

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: July 15, 2026

SUBJECT: LDC Text Amendment – TX-2026-01, Clarification to Cryptocurrency Mining Operations and Data Centers

PRESENTER: Autumn Radcliff, Planning Director

ATTACHMENTS: Yes

1. Draft Text Amendment
2. Certification of Public Notice
3. 2045 Comprehensive Plan Consistency Statement

SUMMARY OF REQUEST:

In 2023, the Planning Board spent several meetings discussing a proposed amendment to the Henderson County Land Development Code (LDC) to address the use of cryptocurrency mining operations. This amendment established locations where cryptocurrency mining operations may be located and the supplemental requirements that must be met to protect the public health, safety, and general welfare of county residents. The purpose of the amendment was to mitigate the negative effects which include, but are not limited to, very high energy usage, noise pollution, and the disposal of electronic waste. On May 1st, 2023, the Board of Commissioners held a public hearing, and subsequently at the June 28th, 2023, meeting voted to adopt the amendment.

Since 2023, the terminology around these facilities has changed, and cryptocurrency mining is one type of use that can occur in these kinds of facilities. The best-known term used today to describe these facilities and activities is data centers. The proposed text amendment would clarify that this use includes both cryptocurrency mining operations and data centers. The amendment would include a definition for data centers and the same standards and locations currently in the LDC would still apply to both cryptocurrency mining operations and data center facilities.

The Planning Board reviewed the proposed text amendment on June 18, 2026, and voted unanimously to send forward a favorable recommendation on the amendment to the Board of Commissioners.

PUBLIC NOTICE:

A public notice for this hearing was submitted to be advertised in the Hendersonville Lightning on Wednesday, July 1, 2026, and Wednesday, July 8, 2026, to meet the requirements of NCGS §160D-601 (see attached certification of public notice).

BOARD ACTION REQUESTED:

The Board of Commissioners must hold a public hearing before adopting any amendments to the Land Development Code. Action by the Board of Commissioners to approve the proposed text amendment is requested.

Suggested Motion:

I move that the Board of Commissioners approve the proposed text amendment #TX-2026-01 with any changes as discussed and find that these changes are reasonable and consistent with the 2045 Comprehensive Plan.

LDC Text Amendment (TX-2026-01)

Clarification to Cryptocurrency Mining Operations and Data Centers

Changes are highlighted.

Cryptocurrency Mining Operations and Data Centers

Summary: Since 2023 when the Land Development Code (LDC) was amended to include cryptocurrency mining operations, the terminology around these facilities has changed, and cryptocurrency mining is one type of use that can occur in these kinds of facilities. The best-known term used today to describe these facilities and activities is data centers. The proposed text amendment would clarify that this use includes both cryptocurrency mining operations and data centers. The amendment would include a definition for data centers and the same standards and locations currently in the LDC would still apply to both cryptocurrency mining operations and data center facilities.

Section 1. Table of Permitted and Special Uses.

Amend the table of permitted and special uses to specifically include data centers.

Section 2. Definitions.

Amend the definition for cryptocurrency mining operations and add a definition for data centers.

Cryptocurrency Mining Operation(s). The operation of specialized computer equipment for the purpose of mining one or more blockchain-based cryptocurrencies, such as Bitcoin. This activity, which is also termed “proof of work,” involves the solving of algorithms as part of the development and maintenance of a blockchain which is a type of distributed ledger maintained on a peer- to-peer network. Typical physical characteristics of cryptocurrency mining include specialized computer hardware for mining operations as well as equipment to cool the hardware and operating space. For the purposes of the associated regulations, cryptocurrency mining includes the commercial “creation” (“mining”) of virtual currency not recognized as legal tender of the U.S., but does not include the exchange of cryptocurrency, the use, creation, or maintenance of all types of peer-to-peer distributed ledgers. ~~This definition does not include use of one or not more than five computers from which cryptocurrency is mined in an enclosed structure, provided the cryptocurrency is not mined for commercial purposes.~~

Data Center(s). A facility of 4,000 square feet or greater, containing a grouping of computer servers and associated equipment and systems used for the remote storage, processing, or distribution of data, for purposes other than *cryptocurrency mining operations*. Data Centers less than 4,000 square feet cumulative total of all buildings shall be regulated as manufacturing and processing operations.

Section 3. Amend the Supplemental Requirements for SR 10.5.

