allowed use

Data centers are allowed in Employment Center zoning; no zone change or comprehensive-plan amendment is required.

Enterprise-zone exemption

Three-year exemption application was approved administratively; no Council action required.

Administrative review path

Expected site-plan review is staff-led, with notice, comment, decision, appeal and any later permits.

Still to be evaluated

Site-plan compliance

Traffic, circulation, utilities, stormwater, development standards and mitigation conditions.

Resource and community details

Electricity, water, wastewater, noise, fire/access, construction impacts and ongoing monitoring.

Voluntary commitments

Community Benefits Agreement, conservation easement terms, infrastructure cost-sharing and public reporting.



Further Evaluation Items

Transportation

Trip generation, site access, safe circulation, possible Transportation Impact Analysis.

Utilities & stormwater

Water, sewer & stormwater infrastructure capacity, and who pays for required upgrades; mitigation conditions.

Noise & operations

Compliance with applicable noise standards, generator use, and operational mitigation.

Environment & site design

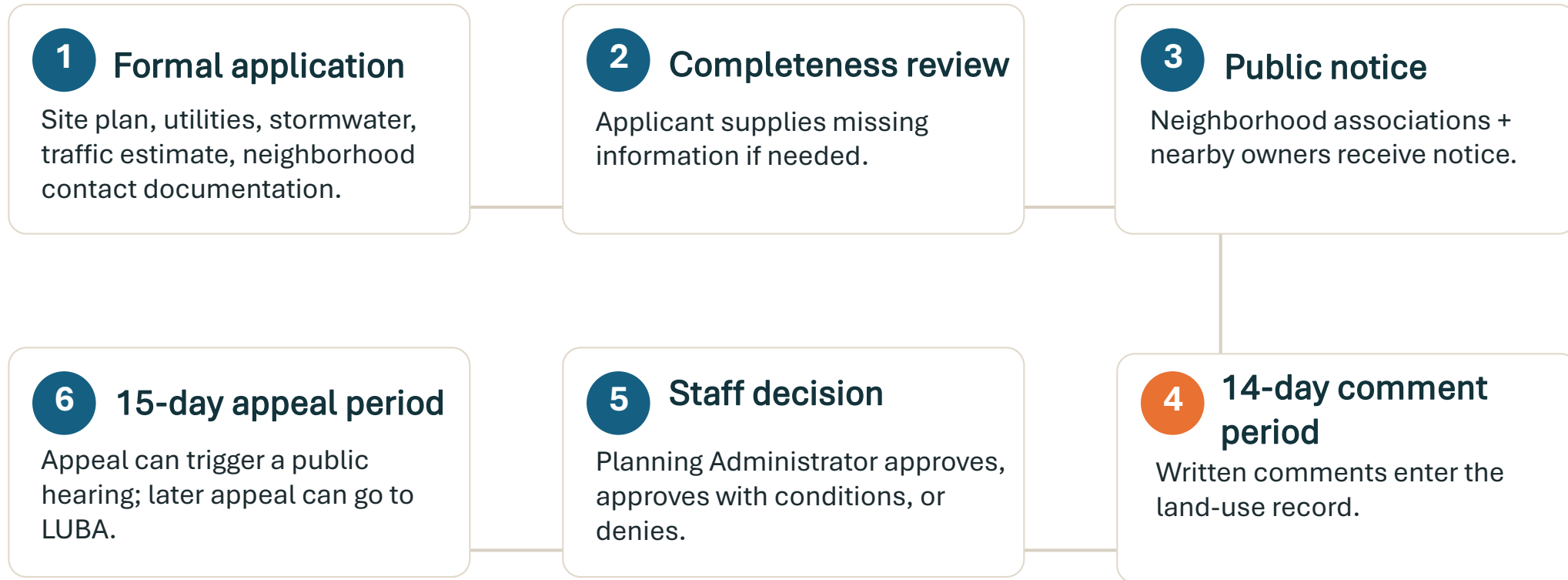
Heritage oaks, easements, native landscaping, wetlands, lighting, grading and site standards, development standards, fire/access, construction impacts, ongoing monitoring.

