Town of Boone
Town Council Special Meeting
5:00 PM, March 23, 2026
Town Council Chambers
1500 Blowing Rock Road

I.   **Call to Order**

II.   **Moment of Silence**

III.   **Planning Matters**

    1.   Consideration of Case A26-0124 Temporary Moratorium Consideration on the Permitting of Crypto-mining, Data Processing, Data Centers, and Other Similar Uses
        For Action

IV.   **Adjournment**

Staff Report
Public Hearing
March 23, 2026, 5 p.m.
Case A260124 – Temporary Moratorium on the Permitting of Crypto-Mining, Data Processing, Data Centers, and Other Similar Uses

Request

Consideration of a temporary moratorium on the permitting of crypto-mining, data processing, data centers, and other similar uses due to the concerns about the environmental and land-use challenges and impacts. These concerns include but are not limited to the potential for high power demand, significant noise, high water consumption, storage and disposal of hazardous materials, electronic waste, and liquid coolants, and land use compatibility in light of the particular development patterns and topography of the Town.

The October 2025 issue of the American Planning Associations Zoning Practice, the issue of "The Physical Footprint of Artificial Intelligence" V42, No. 10, explored the physical effects of AI and provided insight specifically for local planning and zoning officials. The article highlights the physical impacts of AI (data centers) which include electricity, heat, water and cooling, noise, fiber and connectivity, and land-use compatibility. The article provides guidance on how communities can begin the process of understanding these uses and creating regulation that better address performance standards while protecting the public interest.

While the Town of Boone's existing regulations for "Use 14.10 Manufacturing, Other" addresses visible emissions, odors, electrical disturbance, noise, and dust, Use 14.10 was created for manufacturing facilities which involved the assembly, fabrication, finishing or packaging of goods and materials, including the storage and processing of raw materials into other products. The use does not clearly or adequately anticipate or mitigate the concerns and impacts associated with crypto-mining, data processing, data centers, and other similar uses.

The topic of data centers and a possible moratorium was discussed during the February 25, 2026 Town Council meeting. At this meeting Council heard support for a moratorium during public comment, further discussed the topic during Council Matters, and provided direction to Staff to begin the process of preparing a one-year moratorium with a public hearing scheduled for March 23, 2026. Please see Exhibit A for an excerpt of the February 25, 2026 Town Council meeting.

Moratoria Guidance

Authority

N.C.G.S. § 160D-107 Moratoria establishes the authority that allows local governments to adopt temporary moratoria on any development approval required by law, except for the purpose of developing and adopting new or amended plans or development regulations governing residential uses. The duration of any moratorium shall be reasonable in light of the specific conditions that warrant imposition of the moratorium and may not exceed the period of time necessary to correct, modify, or resolve such conditions.

Hearing Required

A development moratorium with a duration of 61 days or longer, and any extension of a moratorium so that the total duration is 61 days or longer, is subject to the notice and hearing requirements of G.S. 160D-601 which requires that before adopting, amending, or repealing any ordinance or development regulation, the Town Council shall hold a legislative hearing. The notice of the hearing shall be given once a week for two successive calendar weeks in a newspaper having general circulation in the area. The notice shall be published the first time not less than 10 days nor more than 25 days before the date scheduled for the hearing. In computing such period, the day of publication is not to be included but the day of the hearing shall be included. In compliance with this requirement, the Town of Boone published a public hearing notice in the Watauga Democrat on Wednesday, March 11, 2026 and March 18, 2026 for a public hearing scheduled for Mondy, March 23, 2026 at 5:00 p.m. in Council Chambers located at 1500 Blowing Rock Road, Boone, NC 28607.

Required Statements

A development moratorium must include:

1. A statement of the problems or conditions necessitating the moratorium and what courses of action, alternative to a moratorium, were considered by the local government and why those alternative courses of action were not deemed adequate.
2. A statement of the development approvals subject to the moratorium and how a moratorium on those approvals will address the problems or conditions leading to imposition of the moratorium.
3. A date for termination of the moratorium and a statement setting forth why that duration is reasonably necessary to address the problems or conditions leading to imposition of the moratorium.
4. A statement of the actions, and the schedule for those actions, proposed to be taken by the Town during the duration of the moratorium to address the problems or conditions leading to imposition of the moratorium.

