



TOWN OF WAYNESVILLE

Planning Board

9 South Main Street
Waynesville, NC 28786
Phone (828) 456-8647 • Fax (828) 452-1492
www.waynesvillenc.gov

Development Services
Director
Elizabeth Teague

Planning Board Members

Susan Teas Smith (Chairman)
Ginger Hain (Vice Chair)
Stuart Bass
R. Michael Blackburn
Tommy Thomas
Barbara Thomas
Peggy Hannah
Jan Grossman
John Baus

Regular Meeting of the Planning Board Town Hall, 9 South Main Street, Waynesville, NC 28786 Monday, July 17, 2023, 5:30 PM

A. CALL TO ORDER

1. Welcome/Calendar/Announcements
 - Summary of Town Council Actions on Planning Board recommendations
2. Approval of Minutes as presented (or amended):
 - June 19, 2023 Regular Meeting

B. BUSINESS

1. Public hearing on a staff-initiated text amendment to add “Event Space” as a stand-alone use to the Land Development Standards: definition and supplemental standards (LDS Sections 2.5.3, 3.3.5, and 17.3).
2. Public hearing on a staff-initiated text amendment to correct definition of “Freight Hauling/Truck Terminals” (LDS Section 17.3).
3. Public hearing on a board-initiated text amendment to create a Railroad Overlay District including purpose, standards, uses (LDS Sections 2.5.3 and 2.6.2).
4. Discussion on “crypto-mining” and possibility of a future text amendment.

C. PUBLIC COMMENT/CALL ON THE AUDIENCE

D. ADJOURN

Waynesville Town Council Votes on the Planning Board Items 2022-2023

March 22, 2022:

- Stormwater Ordinance text amendment, Section 12.5 of the LDS to align the Town's local ordinance with the Phase II NCDEQ Stormwater Model Ordinance for North Carolina.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

- LDS text amendments regarding 160D clarifications and definitions, and other minor amendments. Ordinance cleanup.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

May 10, 2022:

- Public Hearing to consider text amendments on revisions to LDS Section 6.10: Transportation Impact Analysis (TIA): lower the TIA threshold to 500 trips per day to require a study. This would generally apply to any new residential development as follows:
 - 50 single-family homes
 - 70 apartments / townhomes
 - 100 room hotels
 - 30,000 square foot office building
 - 20,000 square foot shopping center

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

- Text amendment to Chapter 7 of the LDS, Civic Space: increase the % required based on the size of the project, provide additional options, such as preserve, dog park, and indoor community facility.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

June 28, 2022

- Text amendment request initiated by the Planning Board to implement buffer requirements and quasi-judicial review procedures on major subdivisions which create 31 or more lots.

A motion was made by Alderman Anthony Sutton, seconded by Chuck Dickson to table the zoning text amendment request initiated by the Planning Board to implement buffer requirements and quasi-judicial review procedures on major subdivisions which create 31 or more lots for more discussion with the Planning Board. (Chuck Dickson, aye), (Julia Freeman, aye), (Jon Feichter, aye), (Anthony Sutton, aye) and (Mayor Gary Caldwell, aye.) The motion passed unanimously.

Specifically, the Board of Aldermen did not express any interest in going back to quasi-judicial procedures which can be legally controversial. The text amendment on buffers without quasi-judicial procedures was presented to the board again on December 13, 2022 (see below).

July 26, 2022:

- Zoning map amendment request to change the zoning of property located at 134 Belle Meade Drive, PIN 8605-81-6159, from Hazelwood Urban Residential (H-UR) to Hazelwood Business District (H-BD).

*A motion was made by Alderman Anthony Sutton, seconded by Alderman Jon Feichter, to outright **reject the rezoning** of the property at 134 Belle Meade to Hazelwood Business District. The motion carried unanimously.*

August 9, 2022

- Text amendment to Section 9.8 of the LDS, Driveway Standards: width and length requirements based on the number of units, fire access safety, definition of joint and shared driveways, apron specs, materials.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

November 8, 2022

- Text amendment related to cottages and conservation subdivision designs Sections 2.5.3, 15.9, 17.3, and 17.4 of the LDS.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

- Text amendments to LDS Chapter 6 pertaining to Roadway Infrastructure: road classifications, design, pedestrian facilities, sidewalks, parking spaces on the streets, etc.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

December 13, 2022:

- Text amendment related to Section 8.4 Buffer Yards of the LDS to require a Type B Buffer for large developments >30 units.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

- Map Amendment (Rezoning) Request from Hazelwood Urban Residential (H-UR) to Hazelwood Urban Residential Mixed-Use Overlay-2 (H-UR-MX-O-2) District for Five (5) Properties off South Main Street:

- 1) .38-acre property at 1434 S. Main St. (PIN 8605-91-5018),
- 2) .28-acre property at 1458 S. Main St. (PIN 8605-90-3984),
- 3) .23-acre property at 1484 S. Main St. (PIN 8605-90-3920),
- 4) .14-acre unaddressed property off S. Main St. (PIN 8605-90-2966),
- 5) .24-acre property at 24 Belle Meade Dr. (PIN 8605-90-2836).

Motion of Consistency with the 2035 Plan and Motion to adopt the map amendment as presented passed unanimously.

- Text amendment to LDS Section 12.3, the Flood Damage Prevention Ordinance, to align the LDS with the State model ordinance.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

- Text amendments related to Chapter 160D general additions and revisions to multiple sections of the LDS: substantial modifications of site plans, exemptions to driveway standards when connecting to private roads, hydroplaning protections in the stormwater ordinance.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

February 14, 2023:

- Map Amendment for the property located at 465 Boyd Avenue (PIN 8605-96-8882) to create a Hazelwood Urban Residential MXO-3 District.

Motion of Consistency with the 2035 Plan and Motion to adopt the map amendment as presented passed unanimously.

- Text Amendment to the LDS Section 17.3, Use Type Definitions, Personal Services to include tattoo parlors.

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

May 23, 2023:

- Stormwater Ordinance text amendment, Section 12.5 of the LDS: design standards and safety measures for stormwater control measures with steep slopes and tall banks (such as ponds).

Motion of Consistency with the 2035 Plan and Motion to adopt the text amendment as presented passed unanimously.

- Map Amendment for the property located at 237 Ratcliff Cove Road (PIN 8626-00-9246).

A motion was made by Councilmember Anthony Sutton, seconded by Councilmember Julia Freeman, to find the request is consistent with the 2035 Comprehensive Plan in that it creates opportunities for a sustainable economy, strengthens Waynesville's current and future workforce through education and training and encourages creatively designed, mixed-use, walkable centers and commercial districts that appeal to residents and visitors. The motion passed unanimously.

A motion was made by Councilmember Anthony Sutton, seconded by Councilmember Chuck Dickson to rezone the property described as 237 Ratcliff Cove Road (PIN 8626-00-9246) from the Raccoon Creek Neighborhood Residential District to the Raccoon Creek Neighborhood Residential District Mixed-Use Overlay-2, to be enacted 10 days after the Haywood County School Board achieves ownership of the property, and to limit the additional uses extended by the overlay to Government Services, and in so doing amending the Comprehensive Plan, Future Land Use Map to re-designate this property as "Community Facilities" in its land use typology and that it continues to promote smart growth principles in land use planning and zoning, and encourages infill, mixed-use, and context-sensitive development. The motion passed unanimously.

June 27, 2023:

- Text amendment to the LDS Section 5.10.2, Mixed-Use/Commercial Building Design Guidelines, Façade Materials.

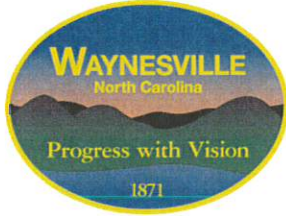
The original text amendment was simply to add "metal panels and siding" to the list of permitted materials. The Town Council modified it by adding the following provisions:

Metal panels and siding may be used as a facade material on commercial buildings with the following restrictions:

- 1. Metal panels and siding may be used as a facade material only on commercial buildings located within Neighborhood Center, Business, and Regional Center Districts.*
- 2. Such metal panels and siding must consist of architectural-grade metal without a high-gloss finish. Standing seam metal panels may not be used as a façade material.*
- 3. The use of metal panels and siding as a façade material within a National Register Historic District or Local Historic District must be approved by the Historic Preservation Commission with the issuance of a Certificate of Appropriateness.*

The amendment passed with these modifications. Both motions (consistency statement and the vote on the amendment) were carried unanimously.

You can access previous minutes and agendas by visiting the following site: <http://www.egovlink.com/waynesville/>.



TOWN OF WAYNESVILLE Planning Board

9 South Main Street Suite 110
Waynesville, NC 28786
Phone (828) 456-8647 • Fax (828) 452-1492

Susan Teas Smith (Chairman)
Ginger Hain (Vice)
Stuart Bass
John Baus
Michael Blackburn
Jan Grossman
Peggy Hannah
Tommy Thomas
Barbara Thomas

Development Services
Director
Elizabeth Teague

MINUTES OF THE TOWN OF WAYNESVILLE PLANNING BOARD

Regular Scheduled Meeting

Town Hall – 9 South Main St., Waynesville, NC 28786

Monday June 19th, 2023, 5:30pm

THE WAYNESVILLE PLANNING BOARD held a Regular Scheduled Meeting June 19th, 2023, at 5:30 p.m. in the board room of the Town Hall, 9 South Main Street, Waynesville, NC. 28786.

