



BUNCOMBE COUNTY

PLANNING & DEVELOPMENT

Agenda

Buncombe County Planning Board
September 16, 2024
30 Valley Street, Asheville, NC 28801

1. Call to Order
2. Announcements – Nancy Waldrop
3. Roll Call of Board Members
4. Approval of Agenda
5. Approval of Minutes
 - a. August 19, 2024
6. Public Comment
7. Public Hearing:

ZPH2024-00024 Module 2 Sub Module A: Text Amendment-Crypto Currency, Data Centers, and Government Protection Services

The Board will consider amendments to Chapter 78 (The Buncombe County Zoning Ordinance) of the Buncombe County Code of Ordinances, and more specifically, sections 78-581 Definitions, 78-641 Permitted Uses, and 78-678 Uses by right subject to special requirements and special use standards. The amendments propose to further regulate crypto-currency mining operations, data centers, and government protective services.

- Staff Presentation
- Public Hearing
- Planning Board Discussion
- Planning Board Vote and Consistency Statement with BC Comprehensive Plan

8. Adjournment

**Buncombe County Planning Board
August 19, 2024
Minutes**

The Buncombe County Planning Board met on August 19, 2024, at 30 Valley St., Asheville, NC 28801

Planning Board members present were Nancy Waldrop-Chairperson, Ken Kahn-Vice Chair, Tim Collins, Mike Fisher, Anthony Coxie and Jay Marino.

Also, present were Terri Rogers, Gillian Phillips, Shannon Capezzali, Haylee Madfis, Brittain Sluder - Planning Staff, Nathan Pennington - Planning Director, Curt Euler - County Attorney, and Vance Bell - Information Technology.

Call to Order

Chair Ms. Waldrop called the meeting to order at 9:30 am.

Announcements

Mr. Pennington shared an update with the board members about the Commissioners' development of an Ad Hoc Short-Term Rental Committee to assist in the process of the short-term rental ordinance development that will then be reviewed by the Planning Board and then move up to the County Commissioner for final approval. The group will be meeting a few times a month between September and November, the exact dates, times and number of meetings have yet to be determined. Both Nancy Waldrop and Ken Kahn of the Planning Board will be seated on this Ad Hoc Committee along with County staff for assistance in ordinance regulations.

Conflict of Interest statement GS-160b-109 was read by Ms. Waldrop.

Roll Call of Board Members

Complete.

Approval of Agenda

A motion made by Mr. Coxie and seconded by Mr. Kahn and passed unanimously.

Approval of Minutes (June 17, 2024)

Mr. Kahn made a motion to approve the June 17, 2024, meeting minutes. The motion was seconded by Mr. Fisher and passed unanimously.

Public Comment

Stu Rohrbaugh, a retired land use planner, lives in Buncombe County and wanted to thank the Planning Board and Planning Staff for their work on the Comprehensive Plan and the fact that the ordinances that are being updated are in line with that comprehensive plan. He has seen all too often a comp plan be developed and then just sit on a shelf somewhere.

Comprehensive Plan Implementation

ZPH2024-00024 Module 2 Sub Module A: Permitted Use Text Amendment-Crypto-Currency, Data Center, and Government Protection Services.

Ms. Phillips began a power point presentation that explains a summary of proposes for the text Amendment.

Mr. Pennington also shared that Vance Bell, who is with the Buncombe County Information Technology office, is present to assist with questions and information about Public Safety Towers and Data Centers and how they are critical to the functioning of our services.

A moratorium on Cryptocurrency was established during the development of the Comprehensive Plan and was extended in a second active moratorium.

Ms. Phillips proceeded to share the prepared data about the background of cryptocurrency mining. A new fire station is proposed to be developed in an area that currently does not allow that use in zoning, so this text amendment will cover situations like this for Government Protective Services i.e., Fire stations, police stations, e-911 centers, EMS stations. The summary of the proposed text amendment would include adding the definition of cryptocurrency, data centers and government protective services, add these also to the permitted use tables and prohibit uses such as the cryptocurrency. Adding a special requirement standard for data centers to include a sound study, facility enclosures, certification of noise levels, set-backs, generator use hours of operation and screening requirements.

Mr. Bell took questions from those that might have them about Data Centers in the County currently. One question was to describe the two data centers the county currently has, which Mr. Bell shared one is downtown and one at the EMS Call Center in Erwin community. Our centers are small compared to years past. We currently use about server 2 racks which is a small footprint compared to most.