Please see Exhibit A: Case A26-0124 Ordinance at the end of this report. This ordinance has been drafted to meet all requirements set forth above.

Relevant Adopted Plans

Boone Community Climate Action Plan

The Town of Boone recognizes the risk that climate change poses to its constituents, and is acting now to reduce the GHG emissions from both its municipal operations and the community-at-large through the innovative programs laid out in this Climate Action Plan. Ultimately, local action is needed to reduce the Town of Boone's contribution toward the problem of climate change and implement actions that can reduce energy use and waste, create local jobs, improve air quality, preserve our local landscape and history, reduce risk to people and property, and in many other ways benefit the Town of Boone for years to come.

Vision Statements:

1. Make the Town of Boone a leader in clean and local energy that comes from renewable sources.
2. Transform our buildings into highly energy efficient places to live, work, learn, and play.
3. Transform the Town of Boone into a community where people walk, bike, take transit, or carpool for most trips in a safe, accessible, and affordable transportation network.

Objectives:

The Climate Action Plan offers a robust set of objectives and strategies that will address climate change. The Plan specifically poses action in the following areas in order of impact.

- Community-wide Transportation
- Community-wide Stationary energy
- Government Buildings and Facilities
- Government Vehicle Fleet and Employee Commute
- Forested Lands

Accelerating Reduction Strategies (page 18)

Energy consumed in residential and commercial buildings accounts for 38% of the Boone community's total GHG emissions. Improving the efficiency and reducing the energy intensity of our building stock will contribute significantly to achieving the Town of Boone's GHG reduction target. This section focuses on opportunities to retrofit existing buildings and to ensure that future activities in these sectors are compatible with our community's climate protection goals.

Action	Co-Benefits	Reduction Potential
SE 1– Transition 5% of Existing Residential and Commercial Buildings to Heat-Pump Heating Each Year		
SE 2 – Install 3MW of Distributed Energy Resources (DER) by 2030		
SE 3 – Advocate for a Cleaner Grid. Utilities Improve Their Average Grid Mix to 60% lower emissions/kWh in 2030, compared to 2020.		
SE 4 – Transition 50% of Residential and Commercial Customers to 100% Renewable Energy through Utility Programs		
SE 5 – Energy Efficiency in All Buildings		

Water (Quality and Quantity) (page30)

The Town of Boone manages the Every Drop Counts program to educate, inform and assist the public in all aspects of water conservation and to support a philosophy of managing the environment in a manner that does not exhaust or extinguish water. The Town of Boone encourages Do-It Yourself Water Conservation Audits and provides Free Indoor and Outdoor Water Conservation Kits to residents of the Town of Boone.

Action	Co-Benefits	Reduction Potential
Reduce Water Usage (i.e. low flow toilets)		
Maintain Healthy Riparian Buffers on All Streams		
Install More Green Infrastructure for Stormwater Management		
Reduce or Offset Impervious Surface		

Boone Next: Our Town, Our Future

Community Vision
We will be a prosperous, livable, people-oriented mountain community modeling resilient growth that promotes and protects our natural resources with diverse housing options and dynamic economic opportunities. We will celebrate and build upon our community's historic foundation to leave a sustainable and equitable town for future generations.

Green and Resilient

Boone will be climate-neutral, sustainable, resilient, and a responsible environmental steward.

Planning Principles: The Boone Next Planning Principles are intended, as a collective, to provide a core vision to guide planning, zoning, and development decisions. These principles should be carefully considered with respect to all zoning map amendments, ordinance text amendments, and other development decisions as well as other town planning and policy initiatives.