A. CALL TO ORDER

1. Welcome/Calendar/Announcements

The following members were present

Ginger Hain (Vice Chairman)
Stuart Bass
Jan Grossman
Barbara Thomas
Tommy Thomas
Peggy Hannah

The following board member were absent:

Susan Teas Smith (Chairman)
Michael Blackburn
John Baus

The following staff members were present:

Elizabeth Teague, Development Services Director
Olga Grooman, Land Use Administrator
Esther Coulter, Administrative Assistant

Vice Chairman Ginger Hain called the meeting to order at 5:30pm. Mrs. Hain welcomed everyone and asked if there were any announcements. Development Services Director Elizabeth Teague announced to the board that in the agenda packet after the minutes staff will post a summary of the results of the Planning Board's recommendations to Town Council for approval.

A motion was made by Board Member Jan Grossman, seconded by Board Member Tommy Thomas, to approve the minutes for the May 15th, 2023, meeting as presented or amended. The motion passed by 5 votes and 1 abstained for being absent.

B. BUSINESS

1. Report from Railroad Corridor Committee and Discussion of Railroad Overlay District (RR-O) and Uses, Sections 2.5.3 and 2.6 of the Land Development Standards (LDS).

Land Use Administrator, Olga Grooman stated the Railroad Committee was formed in January 2023 to study the land use opportunities for urban revitalization. The Committee consisted of business owners, community representatives, planning board members and staff.

Ms. Teague asked if committee members present had any additions to the report. Board member Stuart Bass said the committee looked at the whole corridor and some areas are very established, and some were strictly residential. So, the group focused on those areas that could benefit from flexibility in permitted uses and redevelopment, so the committee suggested to start out with the smaller areas of the commercial districts.

Mrs. Grooman said the two suggested areas are Frog Level and Hazelwood Business Districts. The *Frog Level Railroad Overlay* will start at Buffalo Lane and go all the way down to the intersection of Commerce and Smathers Streets. Richland Creek will serve as a northern boundary for the district. Most of the southern boundary will consist of the properties off Boundary Street. The Committee advised against including Haywood Square Plaza because it is well established and is over 400 feet away from the railroad. This proposed district will have 68 properties.

The *Hazelwood Railroad Overlay* district will start right below the Town's Finance Office 280 Georgia Avenue and go to the HVO property 172 Riverbend St. It will also include the Hazelwood downtown area with Beach Mountain Diner, Hazelwood Soap Company, and other stores. The width of the district will be about one block east and west with some modifications. This overlay will be larger than the proposed Frog Level district but is less dense. The proposed district will have 30 properties.

Board Member Barbara Thomas agreed with the idea to start with smaller areas. Board Member Tommy Thomas asked to note the overlays in the map legend. Mrs. Grooman agreed.

Mrs. Grooman went over the proposed Text Amendment for section 2.6.3 along with the proposed permitted uses in each underlying districts (LDS 2.5.3) Table of Permitted Uses. Ms. Grooman explained that the overlay areas would add certain uses within those districts, but would not take away existing permitted uses. Mrs. Teague clarified which district allowed or didn't allow certain permitted uses like mobile homes and manufactured housing. There was additional discussion that Special Use Permits would remain as Special Use Permits. Mrs. Grooman thanked everyone and stated the amendment will come back to them for the July 17, 2023, meeting.

2. Discussion of staff-initiated definition of Event Space and Freight Hauling, LDS Section 17.3.

Olga Grooman stated that as part of the discussion with the railroad overlay committee, there was discussion about event spaces. These are commercial spaces designed and used specifically for special events such as meetings, parties or receptions. This would be distinct from events allowed as customary uses for Inns and Bed and Breakfasts. Staff suggest that this be allowed in the Railroad Overlay District via a Special Use Permit.

Mrs. Grooman read the proposed 17.3 definition of *event spaces*. Mrs. Grooman continued with section 3.5 Supplemental Use Standards to renumber and add a section for *Event Spaces*. Supplemental standards suggested are to provide screening, parking, limit noise, trash, and refer to other permits and parts of the ordinance that might apply. There was Board discussion and general consensus for staff to bring back an ordinance for consideration.

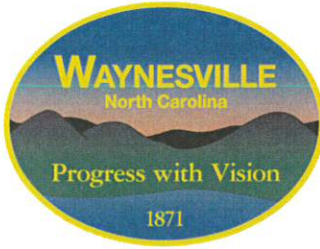
Ms. Grooman stated that another use that came up in the railroad overlay work was for freight hauling/truck terminals. Staff discovered that the definition within the ordinance was a duplicate of the definition for funeral home. While a clerical error, staff would like to bring back a definition for freight hauling and /truck terminals for Board approval. Ms. Grooman thanked everyone and said the amendments will come before the Board at their next meeting, July 17, 2023.

C. ADJOURN

A motion was made by Vice Chairman Ginger Hain, to adjourn the meeting at 6:40pm.

Ginger Hain, Vice Chairman

Esther Coulter Administrative Assistant



TOWN OF WAYNESVILLE

Development Services Department

PO Box 100

9 South Main Street

Waynesville, NC 28786

Phone (828) 456-8647 • Fax (828) 452-1492

www.waynesvillenc.gov

FOR PUBLICATION IN THE MOUNTAINEER: June 28 and July 5 Wednesday Editions

Date: June 20, 2023

Contact: Olga Grooman, (828) 356-1172

Notice of Public Hearings

Town of Waynesville Planning Board

The Town of Waynesville Planning Board will hold **three (3) public hearings on July 17, 2023 at 5:30 pm**, in the Town Hall Board Room, located at 9 South Main Street, Waynesville, NC, to consider three (3) text amendments:

1. Addition of an "Event Space" as a stand-alone use to the Land Development Standards (LDS): definition and supplemental standards.
2. Creation of a Railroad Overlay District: purpose, standards, uses.
3. Definition of "Freight Hauling/Truck Terminals."

For more information contact the Development Services Department at: (828) 356-1172, email: ogrooman@waynesvillenc.gov, mail: 9 South Main Street, Suite 110, Waynesville, NC 28786.

Planning Board Staff Report

Subject: Addition of “Event Space” use to the Land Development Standards (LDS)
 Ordinance Section: Sections 2.5.3, 3.5, and 17.3 of the LDS
 Applicant: Railroad Subcommittee initiated text amendment
 Presenter: Olga Grooman, Land Use Administrator, Development Services
 Meeting Date: July 17, 2023

Background

In discussions related to economic opportunities and development along the railroad corridor, the subcommittee identified a gap in our zoning ordinances. An “event space” is not defined as a stand-alone use, and the Development Services Department has been receiving inquiries about converting some properties into wedding venues or as spaces for rental for events such as parties or meetings.

Per LDS Section 2.5.2 B. Uses Not Listed: “Should the Administrator determine that a materially similar use does not exist, this Chapter may be amended to establish a specific listing for the use in question.” The attached text amendment comes out of the RR subcommittee discussions and provides a proposed definition of an “event space” and recommends associated regulations.

Staff presented the draft text amendment to the Planning Board and received the the feedback at the June 19, 2023 Planning Board meeting. The Board wants to allow “event spaces” as a Special Use Permit only in the Railroad Overlay District for now. Although “event spaces” would be generally compatible with other civic, retail, cultural, and entertainment uses, the Board wants to mitigate any potential impacts on the surrounding areas by carefully reviewing each application for such use. In the future, property owners may request to include “event spaces” in other districts in the Table of Permitted Uses (LDS 2.5.3) via the text amendment procedure that would be heard by both the Planning Board and Town Council.

Events, especially large ones, may create significant impacts on the surrounding properties by way of noise, trash, parking, traffic, or other impacts. Therefore staff also proposes supplemental standards for “event spaces” in Chapter 3 of the LDS.

Staff Recommended Text Changes:

- Include the definition of “event space” in section 17.3 of the LDS
- Create supplemental standards for this use in Chapter 3 of the LDS: parking, noise, trash, buffer against residential areas, other permits
- “Event space” can be a primary or secondary use to the property. However, both uses must be allowed in the underlying zoning district.

Staff submits the proposed changes **in red** on the attached draft ordinance for discussion.

Consistency with the 2035 Comprehensive Land Use Plan

Staff submits that the proposed text amendments to the LDS are consistent with the 2035 Comp Plan goals:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage in-fill, mixed use, and context-sensitive development.

Goal 5: Create Opportunities for a Sustainable Economy.

- Promote the growth of existing local businesses and Waynesville's "maker economy."
- Promote Waynesville's downtown districts, inns, restaurants, and reputation as the "Gateway to the Smokies."

Attachments

1. Proposed Text Amendment
2. Consistency Statement Worksheet
3. Public Notices

Recommended Motions

1. Motion to find the recommended "Event Space" text amendment as attached (or amended) as being consistent with the 2035 Land Use Plan and reasonable and in the public interest.
2. Motion to recommend the "Event Space" text amendment as attached (or as amended) to the Town Council.