Amend SR 10.5 for cryptocurrency mining operations to include data centers.

SR 10.5. Cryptocurrency Mining Operations and Data Centers

- (1) Site Plan. Major *Site Plan* required in accordance with §42-330 (Major Site Plan Review).
- (2) Perimeter Setback. One hundred (100) feet.
- (3) Separation. *Cryptocurrency mining operations and data centers* shall not be constructed or newly located within 2 miles (measurements from the property line of the proposed facility to the property line of the district/use) of an existing dwelling unit (not located on the same property as the use), residential zoning district, library, nursing facility; domiciliary care facility, day care facility, park, religious institution (including accessory uses not located on the same lot, but contiguous to the principal place of worship), or school, all distances in straight-line distance.
- (4) Hours of Operation. *Cryptocurrency mining operations and data centers* shall not be **mined operated** between the hours of 9:00 pm to 6:00 am, or anytime on Sunday.
- (5) Noise Restrictions. Noise pollution generated from **these operations or facilities** ~~*cryptocurrency mining operations*~~ shall not exceed 50 decibels (cumulative for operation) measured within a 100-ft buffer from the facilities perimeter. The equipment in a cryptocurrency operation shall be calibrated every six (6) months and a yearly report of these calibrations shall be provided to the Henderson County Zoning Administrator.
- (6) Scenic Byways. *Cryptocurrency mining operations and data centers* shall not be permitted on sites visible from Scenic Byways as designated by the North Carolina Department of Transportation.
- (7) Security. **The facility** ~~*Cryptocurrency mining operations*~~ shall be completely enclosed with a NCDOT approved precast sound wall. The wall shall be at least eight (8) feet in height. A B2 buffer is required on all exterior sides of the security wall.
- (8) Electrical Disconnection Switch. The electrical disconnect switch shall be clearly marked and unobstructed. Switches are permitted to be secured within a fenced area or building. Duke Energy or any other power utility provider to the operation shall have access to the disconnection switch at all times or an onsite manger must be present at all times.
- (9) Power of Transmission Lines. All new power transmission lines to any building, structure or utility connection shall be located underground.
- (10) Special Flood Hazard Area. No structures, equipment, storage, or buildings shall be located within the Special *Flood Hazard Area*.
- (11) Lightning. *Lighting mitigation* is required.
- (12) Prohibited. The use may not be applied for as a conditional rezoning application.

Certification of Public Hearing Notice

In accordance with NCGS 160D-323 and 160D-343 the Planning Department certifies notices of the July 15, 2026, hearing regarding the proposed Henderson County Land Development Code Text Amendments (TX-2026-01)), were:

1. Submitted to the Hendersonville Lightning on June 23, 2026, to be published on July 1, 2026, and July 8, 2026, by Autumn Radcliff;

The signatures below indicate that such notices were made as indicated herein above:

1. Autumn Radcliff

STATE OF North Carolina

COUNTY OF Henderson

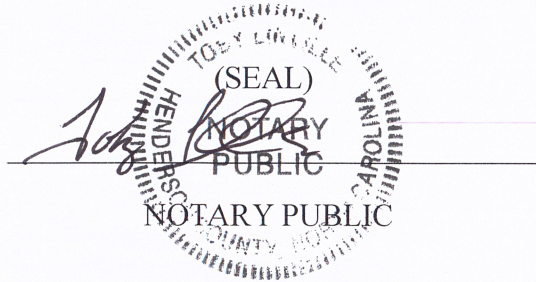
I, Toby Linville, a Notary Public in and for the above County and State, do hereby certify that Autumn Radcliff

personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal, this the 29th day of June 2026.

My commission expires:

6/29/31





LAND DEVELOPMENT CODE TEXT AMENDMENT
#TX-2026-01, Clarification to Cryptocurrency Mining Operations and Data Centers
COMPREHENSIVE PLAN STATEMENT

Related to LDC Text Amendment #TX-2026-01, the Comprehensive Plan states the following:

- Plan Goal 1: Coordinate Development near Existing Community Anchors
 - Rec 1.2: Use available zoning tools to encourage context-appropriate rural businesses.
 - (D) The size and intensity of uses in Neighborhood Anchors should be evaluated to maintain the local business economy.

The Board should determine if the proposed amendment provides for the sound administration of the Land Development Code while balancing property rights and promoting reasonable growth within the County.