Planning Principle 9
Incorporate environmentally sensitive and sustainable practices into future developments.
Development will be designed to reduce potential negative impacts on environmental features such as wetlands, riparian buffers, streams, steep slopes, wooded areas, special flood hazard areas, wildlife habitats, etc.
• The town will continue efforts to protect and restore watersheds, wetlands, streams, and special flood hazard areas in development or redevelopment.
• New construction will use context-sensitive design to reduce impacts on existing site features.
• New development should use green building practices. Projects should minimize energy consumption, use renewable energy where feasible, minimize the consumption of resources, and use recycled building materials.
• Green stormwater management is important, along with protections to our waterways.
• Infill and redevelopment should maintain or enhance Boone's Urban Forest.

Goals & Policies

Goal 1.1 A SUSTAINABLE BUILT PATTERN

Boone's interwoven natural and built environments will promote social, environmental, and fiscal sustainability while aiming to reduce auto- dependence and the roots of traffic congestion. The town will be a leader of green building design and climate responsibility.

Policy 1.1.3: Promote Sustainable Building and Site Design

Promote and/or incentivize innovative building tools and approaches, such as LEED, LEED-ND, STAR Communities, WELL Building Standard, the Sustainable Development Code, and sustainable building standards and incentives in the town's unified development ordinance. New approaches may include green roofs, renewable energy generation, alternative lighting strategies, use of local and/or recycled materials, optimization of solar access, and other innovative practices.

Policy 1.1.4: Adapt to Climate Variations and Transition to Becoming a Carbon Neutral Town

Through design of the built environment, support the transition to becoming a carbon neutral town, recognizing the urgent need to respond to the threat of a changing climate by reducing greenhouse gas emissions. Consider membership in the Carbon Neutral Cities Alliance or other coalition or initiative with similar missions. Promote partnerships with local nonprofits and businesses addressing sustainability, including educational programs and incentives for sustainable initiatives.

Goal 1.5 INTENTIONAL GROWTH MANAGEMENT

Boone will manage growth thoughtfully and intentionally within its borders and at its edges to enhance the town's livability and meet the needs of a growing community.

Policy 1.5.1: Manage Growth to Balance Protection of Community Character and Natural Areas While Directing Desired Growth to Identified Centers

The town will manage growth in a manner that balances the protection of community character and natural lands while accommodating future population. Change in the community will be carefully managed to protect critical natural lands, provide a variety of housing options for a diversity of households, support economic development, support fiscal balance, ensure adequate public safety services, and utilize growth patterns that support regional and local transit services. Lands within the town's current corporate limits are priorities for infill and redevelopment. New development areas contiguous with the town and in identified activity centers should be secondary priorities for development and ahead of areas outside centers.

Goal 5.2 SUSTAINABLE BUILDINGS, OPERATIONS, AND INFRASTRUCTURE   Boone will seek sustainable practices in buildings, operations, and infrastructure of town government and across the community.
Policy 5.2.1: Boone's Climate Action Plan   The Community Climate Action Plan will guide Boone's town government and community-wide vision, goals, policies, and actions around climate action and achieving climate neutrality. The work of achieving climate neutrality comes with additional benefits, such as enhancing quality of life, reducing long term costs, creating good jobs, improving public health, and enhancing the environment.
Private Development   Promote energy efficiency and green building in new private development and redevelopment projects through development regulations, incentives, and dialogue.

Town Council Action – Adoption of Ordinance

Should Council wish to proceed they will need to approved the Ordinance found in Exhibit B below.