ORDINANCE NO. _____

**AN ORDINANCE AMENDING THE TEXT
OF THE TOWN OF WAYNESVILLE LAND DEVELOPMENT STANDARDS**

WHEREAS, the Town of Waynesville has the authority, pursuant to Article 7 of Chapter 160D of the North Carolina General Statutes, to adopt land development regulations, clarify such regulations, and may amend said regulations from time to time in the interest of the public health, safety, and welfare; and

WHEREAS, the Town of Waynesville Land Development Standards (LDS) do not have a definition of an “event space” as a use; and

WHEREAS, the Town of Waynesville Planning Board has reviewed the proposed text amendments to the LDS and recommends that they are consistent with the 2035 Comprehensive Plan and that they are reasonable and in the public interest because:

- The Town of Waynesville will continue to “promote smart growth in land use planning and zoning;” (Goal #1);
- The Town will Create Opportunities for a Sustainable Economy (Goal #5);

WHEREAS, the Planning Board has reviewed and recommends the proposed text amendments for enactment by the Town Council; and

WHEREAS, the Town Council find this Ordinance to be consistent with the Town’s 2035 Comprehensive Plan and that it is reasonable and in the public interest to “make decisions about resources and land use in accordance with North Carolina General Statutes.” and

WHEREAS, after notice duly given, a public hearing was held on **July 17, 2023** at the regularly scheduled meeting of the Waynesville Planning Board, and on _____ at the regularly scheduled meeting of the Waynesville Town Council;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WAYNESVILLE, MEETING IN REGULAR SESSION ON _____ AND WITH A MAJORITY OF THE BOARD MEMBERS VOTING IN THE AFFIRMATIVE, THE FOLLOWING:

That the Land Development Standards be amended as follows (in red):

1. Amend Section 2.5.3 Table of Permitted Uses as follows:

	Residential-Low Density Districts (RL)				Residential-Medium Density Districts (RM)				Neighborhood Residential (NR)								Urban Residential (UR)			Neighborhood Center (NC)			Business District (BD)			Regional Center (RC)			Commercial Industrial (CI)		
USE TYPES	CC-RL	EN-RL	FC-RL	HT-RL	CP-RM	D-RM	HM-RM	SW-RM	AC-NR	LL-NR	MS-NR	N-NR	PS-NR	PC-NR	RC-NR	SS-NR	WS-NR	EW-UR	H-UR	HM-UR	NM-NC	PS-NC	RC-NC	CBD	H-BD	SM-BD	DJ-RC	HC-RC	RA-RC	CI	
COMMERCIAL																															
Adult Establishment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	PS	
Alcoholic Beverage Sales Store	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	P	P	P	P	P	P	P	P	P	-	
Auto Parts Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	PS	PS	PS	PS	PS	PS	PS	P	P	P	P
Bar/Tavern/Night Club	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	PS	PS	PS	PS	PS	PS	PS	PS	PS	-	
Drive-Thru Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	PS	PS	PS	PS	PS	PS	PS	P	P	P	-
Event Space	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Gas/Fueling Station	-	-	-	-	-	-	-	-	PC/PS	-	-	-	-	-	PL/PS	-	-	-	-	-	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS
General Commercial – Less than 100,000 sf	-	-	-	-	-	-	-	-	-	-	-	PL	-	-	PL	-	PL	-	PL	-	P	P	P	P	P	P	P	P	P	-	
General Commercial – Greater than 100,000 sf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	
Neighborhood Commercial (as defined in section 17.3.0 adopted 8/2018)	-	-	-	-	-	PL	-	PL	-	PL	-	PL	-	-	PL	-	PL	PL	PL	-	-	-	-	-	-	-	-	-	-	-	
Neighborhood Restaurant (as defined in section 17.3.0 adopted 8/2018)	-	-	-	-	-	PL	-	PL	-	PL	-	PL	-	-	PL	-	PL	PL	PL	-	-	-	-	-	-	-	-	-	-	-	-

2. Amend Section 17.3 Definitions, Use Type as follows:

Event Space. An establishment that is available to the general public for hosting weddings, receptions, conferences, parties, business meetings, banquets, social gatherings, or similar indoor or outdoor events.

3. Amend Section 3.5 Supplemental Use Standards- Commercial and renumber the subsequent sections as follows:

3.5.5 Event Space.

- A. An “event space” may be a primary or secondary use of the property. In both cases, it must be allowed in the underlying zoning district.
- B. **Screening.** An outdoor area of an event space shall be buffered by a Type C buffer (LDS 8.4.2.C) from any lot containing a church, a school, or any residential district (adjacent or across the street / private road).
- C. **Parking.** LDS 9.2.1 standards apply. Vehicles attending/employed by an event cannot block the streets, create traffic congestion or unsafe situations, or park in the public right-of-way or undesignated areas.
- D. **Noise.** All events must comply with the Town of Waynesville noise ordinances.
- E. **Trash.** All events must contain their trash and comply with the Town of Waynesville trash pick-up ordinances and schedules.
- F. **Other permits.** All events must be in compliance with all local, state, and federal regulations and permits, including but not limited to ABC permit.
- G. **Off-Site Events.** All events are limited to the property. If additional activities take place off premises (such as parades, special events outside of your building, tent sales, or other similar events), a temporary use permit must be obtained for each such event (LDS 15.6.2).

3.5.6 Gas/Fueling Station

...

3.5.7 General Commercial- Greater than 100,000 sq. ft

...

3.5.8 Outside Storage

...

3.5.9 Vehicle and Heavy Equipment Sales/ Rental ...

...

3.5.10 Vehicle Services- Minor Maintenance/Repair/Wash

...

3.5.11 Vehicle Services- Major Repair/Body Work

...

3.5.12 Video Gaming or Video Gaming Parlor

...

ADOPTED this _____ Day of _____, 2023.

TOWN OF WAYNESVILLE

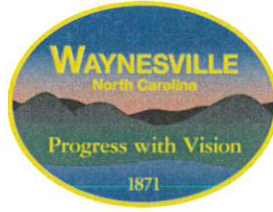
J. Gary Caldwell, Mayor

ATTEST:

Candace Poolton, Town Clerk

APPROVED AS TO FORM:

Martha Bradley, Town Attorney



To: Town of Waynesville Planning Board
 From: Olga Grooman, Land Use Administrator
 Date: July 17, 2023
 Subject: Text Amendment Statement of Consistency
 Description: Text amendment related to "Event Space," Sections 2.5.3, 3.5, and 17.3 of the Land Development Standards
 Address: Town of Waynesville Planning Department ("Development Services Department")

The Planning Board hereby adopts and recommends to the Town Council the following statement(s):

☐

The zoning text amendment **is approved and is consistent with the Town's Comprehensive Land Use Plan** because: _____

The zoning text amendment and **is reasonable and in the public interest** because:

☐

The zoning text amendment **is rejected because it is inconsistent with the Town's Comprehensive Land Plan and is not reasonable and in the public interest** because _____

☐

In addition to approving this zoning amendment, this approval is **also deemed an amendment to the Town's Comprehensive Land Use Plan**. The change in conditions taken into account in amending the zoning ordinance to meet the development needs of the community and why this action is reasonable and in the public interest, are as follows: _____

Planning Board Member _____, made a motion, seconded by _____

The motion passed _____. (*unanimously or vote results here*)

 Susan Teas Smith, Planning Board Chair Date

 Esther Coulter, Administrative Assistant Date

Planning Board Staff Report

Subject: Definition of “Freight Hauling/Truck Terminals” in the Land Development Standards (LDS)
 Ordinance Section: Section 17.3 of the LDS
 Applicant: Staff initiated text amendment
 Presenter: Olga Grooman, Land Use Administrator, Development Services
 Meeting Date: July 17, 2023

Background

The current definition of the “Freight Hauling/Truck Terminals” in the LDS is the same as the definition of “Funeral Homes” in what appears to be a copy and pasting error from many years ago. However, the footnote for the definition has a valid reference to the Land Based Classification Standards (LBCS), a guidance document by the American Planning Association that classifies and defines various land uses. Staff wishes to correct the mistake and replace the wrong definition with the intended one from the LBCS. With this clarification, freight-hauling and truck terminals are proposed to be part of the Railroad corridor overlay.

Staff Recommended Text Changes:

- Include the definition of “Freight Hauling/Truck Terminals” in section 17.3 of the LDS

Staff submits the proposed changes **in red** on the attached draft ordinance for discussion.

Consistency with the 2035 Comprehensive Land Use Plan

Staff submits that the proposed text amendments to the LDS are consistent with the 2035 Comp Plan goals:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage in-fill, mixed use, and context-sensitive development.

Goal 5: Create Opportunities for a Sustainable Economy.

- Promote the growth of existing local businesses and Waynesville’s “maker economy.”

Goal 6: Create an attractive, safe and multi-modal transportation system.

- Provide an interconnected transportation network of roadways, greenways, freight mobility, bicycle routes, and sidewalks that improves safety and strategic access for all users.

Attachments

1. Proposed Text Amendment
2. Consistency Statement Worksheet
3. Public Notices

Recommended Motions

1. Motion to find the recommended "Freight Hauling/Truck Terminals" text amendment as attached (or amended) as being consistent with the 2035 Land Use Plan and reasonable and in the public interest.
2. Motion to recommend the "Freight Hauling/Truck Terminals" text amendment as attached (or as amended) to the Town Council.