Mr. Kahn asked about policing this ordinance and how that would look. Mr. Pennington said that yes, we would enforce that. We would be in unchartered territory, but we would go through our Notice of Violation process and get with legal for additional action.

The draft text amendment will be presented next month at the September 16, 2024, Planning Board meeting for public hearing and approval. Any draft changes will be updated prior to then for that meeting.

Adjourn

Mr. Coxie motioned to adjourn the meeting seconded by Mr. Collins. Meeting adjourned at 10:24 A.M.



Buncombe County Planning and Development
Long Range Planning Division
46 Valley St.
Asheville, NC 28801

CRYPTOCURRENCY, DATA CENTERS, GOVERNMENT PROTECTIVE SERVICES

To: Buncombe County Planning Board
From: Long Range Planning Division
Date: July 7, 2024

Re: Text Amendments Addressing Crypto Currency Mining, Data Centers, and Government Protective Services

PURPOSE

The Crypto Currency Mining, Data Centers, and Government Protective Services Memorandum provides an overview of the key issues and proposed Zoning Ordinance changes related to those topics.

Cryptocurrency Mining:

In May of 2023 the Buncombe County Board of Commissioners unanimously passed a moratorium on Cryptocurrency Mining to allow the County time to develop standards and mitigation methods for this use. In May of 2024 the moratorium was extended until May of 2025. County staff have used the guidance of the adopted Comprehensive Plan for environmental protection and energy savings to establish regulations for this land use.

Data Centers:

For the purpose of this memo and the associated text amendments, Data Centers will refer to a grouping of computer servers used for the remote storage, processing, or distribution of data. They do not include crypto currency mining activities, which is a separate use. Adding Data Centers to the Zoning Ordinance is part of a general update and modernization of the Ordinance.

Government Protective Services:

Examples of Government Protective Services includes fire stations, police stations, E-911 centers, and EMS stations. These uses are currently permitted in some but not all zoning districts. The ability to provide protective services throughout the county is essential for public health and safety. Currently, a local fire district has obtained land for a new station which is in a district that does not permit government protective services. The proposal is to allow protective services in all zoning districts to meet the needs of our residents. This was likely an oversight when County-wide zoning was adopted years ago.

EQUITY ANALYSIS

Cryptocurrency Mining

Cryptocurrency mining operations have been shown to have outsized negative impacts on the environment and surrounding communities. These facilities use huge amounts of energy and resources and provide few or no local jobs, benefits, or services. “A growing body of academic studies compares Bitcoin’s carbon footprint to the emission levels of mid-sized countries.”¹ A crypto-currency mine in Buncombe County would be detrimental to the County’s Strategic Plan goal of reducing greenhouse gas emissions to reach 100% renewable energy sources for the community as a whole. Beyond the high use in energy, cryptocurrency mining also causes potentially harmful noise from equipment and generators at all hours of the day and night. The noise caused by these facilities has been shown to negatively impact resident wellbeing and property values².

Cryptocurrency mining facilities have the potential to exacerbate environmental justice issues as they are often sited where energy and land costs are relatively cheap.³ For Buncombe County, more affordable land is often found in rural communities, many of which have higher scores on the Equity Index of the Community Index Map, indicating higher levels of poverty and other equity factors.

Data Centers

Data centers are largely used for data storage, management, processing, and dissemination. Many government, business, and institutional operations require some type of data center for their day-to-day operations. Limiting their locations to commercial zoning districts will allow for their services to be provided with minimal impacts to the residential and rural communities. Local examples of data centers include Buncombe County, the City of Asheville and the National Climatic Data Center which provides crucial analysis of climate change, weather patterns, etc. Data centers support commerce, research and are integral to both the functionality of government services and the economy⁴.

Government Protective Services

The proposed amendment allows government protective services, such as fire stations, to be provided throughout the county, including in areas where vulnerable populations are located, such as in Equity Opportunity Areas.

