Case Study
The Oppidan (Connect Data Centers) Temple Project
A Strategic Edge Facility in Texas's Growing Data Center Hub

Executive Summary

The Oppidan Data Center Project, developed by Minnesota-based Oppidan Investment Company through its subsidiary Connect Data Centers, represents a modest but strategically positioned 5 MW colocation/edge-style facility in Temple, Texas. Announced in early 2025 with a $31 million investment, the 61,554-square-foot building on 10 acres at 2325 Eberhardt Road is scheduled for completion in October 2026. It sits directly across from Meta's much larger hyperscale campus, capitalizing on Central Texas's power infrastructure, fiber connectivity, and economic development incentives.

This Project exemplifies the trend of smaller, agile Data Center developments by established real estate firms entering the sector via specialized divisions. It adds to Temple's emergence as a secondary Data Center market amid Texas's broader boom (driven by Hyperscalers like Meta, Google, Amazon, and Microsoft). With fewer than 5 permanent jobs projected, its impact is primarily through capital investment, tax revenue, and infrastructure synergy rather than direct employment. A potential second building (Connect Temple 2, ~172,380 sq ft) suggests possible campus expansion.

Background on Oppidan Investment Company and Connect Data Centers

Oppidan Investment Company, founded in 1991 and headquartered near Minneapolis in Excelsior, Minnesota, is a diversified national real estate developer with a portfolio

spanning recreation, industrial, medical, office, and data center assets. In 2024, it formally launched Connect Data Centers as its dedicated Data Center division to focus on development, delivery, and operations.

Connect has a proven track record since 2016, having delivered over 650 MW and 2.28 million sq ft of Data Center space across California, Virginia, Maryland, Tennessee, Ohio, Iowa, and Kansas. It has an additional 720 MW and 2.96 million sq ft in its development pipeline nationwide. The division emphasizes speed-to-market, risk assessment, power procurement, entitlements, and partnerships with firms like CBRE, Whiting-Turner (contracting), Salas O'Brien (design), and Harrison Street Real Estate. Past clients include Oracle, several telcos, Bell Canada (Bell Aliant), and Sabey Corp. Oppidan has executed similar small-scale projects, such as a 5 MW facility in El Paso, Texas, and others in Reno, Nevada; Memphis, Tennessee; and Olathe, Kansas (the latter noted for architectural precast concrete enhancements).

Project Overview and Specifications

- ✓ Location: 2325 Eberhardt Road, Temple, Bell County, Texas (approximately 70 miles north of Austin, in the Austin metro statistical area).
- ✓ Site: 10 acres, purchased in March 2025 from the Temple Economic Development Corporation (EDC).
- ✓ Building: 61,554 sq ft (≈5,715 sq m) single-story facility.
- ✓ Power Capacity: 5 MW (IT load; typical for edge or satellite nodes supporting colocation, low-latency applications, or Hyperscaler overflow).
- ✓ Cost: Approximately $31 million (per Texas Department of Licensing and Regulation filing).
- ✓ Design/Engineering: Salas O'Brien (architect); utility provider Oncor Electric Delivery.
- ✓ Related Development: Baxtel data center intelligence lists an adjacent "Connect Temple 2" project (0.07 miles away) on ~17 acres with a 172,380 sq ft building, targeted for April 2027 operations. This suggests a potential multi-building campus, though public filings and news have focused on the initial 5 MW phase.

The facility aligns with Connect's prototype designs, prioritizing efficiency, rapid deployment, and (where required) enhanced aesthetics to meet local zoning standards.

Power Infrastructure

The Oppidan/Connect Temple project is designed as a 5 MW IT load facility (approximately 5 MW critical load within the 61,554 sq ft building), served exclusively by the regional utility Oncor Electric Delivery. Public records confirm no on-site substation is planned; power is delivered via a utility feed (likely medium-voltage, stepped down on-site via transformers and switchgear). Market data indicates a single or dual-feed configuration typical for Edge-Scale colocation facilities of this size, with power costs aligned to the Central Texas market average of approximately 5.51 ¢/kWh.