Voluntary commitments

Community Benefits Agreement, conservation easement terms, infrastructure cost-sharing and public reporting.

Expected Land-Use Path: Site Plan Review

Likely administrative procedure.



What the Review Can Evaluate

Review topics

Transportation

Trip generation, site access, safe circulation, possible Transportation Impact Analysis.

Utilities & stormwater

Water, sewer, stormwater, infrastructure capacity, and who pays for required upgrades.

Noise & operations

Compliance with applicable noise standards, generator use, and operational mitigation.

Environment & site design

Heritage oaks, easements, native landscaping, wetlands, lighting, grading and site standards.

Decision parameters

Can condition

If code standards support conditions, staff may require mitigation, documentation, or operational constraints.

Cannot re-zone by debate

New state law restricts local government policy-level review of administrative applications.

Can appeal

A timely appeal can trigger a public hearing; final City decisions may be appealed to LUBA.

Can inform policy later

Future code updates and statewide advocacy remain legislative tools, separate from this application.

Community Input and Concerns

Water demand

closed-loop claims vs. actual submitted figures

Power demand

grid capacity, peak demand, rates, reliability

Noise

cooling equipment, battery systems, backup generators

Jobs vs. land/resources

75 permanent jobs on a large site

NDA / secrecy

trust, timing, and transparency expectations

Alternative uses

whether other EC uses would produce broader public value

CMO

CMO

CMO

Questions & Issues to Track:

Topic	What is known/claimed	What needs to be confirmed
Water	Company says closed-loop cooling will lower on-site use.	Specific water demand and calculations, wastewater, peak needs and monitoring commitments.
Electricity	PGE data center tariff separates large-load costs from other customers.	Actual load profile, demand response terms, grid upgrades and cost responsibility.
Noise/ emissions	Battery-first backup is intended to reduce diesel use.	Noise study, generator testing schedule, emissions permitting, emergency-response needs.
Fiscal	\$5B+ investment and 75 permanent jobs	Net fiscal analysis after 3-year Enterprise Zone exemption and tax distribution to City's GF, SKSD, Marion County, Cherriots, etc.; service costs; 5% franchise fee on use of City right-of-way, including Company's electric bill; job quality/local hiring.
Oak trees	Company has expressed interest in a conservation easement.	Final easement terms, monitoring, enforcement and public access or habitat commitments.

City Council Role

Receive public testimony, hold listening sessions, and make sure specific community questions are forwarded to staff

Direct that public information remain current, understandable, and accessible.

Request briefings concerning utility capacity, emergency response, fiscal impacts, infrastructure responsibilities, and CBA negotiations.

Consider future policy changes concerning data centers, infrastructure, franchise policies, or state legislation.

Community Impact Questions: Public Participation

The formal land use record starts when a complete application is noticed.

Now

Submit questions to Council/staff, watch the City FAQ, and ask that unresolved issues be tracked publicly.

When application is complete

Use the 14-day written comment window. Cite approval criteria, submitted studies and requested conditions.

After staff decision

Use the 15-day appeal period if there is a legal basis to challenge the decision or conditions.

Parallel accountability

Track any Community Benefits Agreement, conservation easement, utility commitments and public reporting promises.

Recap of Current Status

No formal land use application has been submitted.

No land use approval has been granted.

No construction permits have been issued.

No building permits have been issued.

No development agreement has been executed.

No Community Benefits Agreement has been negotiated or executed.

No utility commitments have been made by the City.

- 1 No formal land-use application has been submitted, so final impact analyses and conditions do not yet exist.
- 2 The site is zoned Employment Center, and data centers are an allowed use, so the likely review is administrative site-plan review rather than a Council policy vote.
- 3 The strongest formal public comments will address the approval criteria, submitted studies, and specific mitigation or conditions.
- 4 Broader data-center policy questions remain valid, but they should be handled separately from the legal review of this particular application.
- 5 Verrus-led community engagement

