



AGENDA

**Town Council Work Session
Tuesday, August 25, 2026: 3:00 PM
Town Hall: 300 SW Broad St.**

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. TOWN MANAGER'S COMMENTS

4. ACTION ITEMS

a. Ordinance #3208: Repeal Red's Corner Social District

The North Carolina ABC Commission has determined that Red's Corner may operate on a single alcohol license across contiguous properties rather than requiring a Social District. The Town Attorney therefore recommends repealing the Social District that was recently approved.

b. Resolution #1160 — Requesting Limited Power of Attorney be given to the Town Clerk for the purpose of requesting duplicate or replacement titles for town-owned equipment.

The NCDMV is requesting that proof of power of attorney be presented when requesting duplicate or replacement titles for town-owned equipment. After consulting with Town Attorney McCarley, the attached resolution was drafted for Town Council approval.

5. COUNCIL UPDATES AND DISCUSSION

a. YMCA Project

In August 2023, the Town Council approved the sale of 7.7 acres at Morganton Rd. and Henley St. to the YMCA of the Sandhills. Deed covenants require constructing a recreation facility by December 31, 2028, with interim deadlines in 2026 and 2027. The YMCA has notified the Town that it has raised insufficient capital to meet these requirements and plans to return the property. Jeff Darling, President & CEO of the YMCA of the Sandhills, and a representative from the North Carolina Alliance of YMCAs will attend the meeting to discuss the project.

b. Planning Department Update

Planning staff will briefly update Council on agenda items coming in September. Staff will also continue the discussion that started at the June work session about data centers as well as an update on recent changes to state law that impact the town's UDO.

c. Council Code of Ethics

Agenda item requested by Mayor Clement.

6. COUNCIL ROUNDTABLE

7. ADJOURNMENT

Meetings/work sessions of the Southern Pines Town Council are now available on the Town's Website at sopinesnc.info/agendas. Video of the Town Council meetings will be live-streamed on the website for viewing either during the meetings or after they have concluded. Please note, the video is provided only for the purposes of viewing the meetings; public comments or questions are not accepted via the live stream.

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Planning Staff Report

To: Reagan Parsons, Town Manager
From: Mason Mattox, Planner II
Date: August 25, 2026
Item: Request to Repeal the Red's Corner Social District

I. SUMMARY OF REQUEST

On July 28, 2026, the Town Council adopted an Ordinance establishing a social district for the Red's Corner and The Paddock properties. The district was intended to allow patrons to move between the two establishments while carrying open alcoholic beverages, which was not otherwise permitted because the establishments operated on separate properties under separate ABC permits. Following adoption of the Ordinance, the applicant continued working with the North Carolina Alcoholic Beverage Control Commission to find resolution. The State subsequently approved the contiguous properties to operate under a single ABC permit, allowing Red's Corner and The Paddock to operate under one license. As a result, the need for the social district has been eliminated, and the applicant has requested that the Town repeal the Ordinance. Staff support this request.

II. ATTACHMENTS

1. Ordinance No. 3207
2. Draft Repeal Ordinance

III. TOWN COUNCIL ACTION

To repeal a Social District previously established by ordinance, the Town Council may amend or repeal the ordinance pursuant to the Town's ordinance-making authority under N.C.G.S. § 160A-174, consistent with the authority to establish social districts under N.C.G.S. § 160A-205.4 and N.C.G.S. § 18B-300.1. The Town Council may choose one of the following motions or any alternative:

I move to:

- 1) Adopt the proposed repeal of Ordinance No. 3207, which established the Red's Corner Social District.**

-OR-

- 2) Continue consideration of the proposed repeal of Ordinance No. 3207, which established the Red's Corner Social District.

-OR-

- 3) Deny the proposed repeal of Ordinance No. 3207, which established the Red's Corner Social District.



ORDINANCE #3208
AN ORDINANCE REPEALING THE RED’S CORNER SOCIAL DISTRICT
PURSUANT TO N.C.G.S. § 18B-300.1 AND N.C.G.S. § 160A-205.4

WHEREAS, the Town Council of the Town of Southern Pines adopted Ordinance #3207 on July 28, 2026, establishing the Red’s Corner Social District pursuant to N.C.G.S. § 18B-300.1 and N.C.G.S. § 160A-205.4; and

WHEREAS, the Town Council has determined that it is in the best interest of the Town to repeal Ordinance #3207 and discontinue the Red’s Corner Social District established thereby; and

WHEREAS, the Town Council intends for this repeal to be accomplished by ordinance in accordance with applicable law;

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Southern Pines, North Carolina, in regular session assembled, as follows:

Section 1. Repeal.

Ordinance #3207, Establishing the Red’s Corner Social District Pursuant to N.C.G.S. § 18B-300.1 and N.C.G.S. § 160A-205.4, adopted by the Town Council of the Town of Southern Pines on July 28, 2026, is hereby repealed in its entirety.

Section 2. Effect of Repeal.

Upon the effective date of this Ordinance, the Red’s Corner Social District established by Ordinance #3207 shall cease to exist, and the authority, approvals, boundaries, hours of operation, Management and Maintenance Plan, and other provisions established or approved pursuant to Ordinance #3207 shall have no further force or effect, except as otherwise required by applicable law.