ORDINANCE NO. _____

**AN ORDINANCE AMENDING THE TEXT
OF THE TOWN OF WAYNESVILLE LAND DEVELOPMENT STANDARDS**

WHEREAS, the Town of Waynesville has the authority, pursuant to Article 7 of Chapter 160D of the North Carolina General Statutes, to adopt land development regulations, clarify such regulations, and may amend said regulations from time to time in the interest of the public health, safety, and welfare; and

WHEREAS, the definition of the “Freight Hauling/Truck Terminals” in the Town of Waynesville Land Development Standards (LDS) is the same as the definition of “Funeral Homes” but has a valid reference to a different definition in the Land Based Classification Standards (LBCS); and

WHEREAS, the Town of Waynesville Planning Board has reviewed the proposed text amendment to the LDS and recommends that it is consistent with the 2035 Comprehensive Plan and that it is reasonable and in the public interest because:

- The Town of Waynesville will continue to “promote smart growth in land use planning and zoning;” (Goal #1);
- The Town will Create Opportunities for a Sustainable Economy (Goal #5);
- The Town will create an attractive, safe, and multi-modal transportation system. (Goal #6)

WHEREAS, the Planning Board has reviewed and recommends the proposed text amendment for enactment by the Town Council; and

WHEREAS, the Town Council find this Ordinance to be consistent with the Town’s 2035 Comprehensive Plan and that it is reasonable and in the public interest to “make decisions about resources and land use in accordance with North Carolina General Statutes.” and

WHEREAS, after notice duly given, a public hearing was held on July 17, 2023 at the regularly scheduled meeting of the Waynesville Planning Board, and on _____ at the regularly scheduled meeting of the Waynesville Town Council;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WAYNESVILLE, MEETING IN REGULAR SESSION ON _____ AND WITH A MAJORITY OF THE BOARD MEMBERS VOTING IN THE AFFIRMATIVE, THE FOLLOWING:

That the Land Development Standards be amended as follows (in red):

1. Amend Section 17.3 Definitions, Use Type as follows:

~~Freight Hauling/Truck Terminals.~~ Establishments for preparing the dead for burial or interment and conducting funerals (i.e. providing facilities for wakes, arranging transportation for the dead, and selling caskets and related merchandise). (LBCS S2760 and F4140).

Freight Hauling/Truck Terminals. Establishments in the truck and freight transportation category provide over the-road transportation of cargo using motor vehicles, such as trucks and tractor trailers. These establishments may handle a variety of commodities, involve local or long distance trucking, and require specialized equipment due to the size, weight, shape, or other inherent characteristics of the cargo (LBCS F4140).

ADOPTED this _____ Day of _____, 2023.

TOWN OF WAYNESVILLE

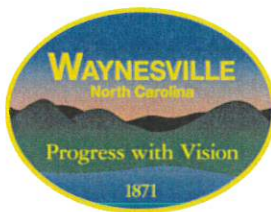
J. Gary Caldwell, Mayor

ATTEST:

Candace Poolton, Town Clerk

APPROVED AS TO FORM:

Martha Bradley, Town Attorney



To: Town of Waynesville Planning Board
 From: Olga Grooman, Land Use Administrator
 Date: July 17, 2023
 Subject: Text Amendment Statement of Consistency
 Description: Text amendment- definition of "Freight Hauling/Truck Terminals," section 17.3 of the Land Development Standards
 Address: Town of Waynesville Planning Department ("Development Services Department")

The Planning Board hereby adopts and recommends to the Town Council the following statement(s):

☐ The zoning text amendment **is approved and is consistent with the Town's Comprehensive Land Use Plan** because: _____

The zoning text amendment and **is reasonable and in the public interest** because:

☐ The zoning text amendment **is rejected because it is inconsistent with the Town's Comprehensive Land Plan and is not reasonable and in the public interest** because _____

☐ In addition to approving this zoning amendment, this approval is **also deemed an amendment to the Town's Comprehensive Land Use Plan**. The change in conditions taken into account in amending the zoning ordinance to meet the development needs of the community and why this action is reasonable and in the public interest, are as follows: _____

Planning Board Member _____, made a motion, seconded by _____

The motion passed _____. (*unanimously or vote results here*)

 Susan Teas Smith, Planning Board Chair Date

 Esther Coulter, Administrative Assistant Date

Planning Board Staff Report

Subject: Creation of a Railroad Overlay District (RR-O) and Its Uses
 Ordinance Section: Sections 2.5.3 and 2.6 of the Land Development Standards (LDS)
 Applicant: Railroad Subcommittee initiated text amendment
 Presenter: Olga Grooman, Land Use Administrator, Development Services
 Meeting Date: July 17, 2023

Background

The railway corridor that runs through the heart of Waynesville presents opportunities for urban revitalization. This corridor crosses industrial, residential, business and mixed-use districts and touches public rights of-ways, parks, and existing and potential greenways. Railway corridors can be the areas where commercial, cultural, and residential areas safely coexist and promote economic and social vibrancy, *if* existing zoning and land use policies are designed to encourage infill development and to promote a variety of land uses.

Pursuant to the Comprehensive Plan Recommendations, the Planning Board assigned an ad hoc committee to study the land use challenges and opportunities along the Waynesville railroad corridor. The group consisted of local business owners, community representatives, Planning Board members, and Development Services staff. Additionally, the staff had discussions with the leadership team of the Blue Ridge Southern Railroad. Five months of the subcommittee's work included research, study, and discussions about potential uses along the corridor, economic opportunities, and gateways to the Town. The Railroad Subcommittee had its final meeting on May 19, 2023. The Planning Board's Railroad Subcommittee work has been documented on the Town's website at:

<https://www.waynesvillenc.gov/departments/development-services/rail-corridor-study>

The staff presented the subcommittee's work to the Planning Board and received additional feedback on June 19, 2023. The recommendation is to establish a "railroad overlay," or "RR-O" which would encompass the existing zoning plus all types of residential uses, including manufacturing housing, and lodging. Additionally it would allow specified commercial uses that would include freight-hauling, manufacturing, as well as a newly created "event space." The Special Use Permit requirement would apply to uses which the Board feels have potential impacts that may need to be mitigated through conditions or site plan requirements as part of a quasi-judicial proceeding.

Staff Recommended Text Changes:

A special Railroad Overlay District would promote a higher concentration of mixed-use and infill development for property that is adjacent to or overlapping the railroad right-of-way corridor. The goal of creating a railroad corridor overlay would be to create opportunities for revitalization of property along the track.

The committee determined that the best areas of opportunity were within the Frog Level and Hazelwood downtown areas. By starting where there is already a concentration of commercial and residential mixed-use, the committee hopes that the overlay will provide flexible options for redevelopment in these areas, and have identified a draft overlay district map to be called the Railroad Overlay District (RR-O). Once established, the overlay could then be applied through a rezoning / map amendment process.

As an overlay, all other requirements of the underlying district would remain the same, such as setbacks, height, density, existing permitted uses, etc. The ordinance would also:

- Add a narrative in LDS Section 2.6 describing the district's purpose and allowed uses.
- Add a notation about the new overlay district in the Table of Permitted Uses (LDS 2.5.3).

Staff submits the attached ordinance for discussion with proposed changes **in red**.

Consistency with the 2035 Comprehensive Land Use Plan

Staff submits that the proposed text amendments to the LDS are consistent with the 2035 Comp Plan goals:

Goal 1: Continue to promote smart growth principles in land use planning and zoning.

- Encourage in-fill, mixed use, and context-sensitive development.
- "Study/implement a railroad overlay district to encourage redevelopment along the railroad corridor, especially in areas with access to existing/future greenway" (p. 67).

Goal 5: Create Opportunities for a Sustainable Economy.

- Promote the growth of existing local businesses and Waynesville's "maker economy."
- Promote Waynesville's downtown districts, inns, restaurants, and reputation as the "Gateway to the Smokies."
- "Review the LDS to create opportunities within the Town of Waynesville's industrial areas and along the railroad corridor" (p. 70).

Attachments

1. Proposed Text Amendment
2. Exhibits- Uses
3. Public Notices

Recommended Motions

1. Motion to find the recommended Railroad Overlay text amendment as attached (or amended) as being consistent with the 2035 Land Use Plan and reasonable and in the public interest.
2. Motion to recommend the Railroad Overlay text amendment as attached (or as amended) to the Town Council.

ORDINANCE NO.

**AN ORDINANCE AMENDING THE TEXT
OF THE TOWN OF WAYNESVILLE LAND DEVELOPMENT STANDARDS**

WHEREAS, the Town of Waynesville has the authority, pursuant to Article 7 of Chapter 160D of the North Carolina General Statutes, to adopt land development regulations, clarify such regulations, and may amend said regulations from time to time in the interest of the public health, safety, and welfare; and

WHEREAS, the Town of Waynesville Land Development Standards (LDS) will implement an action item from the 2035 Comp Plan and create “a railroad overlay district to encourage redevelopment along the railroad corridor, especially in areas with access to existing/future greenway;” and

WHEREAS, the Town of Waynesville reviewed the LDS “to create opportunities within the Town of Waynesville’s industrial areas and along the railroad corridor,” as specified in the 2035 Comp Plan; and

WHEREAS, the Town of Waynesville Planning Board has reviewed the proposed text amendments to the LDS and recommends that they are consistent with the 2035 Comprehensive Plan and that they are reasonable and in the public interest because:

- The Town of Waynesville will continue to “promote smart growth in land use planning and zoning;” (Goal #1);
- The Town will Create Opportunities for a Sustainable Economy (Goal #5);

WHEREAS, the Planning Board has reviewed and recommends the proposed text amendments for enactment by the Town Council; and

WHEREAS, the Town Council find this Ordinance to be consistent with the Town’s 2035 Comprehensive Plan and that it is reasonable and in the public interest to “make decisions about resources and land use in accordance with North Carolina General Statutes.” and

WHEREAS, after notice duly given, a public hearing was held on July 17, 2023 at the regularly scheduled meeting of the Waynesville Planning Board, and on _____ at the regularly scheduled meeting of the Waynesville Town Council;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WAYNESVILLE, MEETING IN REGULAR SESSION ON _____ AND WITH A MAJORITY OF THE BOARD MEMBERS VOTING IN THE AFFIRMATIVE, THE FOLLOWING:

That the Land Development Standards be amended as follows (in red):

1. Amend Section 2.5.3 of the LDS as follows:

2.5.3 Table of Permitted Uses (rev. 2012, 2016, 2017, 2018, 2020, 2022, 2023):

For uses permitted in the Railroad Overlay District (RR-O), see Section 2.6 Overlay Districts of the LDS.