REGULATIONS IN OTHER JURISDICTIONS

This is a brief look at what other local governments are doing. *Examples from outside North Carolina may not be legal or otherwise desirable in North Carolina but are presented to illustrate alternative approaches.*

Localities

The following is a list of notable standards from other jurisdictions:

LOCATION	REGULATORY EXAMPLES
Madison County, NC	In May 2024, after a one-year moratorium, the Madison County Board of Commissioners unanimously approved Land Use Ordinance changes regulating cryptocurrency/data processing facilities. Facilities under 10,000 square feet are permitted in commercial districts. Larger facilities are permitted in Industrial districts. Design standards include a height limit of 35 feet, security fencing, and screening around the entire perimeter. Facilities are subject to the county’s noise ordinance.
McDowell County, NC	Adopted a total ban on crypto-currency mining in McDowell County.

Waynesville, NC	Adopted a total ban on crypto-currency mining in Waynesville.
Marion, NC	Prohibited in all zoning districts except for M-1, and requires a Special Use Permit.
Haywood County, NC	Requires facilities to be a minimum of 750 feet from neighboring property lines.
Clay County, NC	Adopted a total ban on crypto-currency mining in Clay County.
Greenville, NC	Requires a 3,400 foot setback from residences and schools, limits hours of operation to 9am to 5pm, and limits the allowable noise decibel to 30.
Prince William County, VA	Created a Data Center Overlay District where the development of Data Centers is promoted in close proximity to existing supportive infrastructure. There are design standards related to building façade, screening with vegetation, buffers, and fencing.
Chandler, AZ	Data Centers are only allowed as part of a Planned Area Development and must comply with the following: notify the neighbors within a half-mile radius, hold 2 neighborhood meetings with residents, on-site neighborhood liaison to respond to noise complaints, sound study, sound mitigation requirements, and maintain a website that will announce when a back-up generator will be used.

EXISTING COUNTY ORDINANCES

Buncombe County’s Zoning Ordinance does not have specific standards related to cryptocurrency mining or data centers as unique uses. Currently these uses are regulated under the Commercial Services use type, with no special requirements. The proposed change will add a definition for each type of use and clarify in the Permitted Use Table where they are allowed. Special requirement standards will be created for data centers.

Government Protective Services are currently allowed in all zoning districts except for R-LD, R-1, and BDM. The proposed change will allow protective services in all zoning districts.

Continue to next page...

PROPOSED TEXT AMENDMENTS

The following table summarizes the proposed Zoning Ordinance Text Amendments related to cryptocurrency, data centers, and government protective services.

SUMMARY OF PROPOSED TEXT AMENDMENTS		COMP PLAN ALIGNMENT
1	Add the definition of Crypto-currency mining operation to the definitions section.	<p>Growth, Equity, Conservation Action 6: Support the protection of agricultural and forest lands, environmentally sensitive areas, and rural communities.</p> <p>Farms, Forests, Environment Policy 2: Preserve Buncombe County’s natural heritage. Policy 3: Promote ecosystem enhancement...</p> <p>Health & Recreation Policy 5: Utilize environmental protection and land conservation to... promote health.</p> <p>Infrastructure & Energy Policy 2: Plan for the long-term sustainability of public services.</p> <p>Infrastructure & Energy Action 2: Implement policies around new development and re-development that advance decarbonization and sustainability goals</p>
2	Add the definition of Data Center to the definitions section.	
3	Add Government Protective Services to the Permitted Uses Table to allow it as a Use-By-Right in all zoning districts	
4	Add Data Center (non-crypto currency) to the Permitted Uses Table, and permit it only in the CS, EMP, PS, and AI zoning districts with Special Requirements (SR).	
6	Add Special Requirement standards for Data Centers, to include: <ul style="list-style-type: none"> • sound study • facility enclosure • certification of noise level • setback requirements from residential properties and structures • generator use hours of operation • screening requirements 	
7	Add Crypto-currency mining to the Permitted Use Table and prohibit it in all zoning districts	

TIMELINE

- **August 19, 2024 Planning Board Meeting:** Review proposed text amendment with Planning Board.