Exhibit A: February 25, 2026 Town Council Meeting Minutes Excerpt

MINUTES
TOWN COUNCIL REGULAR MEETING

FEBRUARY 25, 2026

CALL TO ORDER

A regular meeting of the Boone Town Council was called to order at 5:08 p.m. on Wednesday, February 25, 2026, at the Boone Town Council Chambers located at 1500 Blowing Rock Road in Boone. Mayor Dalton George presided. Town Council members present included Mayor Pro-Tem Todd Carter (remote), Virginia Roseman, Eric Plaag, Adrian Tait (entered the meeting at 5:17 p.m.), and Anne Pruitt. Town Staff present included Interim Town Manager/Human Resources Director Dale Presnell, Town Clerk Nicole Harmon, Grants Coordinator/Communications Laney Wise, Planning Director Jane Shook, Deputy Planning Director Brandon Wise, Public Works Director Todd Moody, Finance Director Guy Miller, Cultural Resources Director Mark Freed, Sustainability and Special Projects Manager George Santucci, Human Resources Specialist Linda Councill, Police Chief Daniel Duckworth, and Town Attorney Allison Meade.

…

PUBLIC COMMENT

Mayor George gave a brief overview of public comment rules and announced that each speaker would have 5 minutes.

Hannah Woodburn of MountainTrue spoke against establishing data centers in Boone and supported a

proposed moratorium. She stated concerns regarding the potential negative impacts associated with data centers, specifically citing the substantial power and water usage such facilities require. Andy Hill was listed on the sign-up sheet but was not present to speak.

…

Alex Edgerton of Boone spoke in support of the proposed data center moratorium. She expressed concerns about the impact of data centers on local infrastructure, particularly given the ongoing effects of Hurricane Helene. She stated that such facilities could have devastating consequences, including strain on limited water supplies and potential displacement of residents.

…

COUNCIL MATTERS

…

Discussion Regarding Data Center Moratorium

Mayor George presented a request for discussion regarding a moratorium on data centers. He noted that the intent was to be proactive in addressing the potential impacts such facilities could have on the community and environment. He referenced the Town of Canton's recently adopted moratorium on data centers as an example.

Andy Hill from MountainTrue was invited to speak. Andy Hill, representing MountainTrue, expressed concern regarding the impacts of data centers and stated that such facilities provide no direct benefit to the local community. He thanked Council for considering preventative measures and offered MountainTrue's assistance in evaluating potential impacts and developing regulations.

Council Member Plaag stated that he was astonished by the amount of farmland in other areas being converted to other uses in recent years and expressed concern regarding the significant water consumption associated with data centers. He noted that some facilities use coolant systems rather than water and questioned how such coolants are disposed of at the end of their lifecycle.

Mr. Hill responded that data centers require tremendous amounts of electricity and water. He stated that chemical cooling systems are neither fiscally nor environmentally sustainable solutions, explaining that such chemicals are often mixed with water and can pollute groundwater and eventually reach surface waters. He emphasized that the region's clean, cool water resources make it particularly vulnerable. He further noted that discharge from data centers can include superheated water, which could negatively impact aquatic ecosystems, recreational fishing, tourism, and the local brewing industry. He stated that Boone's economy is robust and diverse and that the Town should prioritize protecting the natural resources that form the foundation of that economy.

Council Member Roseman noted that Canton had adopted a twelve-month moratorium and asked whether a longer moratorium would be permissible. Mayor George stated that he would support pursuing a one-year moratorium.

Ms. Shook clarified that data centers are not currently defined within the Unified Development Ordinance (UDO). She explained that a temporary moratorium would provide time to study the issue, prepare draft ordinance amendments, and conduct the required statutorily noticed public hearing.

Ms. Meade stated that data centers are presently permitted as manufacturing uses within the M-1 zoning district. She further explained that, due to legislation enacted by the General Assembly in the previous year, staff would not be able to propose eliminating the use from the M-1, as that would constitute prohibited down-zoning . However, the Town could adopt additional standards and regulations governing the use, which currently do not exist. She stated that the moratorium process would provide an

opportunity to develop those standards thoughtfully.

Council Member Plaag made a motion to direct staff to begin the process of researching and preparing a proposed one-year moratorium, with a public hearing tentatively scheduled for March 23, to allow further study by staff and the Town Attorney, and to develop appropriate standards for the use. Council Member Roseman seconded the motion, which carried unanimously.

Mayor George thanked Council for its consideration and expressed appreciation to staff for their research efforts.