USE TYPES	Residential-Low Density Districts (RL)				Residential-Medium Density Districts (RM)				Neighborhood Residential (NR)							
	CC-BL	EN-BL	FC-BL	HT-BL	CP-RM	D-RM	HM-RM	SW-RM	AC-NR	LL-NR	MS-NR	N-NR	PS-NR	PC-NR	RC-NR	
RESIDENTIAL																
Dwelling-Single Family	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Dwelling-Two Family	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Dwelling-Townhome	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Dwelling – Cottage	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Dwelling-Multifamily	-	-	-	-	P	P	-	P	P	P	P	P	P	P	P	P
Dwelling-Accessory	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS
Family Care Home (6 or fewer residents)	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS
Halfway Houses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Occupation	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS
Live-Work Units	PL/PS	-	-	-	-	PL/PS	-	PL/PS	-	PL/PS	-	PL/PS	-	-	-	PL/PS

2. Amend the LDS Section 2.6 Overlay Districts as follows:

2.6.3 Railroad Overlay District.

A. **Purpose:** The Railroad Overlay District (RR-O) is a zoning overlay district created with the purpose of implementing the goals of the 2035 Comprehensive Land Use Plan to encourage redevelopment along the railroad corridor and to create opportunities within the Town of Waynesville's industrial areas. The goal of the RR-O is to provide more zoning flexibility and promote economic vibrancy of the underutilized areas along the rail tracks.

B. **Development Standards:** all development standards, including but not limited to density, setbacks, height, etc., of the underlying district apply.

C. **Permitted Uses:**

- All the uses allowed in the underlying districts remain exactly as they are noted in the Table of Permitted Uses (See LDS 2.5.3).
- In case of a conflict with the table below, the use as noted for the underlying district in LDS 2.5.3 will prevail (not necessarily the most restrictive).
- Additional uses for RR-O are specified in the table below. If the use is not allowed in the underlying district but is noted in the table below, then it is permitted in RR-O.
- Permitted Uses allowed within the RR-O¹:

¹ P- Permitted, PS- Permitted subject to additional standards in Chapter 3, SUP- Special Use Permit required (See Chapter 3 and 15).

Uses	Railroad Overlay Districts (RR-O)
Dwelling-Single Family	PS
Dwelling- Two Family	P
Dwelling- Townhome	P
Dwelling- Cottage	P
Dwelling-Multifamily	P
Dwelling Accessory	PS
Family Care Home (6 or fewer residents)	PS
Halfway Houses	PS
Home Occupation	PS
Live-Work Units	PS
Manufactured Home Parks	SUP
Manufactured Housing	PS
Residential Care Facilities (more than 6 residents)	P
Hotels/Motels	P
Personal Services	P
Professional Services	P
Event Space	SUP
Neighborhood Commercial	P
Neighborhood Restaurant	P
Vehicle & Heavy Equipment Sales/Rental	PS
Vehicle Services- Major Repair/Body Work	PS
Amusements, Outdoor	P
Billiard/Pool Hall	P
Freight Hauling/Truck Terminals	SUP
Mini-Warehouses	SUP
Storage- Warehouse, Indoor Storage	P
Manufacturing, Light	P
Produce Stands in Conjunction with Crop Production	P
Wireless Communications Facility, Mini	PS
Wireless Communications Facility, Macro	PS
Monopole Wireless Communications Tower	SUP

ADOPTED this _____ Day of _____, 2023.

TOWN OF WAYNESVILLE

J. Gary Caldwell, Mayor

ATTEST:

Candace Poolton, Town Clerk

APPROVED AS TO FORM:

Martha Bradley, Town Attorney



To: Town of Waynesville Planning Board
 From: Olga Grooman, Land Use Administrator
 Date: July 17, 2023
 Subject: Text Amendment Statement of Consistency
 Description: Text amendment establishing the Railroad Overlay District and its uses, sections 2.5.3 and 2.6 of the Land Development Standards (LDS)
 Address: Town of Waynesville Planning Department ("Development Services Department")

The Planning Board hereby adopts and recommends to the Town Council the following statement(s):

☐

The zoning text amendment **is approved and is consistent with the Town's Comprehensive Land Use Plan** because: _____

The zoning text amendment and **is reasonable and in the public interest** because:

☐

The zoning text amendment **is rejected because it is inconsistent with the Town's Comprehensive Land Plan and is not reasonable and in the public interest** because _____

☐

In addition to approving this zoning amendment, this approval is **also deemed an amendment to the Town's Comprehensive Land Use Plan**. The change in conditions taken into account in amending the zoning ordinance to meet the development needs of the community and why this action is reasonable and in the public interest, are as follows: _____

Planning Board Member _____, made a motion, seconded by _____

The motion passed _____. (*unanimously or vote results here*)

 Susan Teas Smith, Planning Board Chair Date

 Esther Coulter, Administrative Assistant Date

Crypto Mining / Data Centers Information for Planning Board**July 17, 2023**

Since our Planning Board member, Jan Grossman, mentioned cryptocurrency mining a few months back, the Development Services staff have been doing some research. We have found that many neighboring governments and local governments across the state have either defined "crypto mining /data centers," imposed a moratorium, or added related restrictions in their ordinances (noise, waste disposal, buffer requirements, etc.). We have found some articles describing how the neighboring jurisdictions handled the issue, and you can access them via the links below. Although Waynesville did not have any inquiries as of today, the Development Services staff seek the Planning Board's guidance whether we want to define the use and add its regulations proactively.

The research includes the following jurisdictions:

1. *Haywood County*
2. *Jackson County*
3. *Fletcher*
4. *Henderson County*
5. *Buncombe County*
6. *Clay County*
7. *Cherokee County*
8. *Macon County*
9. *Maggie Valley*

After you have a chance to look through the research, we will discuss the issue further and decide whether we should proceed with it at the next Planning Board meeting on August 21, 2023.

Crypto Mining / Data Centers Research

1. CNN Video + Article <i>"How the blare of a crypto mine woke up this Blue Ridge Mountain town."</i> https://www.cnn.com/2023/01/19/us/north-carolina-crypto-mine-noise-weir-wxc/index.html
2. Cherokee County Crypto Mining Petition & Information: https://www.sierraclub.org/north-carolina/wenoca/chokeee-county-cryptomining-petition
3. Haywood County: working on adding crypto mining in their High Impact Development Ordinance: setbacks, buffers, screening, separation from schools, hospitals, retirement facilities, correctional institutions, etc. https://www.haywoodcountync.gov/DocumentCenter/View/4618/Chapter-160-High-Impact-Development-
4. Minutes from the Henderson County Board of Commissioners meeting on May 1, 2023. See page 6 of the document. A 60-day moratorium imposed, additional regulations to follow: <ul style="list-style-type: none"> • https://www.hendersoncountync.gov/sites/default/files/fileattachments/board_of_commissioners/meeting/136471/5.1.2023_minutes.pdf • https://www.hendersoncountync.gov/sites/default/files/fileattachments/planning_board/meeting/136698/4.20.23_plbd_item_-_text_amendment_for_cryptocurrency_mining.pdf
5. Buncombe County- Commissioners Approve Moratorium on Crypto Mining: <ul style="list-style-type: none"> • https://www.buncombecounty.org/countycenter/news-detail.aspx?id=20677#:~:text=The%20Buncombe%20County%20Board%20of,mining%20as%20a%20specific%20use • https://www.buncombecounty.org/common/Commissioners/20230502/PH%20on%20Crypto%20Mining%20Temp%20Moratorium%20ordinance.pdf • https://www.citizen-times.com/story/news/local/2023/05/04/buncombe-county-approves-a-1-year-moratorium-on-cryptocurrency-mining/70179529007/
6. Jackson County: cryptocurrency mining is included in the Industrial Development Ordinance. See page 3 of the document or read their Code of Ordinances online: <ul style="list-style-type: none"> • https://www.jacksonnc.org/PDF/Agenda-2022/september-06/item-3a.pdf • https://library.municode.com/nc/jackson_county/codes/code_of_ordinances?nodeId=CD_ORD_APXIUNDEOR_ARTVIDEST_S6.4INDE

7. Macon County addresses cryptocurrency mining: https://smokymountainnews.com/news/item/35714-macon-will-address-cryptocurrency-mining https://www.thefranklinpress.com/local-news-newsletter/planning-board-approves-crypto-mine-regulations
8. Clay County prohibits crypto mining after the Cherokee County's situation: https://wlos.com/news/local/cryptocurrency-crypto-mines-mining-cherokee-county-murphy-western-north-carolina-residents-concerns-loud-impacts-warn-neighboring-areas-counties-bans-zoning-laws-rules-bitcoin-digital
9. Fletcher, NC: Planning Board defined the use on June 20, 2023, and as of now, it is not allowed.
10. Maggie Valley, NC- not addressed yet, but talked about it.