JURISDICTIONAL REFERENCES:

- Casey, Johnny. Madison County approves crypto mining facilities regulation as moratorium set to expire. 2024. Citizen Times. <https://www.citizen-times.com/story/news/madison/2024/05/16/madison-county-approves-crypto-mining-facilities-regulation/73692422007/>
- Holloway, Jaylen. Many relieved as Greenville City Council unanimously votes in favor of changing crypto mining ordinance standards. 2024. WITN. <https://www.witn.com/2024/05/10/many-relieved-greenville-city-council-unanimously-votes-favor-changing-crypto-mining-ordinance-standards/>
- Johnson, Becky. Waynesville bans crypto currency mining operations. 2023. The Mountaineer. https://www.themountaineer.com/news/waynesville-bans-crypto-currency-mining-operations/article_d7af3cf4-8a86-11ee-b791-97a57405a302.html
- Long, Becky. No commercial crypto mining allowed. 2022. Clay County Progress. <https://www.claycountyprogress.com/local/no-commercial-crypto-mining-allowed#:~:text=On%20Thursday%2C%20Aug.,or%20operating%20in%20Clay%20County.>
- Prince William County, VA Zoning Ordinance, Part 509. Data Center Opportunity Zone Overlay District. 2024.
- The Code of the City of Chandler, Arizona, Part VI. Planning, Chapter 35 Land Use and Zoning, Article XXII Additional Height and area regulations, 35-2214 Data Centers. (2024)

¹ Stoll et al., 2023. Climate Impacts of Bitcoin Mining in the U.S. Massachusetts Institute of Technology, Climate Portal.
<https://climate.mit.edu/posts/climate-impacts-bitcoin-mining-us>

² 'It's been a disaster' Residents warn neighboring areas of crypto mine impacts. 2023. ABC News 13. ['It's been a disaster' Residents warn neighboring areas of crypto mine impacts \(wlos.com\)](#)

³ Fact Sheet: Climate and Energy Implications of Crypto-Assets in the United States. 2022. The White House.
<https://www.whitehouse.gov/ostp/news-updates/2022/09/08/fact-sheet-climate-and-energy-implications-of-crypto-assets-in-the-united-states/>

⁴ Morley, David. Zoning for Data Centers and Cryptocurrency Mining. 2022. American Planning Association, Zoning Practice Issue #6

ZPH2024-00024

PERMITTED USES TEXT AMENDMENTS- CRYPTO-CURRENCY MINING, DATA CENTERS, AND GOVERNMENT PROTECTIVE SERVICES

MODULE 2 SUBMODULE A

Additions underlined in red

Deletions ~~cross through in red~~

Sec. 78-581. - Definitions.

Crypto-currency mining operation means a process to verify transactions on the blockchain, enter new cryptocurrency unit into circulation, or perform other hardware or software processes to generate crypto information, processing, or distribution using computer servers. Crypto-currency mining operations are not permitted in Buncombe County.

Data Center means a facility of 5,000 square feet or greater, containing a grouping of computer servers and associated equipment and systems used for the remote storage, processing, or distribution of data, for purposes other than crypto-currency mining operations. Data Centers less than 5,000 square feet shall be regulated as manufacturing and processing operations.

Sec. 78-641. - Permitted uses.

Table 1—Permitted Use Table													
Uses	P = Permitted C = Allowed as Conditional <u>Special</u> Use SR = Permitted with Special Requirements Blank Space = Not Permitted												
	Districts												
	R-LD	R-1	R-2	R-3	N S	CS	EM P	PS	CR	AI	BD M	OU	
<u>Government protective services</u>	<u>P</u>	<u>P</u>	P	P	P	P	P	P	P	P	<u>P</u>	P	
<u>Data Center, non-crypto currency</u>						<u>SR</u>	<u>SR</u>	<u>SR</u>		<u>SR</u>			
<u>Crypto-currency mining</u>													

Sec. 78-678. - Uses by right subject to special requirements and special use standards.

(a) Uses by right, subject to special requirements (SR).

(x) Data Center. Standards for non-crypto currency data centers shall be as follows:

- a) A pre-construction sound study shall be conducted at the property to establish a noise baseline, and the development shall include sound mitigation measures to ensure that noise levels from the data center and all associated equipment does not exceed levels observed during the baseline study. In no case shall a data center exceed 55 dBA at any time of day, as measured at the property lines.
- b) The center’s operations must be completely enclosed within a building.

- c) No HVAC system, cooling system, or generator shall be located closer than 100 feet from a residentially-zoned property line or from a residential structure.
- d) Generators shall not undergo maintenance or testing between the hours of 8pm and 8am.
- e) Data Centers within the CS-Commercial Service zoning district shall conceal mechanical operations from all road frontages using solid architectural screening or commercial landscaping buffers.