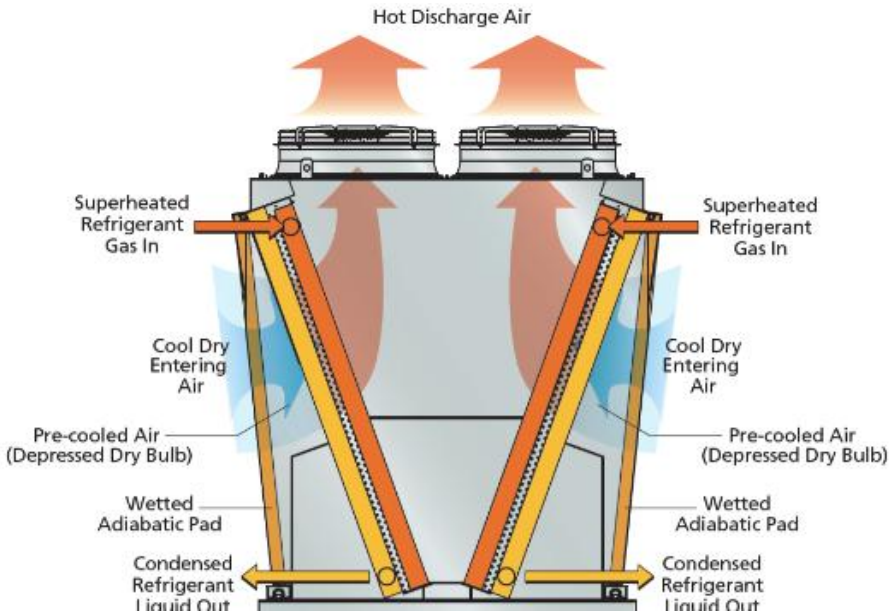
- ✓ **Primary Power Delivery**: Direct utility tie-in from Oncor's existing grid infrastructure in the Temple area. The design leverages Central Texas's robust transmission and distribution capacity, benefiting from proximity to major corridors and the broader ERCOT grid. No dedicated generation or private substation is required, minimizing capital costs and aligning with Connect Data Centers' strategy of rapid, utility-dependent deployment for smaller edge nodes.
- ✓ **Backup Power Systems**: Although exact generator counts and configurations are not publicly disclosed in TDLR filings or third-party databases, standard practice for a 5 MW mission-critical facility by Connect would include N+1 or 2N diesel generator redundancy. This ensures uninterrupted operation during utility outages, with generators sized to support the full IT load plus mechanical systems. Fuel storage (on-site diesel tanks) would meet typical Tier III/IV uptime requirements (99.982%+ availability).
- ✓ **Uninterruptible Power Supply (UPS)**: Battery-based or rotary UPS systems provide instantaneous bridging for the IT load (typically 10–15 minutes of ride-through). These feed power distribution units (PDUs) serving the data hall, with static transfer switches for seamless failover. The system supports colocation tenants requiring high-availability power for low-latency or edge computing workloads.
- ✓ **Electrical Distribution:** Includes main switchboards, panelboards, and busway or cable tray distribution to racks. The mechanical, electrical, and plumbing (MEP) scope, engineered by Salas O'Brien, incorporates energy-efficient transformers, harmonic mitigation, and monitoring for power usage effectiveness (PUE). Fire-rated electrical rooms and segregated pathways meet code and data center best practices.
- ✓ **Redundancy and Resilience**: Expected to achieve Tier III concurrent maintainability (or equivalent), allowing maintenance without downtime. The

design prioritizes risk mitigation through Connect's established power procurement expertise, developed across their 650+ MW portfolio.

Cooling Infrastructure

Temple's Data Center development framework **mandates closed-loop cooling systems** for all Projects to minimize water consumption and protect local resources. The Oppidan facility complies with this requirement, utilizing a water-efficient, closed-loop design suitable for Texas's hot, humid climate. Specific cooling technology details (e.g., exact chiller types or unit counts) remain proprietary and are not detailed in public filings, but the scope explicitly includes full mechanical systems within the $31 million budget.

- ✓ Primary Cooling System: Likely a direct-expansion (DX) or air-cooled chilled water system with computer room air conditioning (CRAC) or computer room air handler (CRAH) units. These provide precise temperature and humidity control (typically ASHRAE TC9.9 recommended ranges: 64–80.6°F inlet air). Closed-loop configuration uses dry coolers or adiabatic-assisted condensers (type of air-cooled condenser used in HVAC, refrigeration, and Data Center cooling systems. They enhance the efficiency of traditional dry (air-cooled) condensers by adding a water-based adiabatic pre-cooling stage (water is distributed over pre-cooling pads (cellulose or similar media) or sprayed as a fine mist directly in front of the coils) that lowers the temperature of incoming ambient air before it reaches the condenser coils eliminating evaporative water loss common in traditional cooling towers.



- ✓ Redundancy: N+1 or 2N configuration for cooling units, pumps, and heat rejection equipment to ensure fault tolerance. This allows concurrent maintenance while maintaining strict environmental conditions in the data hall.
- ✓ Efficiency Features: Optimized for low PUE through variable-speed fans/compressors, hot-aisle/cold-aisle containment (or equivalent rack-level airflow management), and potential free-cooling economizers during cooler months. The design aligns with Connect's emphasis on energy-efficient, sustainable operations and Salas O'Brien's MEP expertise in Mission-Critical facilities.
- ✓ Water Management: Negligible domestic/process water use due to closed-loop operation (consistent with Temple EDC requirements capping water for similar projects). Any minor makeup water for humidification or ancillary systems would be minimal, supporting the city's goal of low-impact Data Center growth.
- ✓ Ancillary Systems: Includes fire protection (e.g., clean-agent suppression integrated with MEP), plumbing for condensate drainage, and building management systems (BMS) for real-time monitoring of temperature, humidity, and energy use. The single-story tilt-wall structure facilitates efficient airflow and equipment placement.