ZONING PRACTICE

JUNE 2022



AMERICAN PLANNING ASSOCIATION

➔ ISSUE NUMBER 6

PRACTICE DATA CENTERS



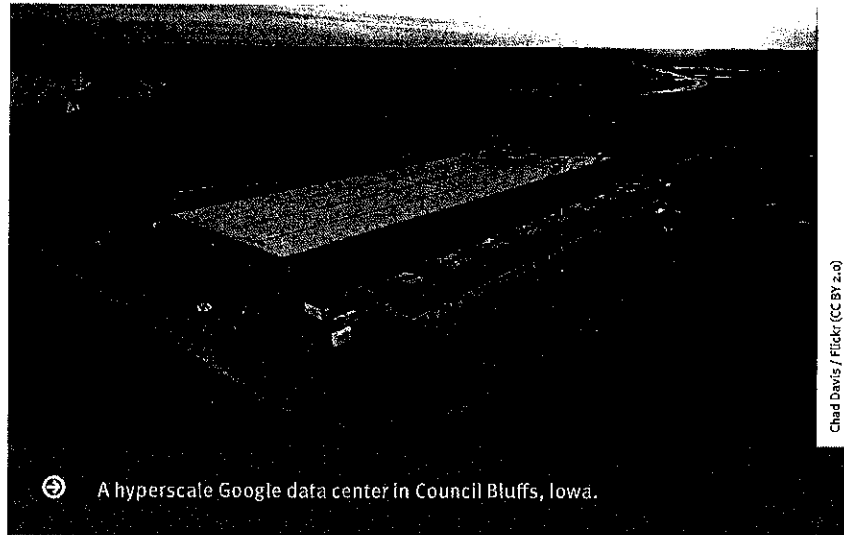
Zoning for Data Centers and Cryptocurrency Mining

By David Morley, AICP

Data centers are the physical facilities where the Internet lives. Fundamentally, they consist of networked computer systems used for data storage and processing, along with supporting equipment, such as batteries, back-up power generators, and cooling devices. Modern data centers are the direct descendants of the, so-called, *telecom hotels* that began springing up in downtowns in the late 1990s to accommodate the rapid expansion of the commercial Internet and, before that, of automated telephone exchange facilities that made it possible to place land-line telephone calls across a city, the nation, or the world (Evans-Cowley 2002).

An emerging segment of the data center market consists of facilities dedicated in whole or part to “mining” cryptocurrency. A cryptocurrency is a decentralized digital currency that uses encrypted data strings to denote individual units, or coins, and a peer-to-peer database known as a blockchain to maintain a secure ledger of transactions. Several of the most popular cryptocurrencies, most notably Bitcoin, require extremely complex computations to verify each transaction and add a record, or block, for that transaction to the blockchain. Whoever verifies a transaction first receives a new cryptocurrency coin as a reward. While, theoretically, anyone with a computer server can “mine” new coins by helping to verify these transactions, large-scale cryptocurrency mining requires a massive amount of computing power.

This article explores the reasons why cities, towns, and counties may wish to define and regulate data centers and cryptocurrency mining as distinct uses in their zoning codes and provides a summary of contemporary approaches. It begins with a brief overview of the factors that drive demand for data centers or cryptocurrency mines in particular locations before examining the key planning issues that may merit special attention through zoning and posing a series of questions to guide code drafting.



A hyperscale Google data center in Council Bluffs, Iowa.

Chad Davis / Flickr (CC BY 2.0)

The article concludes with short profiles of local zoning approaches that may serve as models for others.

DEMAND DRIVERS

Industry analysts predict sustained growth in data center construction in the coming years (Dunbar and Bonar 2021). This includes demand for larger and larger “hyperscale” data centers as well as more widely distributed “edge” data centers (Sowry et al. 2018). Data center developers (or operators) are attracted to sites with low latency to end users and dependable and affordable electricity.

While data centers have historically been clustered around major Internet access points, information technology companies, and government employment centers, the proliferation of cloud computing and the Internet of things is pushing demand out to network edges. This means more data centers in smaller metropolitan and nonmetropolitan areas.

Big technology companies are likely to continue looking for sites that can accommodate new, large single-story structures. But

operators that specialize in leasing space in the same facility to multiple companies (i.e., collocated data centers) may be more open to infill sites and existing structures, especially if those sites have access to fiber optic infrastructure.

Data centers use a lot of electricity (see below) to power processing and storage hardware and to keep that hardware cool. The amount of electricity (and often water) needed for cooling is higher in warm, humid climates than in cool, dry areas. Consequently, holding other factors equal, developers favor locations with low electricity rates and cooler climates. Furthermore, because these facilities operate continuously, developers are also looking for sites that are less vulnerable to natural hazards.

Cryptocurrency miners are also looking for locations with cheap electricity and low hazard risk; however, dedicated mining facilities are not concerned about proximity to customers and are less likely to invest in backup power. While there seems to be a widespread consensus that data centers are essential to global communications and the global economy, cryptocurrency miners

have a more limited “social license” to operate. Widespread concerns about the energy use of mines and the limited utility of the coins they produce has led some countries, including China, to ban Bitcoin mining. Consequently, many cryptocurrency miners are relocating to the U.S. (Obando 2022).

PLANNING ISSUES

From the exterior, data centers and cryptocurrency mining facilities may be physically indistinguishable from many commercial or light industrial uses. However, the operational characteristics of these facilities are typically quite distinct from those of surrounding land uses. From a planning perspective, the most noteworthy characteristics relate to their electricity and water use, noise production, enhanced safety and security needs, and low employment densities.

They Use a Lot of Electricity (and Water)

In 2020, data centers used between 200 and 250 terawatt hours (TWh) of electricity, accounting for approximately one percent of global consumption (IEA 2021). While the total consumption has grown steadily along with global power demand, this ratio has held relatively constant over the past 20 years as efficiency improvements have proportionally offset increased demand from data centers. However, this pattern is unlikely to hold as growth in streaming video, online gaming, cloud computing, machine learning, virtual reality, and the Internet of things begins to outstrip efficiency improvements.

The figures above exclude cryptocurrency mining. Bitcoin miners alone used an estimated additional 60 to 70 TWh in 2020. According to Cambridge University, if Bitcoin was country, its annual electricity consumption would be slightly higher than that of Poland or Malaysia (2022).

Data center and cryptocurrency mining equipment also generates a tremendous amount of waste heat, which must be dissipated by fans or absorbed by a cooling medium to avoid hardware damage and ensure efficient operations. Many data centers and cryptocurrency mines use water as a cooling medium. Water is also necessary for most forms of electricity production. In aggregate, a medium-sized data center typically uses more water each year than two 18-hole golf courses (Mytton 2021).

They Can Be Noisy

Inside a data center or cryptocurrency mine server room, the noise can make it difficult to carry on a conversation at a normal volume. While most data centers and large cryptocurrency mines incorporate construction and soundproofing techniques that ensure this server noise isn't audible outside of the building, air conditioner compressors mounted on the roof or on ground near these facilities can generate noise that carries across property lines.

In some contexts, vegetation or other structures may rapidly attenuate this sound. In others, the sound may travel over long distances. Obviously, the degree to which these sounds constitute nuisance “noise” depends on surrounding land uses and ambient noise levels. The problem is typically most acute when data centers or mines are near residences.

They Have Enhanced Safety and Security Needs

Data centers typically aim to run continuously, and any outage or downtime can threaten business operations. Furthermore, data centers house expensive, highly specialized hardware, and many handle sensitive data. Consequently, most data centers incorporate enhanced safety and security features, such as gated access points, fencing, or bright lighting, to prevent unauthorized access and to minimize the likelihood of disruption.

Cryptocurrency mines have similar safety and security needs, with two key distinctions. First, miners want to maintain network access, but the stakes are lower

than for data centers because an outage wouldn't negatively affect any other services or users. Second, cryptocurrency mines generally aren't receiving any clients and have little incentive to draw attention to themselves with fencing or lighting.

They Have a Low Employment Density

Data centers typically have far fewer workers per square foot than professional offices or light industrial facilities (Tarczynska 2016). And cryptocurrency mines generally have even lower employment densities than data centers. For some communities, data centers (and potentially cryptocurrency mines) are highly desirable from an economic development perspective because they often generate a large property tax surplus that can subsidize more service-intensive land uses, such as single-family homes. Others, however, are reluctant to devote too much commercial or light industrial space to uses that generate few jobs.

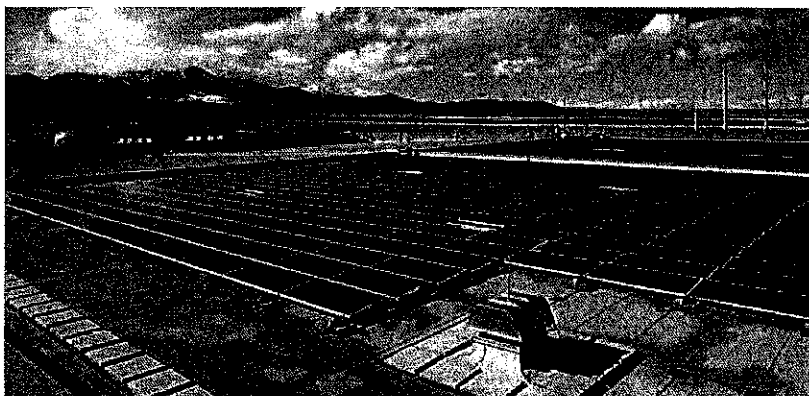
ZONING CONSIDERATIONS

Any community interested in regulating data centers and cryptocurrency mining through zoning should consider three key questions:

1. Do these uses need new use definitions?
2. Where should these uses be permitted?
3. Do these uses need special development or performance standards?