Council Member Pruitt inquired whether there had been any conversations with Watauga County regarding the matter. Mayor George responded that the County had been exploring related infrastructure issues and indicated that the County would likely proceed with similar action if the Town did so. He stated that the County recognized the same concerns expressed by Council.

…

Exhibit B: Case A26-0124 Ordinance

Case A26-0124

Ordinance #26-_____

Ordinance Approving a Temporary Moratorium on the Permitting of Crypto-Mining, Data Processing, Data Centers, and similar uses within the Town of Boone, North Carolina pursuant to N.C.G.S. § 160D-107.

WHEREAS, pursuant to N.C.G.S. § 160D-107, local governments such as the Town of Boone may adopt temporary moratoria on any development approval required by law, and

WHEREAS, the Town of Boone is concerned about the environmental, and land-use challenges and impacts of cryptocurrency mining, data processing, data centers, and similar uses. These concerns include but are not limited to the potential for high power demand, significant noise, high water consumption, storage and disposal of hazardous materials, electronic waste, and liquid coolants, and land use compatibility in light of the particular development patterns and topography of the Town; and

WHEREAS, the Town of Boone's existing regulations as set forth in its Unified Development Ordinance ("UDO") do not address these specific concerns and the Town needs time to analyze and develop appropriate, comprehensive standards to ensure that future development of such land uses protect the health, safety, and welfare of residents and protect the general public interest; and

WHEREAS, the Town of Bone has considered alternative courses of actions such as relying on existing regulations and approval processes, and has determined that existing regulations and processes are inadequate because they do not specifically or adequately address the potential impacts of these land-uses; and

WHEREAS, a temporary moratorium on accepting and processing new applications for such development is a reasonable and necessary measure to allow Town staff and the Planning Commission sufficient time to study the issues, engage with stakeholders, and draft appropriate amendments to the UDO; and

WHEREAS, pursuant to N.C.G.S. § 160D-601 the Town of Boone held a legislative public hearing on March 23, 2026 regarding this moratorium; and

NOW, THEREFORE, BE IT ORDAINED, by the Town of Boone Town Council:

Section 1. Moratorium Imposed. A 12-month temporary moratorium is hereby imposed effective beginning March 23, 2026 and expiring on the earlier of March 22, 2027, or the adoption of new zoning regulations. During this period, the Town shall not accept or approve any application for the establishment, construction, and/or erection of any cryptocurrency mining facility, data processing facility, data center, or similar use.

Section 2. Scope. This moratorium shall apply to the all property within the Town of Boone's jurisdiction.

Section 3. Action Plan and Schedule. During this moratorium, the Town of Boone shall endeavor to take action along the following general schedule:

1. Months 1-3: Study the potential impacts of the uses subject to the moratorium, including but not limited to high power demand, noise, high water consumption, potential environmental impacts related to heat, storage of hazardous materials, and disposal of electronic waste and liquid coolants, and land-use compatibility issues.
2. Months 3-6: Draft a UDO text amendment that specifically addresses through supplemental standards cryptocurrency mining, data processing, data centers, and other similar uses.
3. Months 6-10: Hold one or more public workshops with the Town Council and the Planning Commission to review the draft amendment and gather public input.
4. Months 11-12: In accordance with N.C.G.S. 160D-601-605, hold a legislative public hearing in order for the Planning Commission and Town Council to consider the amendment. Upon receipt of the Planning Commission's review and comment, Council will consider the amendment for final approval.

Section 4. Duration and Termination. This Ordinance shall be in full force and effect from adoption on March 23, 2026 continuing until the earlier of March 22, 2027, or the adoption of a UDO text amendment implementing standards as described above, unless earlier terminated, extended, or modified by the Town Council in accordance with North Carolina law. The stated duration is reasonably necessary to address the identified problems.

Section 4. Severability. If any section or part of this ordinance is declared invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining sections or parts.

Adopted, this the 23rd day of March 2026.

_____
Mayor Dalton George

Attest:

_____
Nicole Harmon-Church, Town Clerk