Integration and Operational Considerations

The power and cooling systems are fully integrated into the facility's single data hall and admin/support areas, with dedicated mechanical/electrical rooms. Construction (started July 2025) incorporates pre-engineered components for speed-to-market, consistent with Connect's track record. As an Edge/Colocation node adjacent to Meta's hyperscale campus, the design may support low-latency interconnection while operating largely autonomously with remote monitoring (fewer than 5 on-site staff).

Development Process and Timeline

Oppidan filed plans with the Texas Department of Licensing and Regulation (TDLR Project TABS2025015318) in early April 2025. Groundbreaking was slated for mid-July 2025, with substantial completion targeted for mid-October 2026 and full operations by late 2026. The aggressive 15-month construction schedule reflects Connect's emphasis on speed and pre-engineered solutions. No major delays have been publicly reported as of May, 2026.

Approvals benefited from Temple's pro-development stance and the EDC's land sale, which facilitated quick site control. The project required standard building permits and likely leveraged existing industrial zoning near major corridors.

Strategic Location and Market Context

Temple's appeal stems from:

- ✓ **Proximity to Meta**: The site is directly across Eberhardt Road from Meta's 393-acre, ~900,000 sq ft, $800 million hyperscale campus (under construction since 2022 with pauses for design changes; contractor JE Dunn; expected ~100 jobs). This positioning enables potential low-latency interconnection, shared infrastructure, or edge services supporting Meta's operations.
- ✓ **Power and Infrastructure**: Served by Oncor with access to reliable Texas grid capacity. Central Texas offers competitive power costs and fiber routes between Dallas-Fort Worth (#2 U.S. Data Center market) and Austin-San Antonio (fastest-growing).
- ✓ **Economic Incentives**: Temple EDC support, including land disposition, aligns with the city's broader data center strategy. Texas has seen explosive growth due to land availability, tax policies, and AI/cloud demand (e.g., Stargate project near Abilene).

Temple is reviewing multiple Projects individually (including Rowan Digital Infrastructure's multi-phase Hyperscale campuses totaling billions in investment) while prioritizing resident protections under Texas law.

Economic and Community Impact

- ✓ Investment: $31 million direct capital expenditure, contributing to local construction jobs and supply chain activity.
- ✓ Employment: Fewer than 5 permanent on-site staff (typical for automated, remotely monitored edge facilities). Broader indirect benefits via taxes and vendor spending.
- ✓ Tax Base and Revenue: Adds to Bell County and Temple's commercial property tax rolls without straining residential services significantly.
- ✓ Synergies: Enhances Temple's profile as a Data Center cluster, potentially attracting further investment near Meta and Rowan sites.

Community response has been muted for this small project compared to larger hyperscale proposals, where concerns focus on water usage, energy demands, and traffic. Temple maintains a dedicated data center development webpage emphasizing balanced growth.

Challenges and Risk Factors

- ✓ Scale vs. Hyperscale Competition: At 5 MW, the project is a “satellite node” rather than a full campus, limiting its standalone market power but enabling nimble colocation or specialized services.
- ✓ Broader Regional Issues: Temple’s Data Center boom raises questions about cumulative grid strain, water for cooling (though this small facility has minimal needs), and visual/land-use impacts. City council has approved multiple projects while monitoring infrastructure.
- ✓ Market Volatility: Dependence on AI/cloud demand; no public tenant announcements yet (common in early-stage filings).

Oppidan’s experience mitigating site-specific hurdles (power, entitlements) positions the project for on-time delivery.

Current Status (as of May 2026)

Construction is underway, having begun in July 2025. The Project remains on track for October 2026 operations per original filings and third-party trackers (Baxtel, Data Center Dynamics). No public updates indicate delays or scope changes. The adjacent Temple 2 phase may follow as an expansion.

Conclusion and Lessons Learned

The Oppidan/Connect Temple Project illustrates how established real estate developers can successfully enter the Data Center sector by leveraging subsidiaries for specialized execution. Its strategic adjacency to Meta’s campus, rapid timeline, and modest scale demonstrate a “Follow-the-Hyperscaler” strategy that minimizes risk while delivering value in secondary markets.

Ted J. Pappas, Director of Operations May 2026

For Temple, it reinforces the city's transition toward high-tech infrastructure without overwhelming local resources. For the industry, it highlights the continued demand for smaller, flexible facilities alongside gigawatt-scale campuses……. particularly for Edge computing, disaster recovery, or interconnection.

As Texas solidifies its position as a National and International Data Center powerhouse, Projects like this one contribute to diversified growth. Future success will depend on ongoing collaboration between developers, utilities, and municipalities to balance economic gains with sustainable operations.

Ted J. Pappas, Director of Operations May 2026