Do They Need New Use Definitions?

New land uses don't necessarily require new use definitions in the local zoning code. It depends, in part, on whether the use fits



Ⓢ The roof of eBay's Topaz data center in South Jordan, Utah.

neatly under a broader use category or is substantially like another defined use. And it depends on whether treating the new use the same as this use category or other similar use would be likely to generate negative effects on nearby properties or the community as a whole.

Many communities have defined data centers (or some closely analogous term) as a distinct use in their zoning codes. These definitions typically reference the general function of the facility and the degree to which it is occupied by computer systems and related equipment. For example, Anne Arundel County, Maryland, defines *data storage center* as “a facility used primarily for the storage, management, processing, and transmission of digital data, which houses computer or network equipment, systems, servers, appliances, and other associated components related to digital data storage and operations” (§18-1-101.44)).

Comparatively fewer communities have defined cryptocurrency mining as a distinct use. Many of these definitions focus on the specialized purpose of the facility, often with references to other newly defined terms, such as *high density load* or *server farm*, that clarify its distinct characteristics. For example, Moses Lake, Washington, specifies that *cryptocurrency mining* often uses more than 250 kilowatt-hours per square foot each year (§18.03.040).

Where Should They Be Permitted?

Communities that choose to regulate data centers or cryptocurrency mines as distinct uses may permit these uses either by right or with a discretionary use permit (i.e., conditional, special, or special exception use permits) in one or more existing base or overlay zoning districts. Alternatively, they may elect to establish a new special-purpose base or overlay zoning district for either use.

Many communities permit data centers and cryptocurrency mines either by right or with a discretionary use permit in commercial and industrial districts. While data centers and mines can fit in a wide range of existing commercial or industrial buildings, purpose-built facilities are often single-story structures with large floorplates.

Given that they generally have few employees and visitors, these uses may not be appropriate in ground-floor street-frontage spaces in pedestrian-oriented

EXAMPLES OF DEFINED USES

Jurisdiction	Defined Uses
Alpharetta, GA	Data center (§1.4.2)
Anne Arundel County, MD	Data storage center (§18-1-101.44))
Fairfax County, VA	Data center (§9103)
Frederick County, MD	Critical digital infrastructure facility (§1-19-11.100)
Moses Lake, WA	Cryptocurrency mining; Data center/server farm/cluster (§18.03.040)
Pitt County, NC	Data processing facility (large scale) (§15)
Plattsburgh, NY	Commercial cryptocurrency mining; Server farm; High density load service (LL 6-2018)
Prince George's County, MD	Qualified data center (§27-2500)
Prince William County, VA	Data center (§32-100)
Somerville, MA	Data center (§9.8.b)
Vernal, UT	Data center (§16.04.173)
Wenatchee, WA	Cryptocurrency mining; Data center (§10.08)

commercial areas. Wenatchee, Washington, addresses this issue by permitting data centers and cryptocurrency mines by right in multiple pedestrian-oriented commercial districts, with a simple stipulation that they cannot occupy “grade level commercial street frontage” (§10.10.020).

A new special-purpose zoning district can help steer data centers or cryptocurrency mines toward corridors or other subareas that have suitable utility infrastructure. When adopted as floating zones, special districts can also provide an extra layer of review for large projects that may cover dozens or hundreds of acres.

Prince William County, Virginia, added a Data Center Opportunity Zone Overlay District to its zoning code in 2016 (§32-509). The county has mapped this overlay to more than 70 percent of its industrially zoned land. The overlay permits data centers and includes design standards for these facilities; however, it does not otherwise modify the existing use permissions for underlying districts.

Do They Need Special Development or Performance Standards?

Communities that decide to regulate data centers or cryptocurrency mines as distinct uses may choose to adopt use-specific standards that modify or supplement other relevant universal or district-specific development or performance standards. This approach can help communities target standards to the distinct features of these uses

to address specific community concerns.

Use-specific standards can help minimize reliance on discretionary approvals and improve the consistency of local decisions. Without these standards, local officials may be more likely to require all data centers and cryptocurrency mines to obtain a discretionary use permit, and they may be more likely to adopt wildly varying conditions of approval for substantially similar proposals.

Communities that have adopted use-specific standards for data centers and cryptocurrency mines often establish building design and buffering or screening requirements to minimize the visibility or improve the appearance of these facilities from public streets or nearby properties. Other common standards address environmental performance, including noise and light pollution, and evidence of electric utility approval.

POTENTIAL MODEL APPROACHES

It would be difficult to find a community with more experience with data centers than Loudon County, Virginia. And the county's approach to zoning for data centers serves as a potential model for other communities with suitable sites and sufficient infrastructure to accommodate data center development. In contrast, Missoula County, Montana, was one of the first local jurisdictions to craft zoning regulations for cryptocurrency mining operations. And its emphasis on mitigating the potential climate impacts represents a different type of potential model.

Loudon County, Virginia

Northern Virginia's Data Center Alley, primarily clustered around Routes 7 and 267 in Loudon and Fairfax Counties is the largest data center market in the world (Fray and Koutsaris 2022). Its combined power consumption capacity is more than 1.6 gigawatts (GW), nearly twice as much as the next largest market. And within Data Center Alley, Loudon County has the highest concentration of data centers. As of October 2021, data centers occupied more than 25 million square feet, with another 4 million square feet in development (LCDED 2022).

Several important factors have driven demand for data center development in Loudon County. It is home to the Equinix internet exchange, one of the largest internet access points in the world and a successor to Metropolitan Area Exchange, East, the first

U.S. exchange. The county has abundant (and redundant) fiber optic infrastructure, relatively cheap power, and sufficient water. Additionally, it has a high concentration of skilled technology workers and businesses that support the data center industry.

By the year 2000, there was already an emerging data center cluster in Loudon County. However, the county did not define and regulate data centers as a distinct use in its zoning code until 2014 (ZOAM 2013-0003). According to Acting Planning & Zoning Director James David, prior to this, the county defined data centers as commercial offices.

The latest version of the county's zoning ordinance permits data centers by right in Planned Office Park, Research and Development Park, Industrial Park, and General Industrial districts and as a special exception use in Commercial Light Industry

districts. New data centers (without vested rights) must comply with a set of use-specific standards governing façade design, screening of mechanical equipment, exterior lighting, pedestrian and bicycle facilities, and landscaping, buffering, and screening (§5-664).

According to David, these standards are intended to improve the aesthetics of data centers, minimize visibility from nearby residential areas, and ensure continuous sidewalk and trail networks. Overall, they represent a light-touch approach that has, so far, worked well for a county with enormous demand for data centers and relatively modest competition for space from other commercial and industrial uses.

However, in February 2022, county officials directed staff to research regulatory options to prevent new data centers in the

EXAMPLES OF USE-SPECIFIC STANDARDS FOR DATA CENTERS AND CRYPTOCURRENCY MINING

Jurisdiction	Use-Specific Standards
Alpharetta, GA	Requires evidence of compliance with noise standards; specifies exterior lighting fixture design; establishes minimum building height; requires building façade design elements; establishes other fencing, screening, and landscaping requirements to minimize visibility from adjacent roads and properties (§2.7.2.1)
Anne Arundel County, MD	Establishes minimum lot size and setbacks; prohibits residences on the same lot; establishes limit on outdoor storage (§18-10-119)
Fairfax County, VA	Requires all equipment to be enclosed within a building; establishes maximum floor area by zoning district (§4102.6.A)
Frederick County, MD	Establishes criteria for reducing setbacks; specifies building design standards; specifies landscaping, screening, and buffering requirements; clarifies parking, loading, signage, and lighting standards; establishes criteria for private roads; establishes noise and vibration standards (§1-19-8.402)
Moses Lake, WA	Clarifies review process for business license; prohibits container storage; requires evidence of electrical utility approval; requires evidence of electrical permit and inspection; establishes environmental performance standards, addressing noise, heat, and electric and magnetic fields; limits amount of exposed equipment on facades (§18.74)
Pitt County, NC	Limits height; requires separation from sensitive uses; requires noise study and compliance with noise standards; requires underground wiring; requires security fencing and vegetative screening; requires evidence of electrical utility approval; clarifies signage standards; requires notification of abandonment (§8(UUUU))
Plattsburgh, NY	Requires fire suppression and mitigation techniques; limits internal ambient temperature and the direct release of heat on colder days; establishes permissible noise levels (LL 6-2018)
Prince George's County, VA	Requires building façade design elements; specifies exterior lighting fixture design; requires screening for security fencing and limits fence height; requires compliance with landscape manual; clarifies applicable off-street parking standard; clarifies signage standards; requires an acoustical study; specifies additional site, locational, and noticing requirements for facilities in rural residential districts (§27-5102(e)(4)(B))
Somerville, MA	Establishes special review criteria related to aesthetic impacts and employment opportunities (§9.8.b)
Vernal, UT	Requires fencing and structural screening for electrical generators; requires noise mitigation plan for facilities near residential zones or existing hotels or motels (§16.20.250)
Wenatchee, WA	Clarifies review process for business license; prohibits container storage; requires evidence of electrical utility approval; requires evidence of electrical permit and inspection; clarifies blank wall limitation standards; requires an affidavit verifying operating sound levels (§18.48.310)

Route 7 corridor. While data center demand remains high in this area, the county's comprehensive plan designates most of this corridor as Suburban Mixed Use, which envisions a compact, pedestrian-friendly mix of commercial, residential, cultural, and recreational uses. Furthermore, the existing electricity network infrastructure is insufficient to accommodate the existing demand for new data centers (LCDED 2022).

The county is working on its first complete overhaul of its zoning code since 1993. And it intends to incorporate any new regulations for data centers into the new code, which officials hope to adopt by the end of 2022.

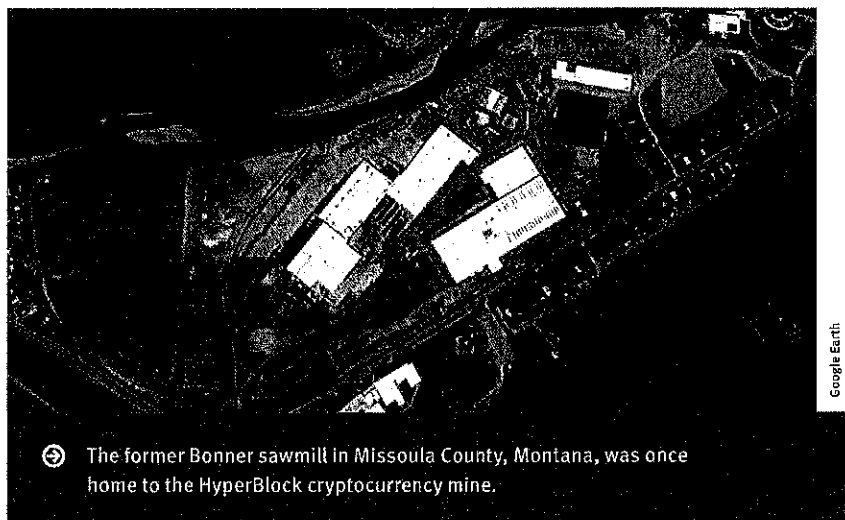
Missoula County, Montana

In April 2019, Missoula County, Montana, adopted an interim zoning resolution that established a cryptocurrency mining overlay (Resolution No. 2019-026). The county had one large cryptocurrency mine already, and its low electricity rates and cool climate made it an attractive area for prospective miners. While a few other jurisdictions had already defined cryptocurrency mining in their zoning codes, Missoula County appears to be the first to explicitly position its zoning approach as a response to climate change.

According to county planner Jennie Dixon, AICP, local officials originally took an interest in regulating cryptocurrency mining as a distinct use after multiple complaints of noise from cooling fans at an existing Bitcoin mine operating out of a former sawmill in unincorporated Bonner. Soon, though, the county expanded its focus to include energy consumption and electronic waste.

Montana law only authorizes interim zoning in the case of an emergency involving "public health, safety, morals, or general welfare" (§76-2-206). Dixon says the intergovernmental Panel on Climate Change's 2018 Special Report on *Global Warming of 1.5°C* helped justify climate change as a local emergency that warranted interim zoning to mitigate greenhouse gas emissions (and other potential environmental impacts) from cryptocurrency mining.

The interim zoning regulations defined cryptocurrency mining as a distinct use and created a Cryptocurrency Mining Overlay Zone, mapped to the entire unincorporated geographic extent of the county (which includes some un-zoned areas). The overlay



restricted cryptocurrency mining operations to industrial districts and required operators to obtain a discretionary use permit if the mine was adjacent to a residential district or within 500 feet of a residential property boundary. These regulations also required all mining operations to verify that all electronic waste be handled by a licensed recycling firm and that all electricity use be offset by new renewable energy production.

Caroline Lauer, the county's Sustainability Program Manager, stresses the importance of this last requirement. If cryptocurrency miners purchased existing supplies of renewable energy, it could actually displace existing utility customers to dirtier sources. While most of the county's

electricity comes from hydropower, coal accounts for much of the remainder.

Missoula County's 2016 *Growth Policy* plan includes an objective to "reduce the county's contribution to climate change" (4.1) and lists policies that promote alternative energy development (4.1.3) and reduce energy use and waste generation as implementation actions (4.1.6). A day before it adopted the interim cryptocurrency mining regulations, the county further strengthened its policy rationale by adopting a joint commitment with the City of Missoula to achieve 100 percent clean electricity use by 2030.

County officials extended the interim zoning for another year in 2020 before adopting the same regulations as a permanent zoning amendment in March 2021 (§1.04

& \$5.05). According to Dixon, the Bonner mine ceased operations during the interim zoning period, but not because of the county's zoning. It declared bankruptcy two days after the "Black Thursday" Bitcoin crash in March 2020, leaving the tribal-owned independent power producer that provided its electricity with a \$3.7 million unpaid bill (Rozen 2020).

CONCLUSIONS

The rapid rise in data center development has coincided with dramatic decreases in the costs of producing solar and wind power. This, in combination with a growing trend toward clean power commitments among technology companies, has blunted some of

the climate impacts of an increased demand for data storage and processing.

The increased digitalization of life virtually guarantees that data centers will continue proliferating in strategic locations across the country (Gomez and DeAngelis 2022). Soon, communities may start seeing a sharp increase in interest in very small edge data centers that could fit in underutilized commercial spaces or even be collocated with other telecommunications infrastructure, such as small cell facilities, in public rights-of-way (Sowry et al. 2018).

The future of cryptocurrency mining facilities is less certain. Bitcoin and other energy-intensive cryptocurrencies are facing social pressure to transition to more

energy-efficient transaction verification methods, and several existing cryptocurrencies already use these methods. However, we are still at the very beginning of the cryptocurrency story. While this form of currency currently exists primarily as a speculative investment vehicle, this could change rapidly if valuations stabilize and large numbers of goods and service providers accept cryptocurrencies for payment.

Not every community will see the value in defining data centers or cryptocurrency mines as distinct uses in their zoning codes. Nevertheless, doing so can give local jurisdictions a leg up when it comes to signaling preferences to developers and operators and minimizing or mitigating potential adverse impacts.

REFERENCES AND RESOURCES

Dunbar, Courtney and Robert Bonar. 2021. "Siting Next-Generation Data Centers." *Area Development*, Q2. bit.ly/390dvl3

Evans-Cowley, Jennifer. 2002. *Telecom Hotels: A Planners Guide*. PAS Report No. 505. Chicago: American Planning Association. bit.ly/39Dezaa

Fray, Andrew and Bobby Koutsaris. 2022. *2022 Global Data Center Market Comparison*. Chicago: Cushman & Wakefield. cushwk.co/3P8IQdB

Gomez, Alexsandra and Joseph DeAngelis. 2022. *Digitalization and Implications for Planning*. Chicago: American Planning Association. bit.ly/3KUP1IT

International Energy Agency (IEA). 2021. "Data Centres and Data Transmission Networks." Tracking Report, November. bit.ly/3FsMSwR

Loudon County [Virginia] Department of Economic Development (LDED). 2022. *Loudon County Data Center Land Study*. bit.ly/3P7DYto

Missoula (Montana), County of. 2021. "Cryptocurrency Mining." bit.ly/3PbSr72

Mytton, David. 2021. "Data Centre Water Consumption." *NPI Clean Water*, 4(11). bit.ly/3wiRUaR

Obando, Sebastian. 2022. "Cryptocurrency Bans Fuel US Data Center Construction." *Construction Dive*, February 16. bit.ly/3w7aG6t

Rozen, Jacob. 2020. "Poor Business Model, Not COVID-19 Behind Hyperblock Early Struggles." *Coingeek*, December 23. bit.ly/37uFHYp

Tarczyska, Kasia. 2016. *Money Lost to the Cloud: How Data Centers Benefit From State and Local Government Subsidies*. Washington, D.C.: Good Jobs First. bit.ly/398mn3m

Sowry, David, Jani Dharmesh, Don Duet, Frank Yan, Harry Smeenk, James Young, Phillip Marangella, and Robert Burger. 2018. *TIA Position Paper: Edge Data Centers*. Arlington, Virginia: Telecommunications Industry Association. bit.ly/3N3U58Y

University of Cambridge. 2022. "Cambridge Bitcoin Electricity Consumption Index." bit.ly/38hj1v1

ABOUT THE AUTHOR

David Morley, AICP, is a research program and QA manager with the American Planning Association and editor of *Zoning Practice*.

Cover: iStock.com/gorodenkoff

VOL. 39, NO. 6

The American Planning Association will lead the way to equitable, thriving communities by creating unique insights, as well as innovative and practical approaches that enable the planning community to anticipate and successfully adapt to the needs of a rapidly changing world.

Zoning Practice (ISSN 1548-0135) is a monthly publication of the American Planning Association. Joel Albizo, FASAE, CAE, Chief Executive Officer; Petra Hurtado, PhD, Research Director; David Morley, AICP, Editor.

Subscriptions are available for \$95 (U.S.) and \$120 (foreign). Missing and damaged print issues: Contact APA Customer Service (312-431-9100) within 90 days of the publication date.

©2022 by the American Planning Association, 205 N. Michigan Ave., Suite 1200, Chicago, IL 60601-5927; planning.org.

All rights reserved. No part of this publication may be reproduced or utilized in any form or by any means without permission in writing from APA.

Printed on recycled paper, including 50-70% recycled fiber and 10% postconsumer waste.



American Planning Association
Creating Great Communities for All

ZONING PRACTICE
AMERICAN PLANNING ASSOCIATION

205 N. Michigan Ave.
Suite 1200
Chicago, IL 60601-5927



HOW DOES YOUR ZONING
TREAT DATA CENTERS AND
CRYPTOCURRENCY MINES?

6