Section 3. Severability

Should any section, subsection, sentence, clause, or phrase of this Ordinance be declared invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

Section 4. Effective Date.

This Ordinance shall be and shall remain in full force and effect from the date of its adoption until otherwise amended.

Adopted this 25th day of August, 2026.

I certify that this Ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting on August 25, 2026 as shown in the Minutes of the Town Council meeting for that date.

Elizabeth Robertson, Town Clerk

Repeal Social District at Red's Corner



ORDINANCE #3207

ESTABLISHING THE RED'S CORNER SOCIAL DISTRICT PURSUANT TO N.C.G.S. § 18B-300.1 AND N.C.G.S. § 160A-205.4

WHEREAS, the Town Council of the Town of Southern Pines is authorized pursuant to N.C.G.S. § 18B-300.1 and N.C.G.S. § 160A-205.4 to establish one or more social districts within the municipal limits by ordinance; and

WHEREAS, the Town Council finds that establishment of a social district will promote economic development, encourage pedestrian activity, support local businesses, and provide opportunities for community gathering while maintaining public health, safety, and welfare; and

WHEREAS, the Town Council has reviewed the proposed Social District boundaries and accompanying Management and Maintenance Plan, and finds that the proposed district is appropriate for operation in accordance with State law and the public interest;

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Southern Pines, North Carolina, in regular session assembled:

Section 1. Establishment.

Pursuant to the authority granted by N.C.G.S. § 18B-300.1 and N.C.G.S. § 160A-205.4, the Town Council hereby establishes the Red's Corner Social District.

Section 2. Boundaries.

The Red's Corner Social District shall consist of the properties generally located at: 901 SW Broad Street, Southern Pines, North Carolina; and 155 Hall Avenue, Southern Pines, North Carolina, as more particularly depicted on the official Social District Map attached hereto as Exhibit A and incorporated herein by reference. The district includes the outdoor gathering spaces, patios, lawn and event areas, and the indoor space commonly known as The Paddock (Suite A, 155 Hall Avenue), and excludes public streets open to vehicular traffic and any areas outside the approved district boundaries.

Section 3. Hours of Operation.

The Red's Corner Social District shall operate during the following hours:

- Monday through Saturday: 7:00 a.m. until 11:00 p.m.
- Sunday: 10:00 a.m. until 11:00 p.m.

Notwithstanding the foregoing, the Town Manager, or the Town Manager's designee, may temporarily suspend the days or hours of operation for all or any portion of the Social District pursuant to Section 9 of this Ordinance. Any such temporary suspension shall apply only to the operation of the Social District established by this Ordinance and shall not suspend, revoke, or otherwise impact any alcoholic beverage permit or other authorization.

The Town Council may permanently modify the hours of operation by ordinance or as otherwise permitted by applicable law.

Section 4. Management and Maintenance Plan.

The Red's Corner Social District Management and Maintenance Plan, attached hereto as Exhibit B, is hereby approved and incorporated into this ordinance by reference.

The Management and Maintenance Plan shall govern the administration, maintenance,

signage, sanitation, operational procedures, safety measures, participating establishments, approved containers, enforcement procedures, and other operational requirements of the Social District consistent with N.C.G.S. §18B-300.1.

Section 5. Participating Permittees.

Only businesses holding valid North Carolina Alcoholic Beverage Control permits and authorized to participate in accordance with the Management and Maintenance Plan and applicable State law may sell alcoholic beverages for consumption within the Social District.

Section 6. Social District Containers.

Alcoholic beverages possessed and consumed within the Social District shall be served only in approved Social District containers meeting the requirements of N.C.G.S. § 18B-300.1 and the approved Management and Maintenance Plan.

Section 7. Compliance with State Law.

Nothing contained herein shall be construed to authorize conduct prohibited by the North Carolina Alcoholic Beverage Control laws. All participating permittees and patrons shall comply with:

- N.C.G.S. Chapter 18B;
- N.C.G.S. §18B-300.1;
- All applicable regulations of the North Carolina Alcoholic Beverage Control Commission; and
- All other applicable federal, state, and local laws.
-

Section 8. Enforcement.

This Ordinance shall be enforced in accordance with State law. Nothing herein shall limit the authority of the Southern Pines Police Department, the North Carolina Alcoholic Beverage Control Commission, the North Carolina Division of Alcohol Law Enforcement, or other agencies having jurisdiction to enforce applicable laws and regulations.

Section 9. Administration.

The Town Manager, or the Town Manager's designee, is authorized to:

1. Maintain the official Social District Map;
2. Approve participation agreements consistent with the Management and Maintenance Plan;
3. Administer the Management and Maintenance Plan;
4. Make minor administrative revisions to the official Social District Map or operational procedures that do not materially alter the boundaries or operation of the Social District;
5. Order the temporary suspension of Social District operations, including the ability for patrons to possess and consume alcoholic beverages purchased from participating establishments within the Social District, within all or any portion of the Social District when reasonably necessary to address public health or safety concerns directly related to Social District operations, accommodate special events, or address temporary operational needs, provided such suspension does not constitute a permanent amendment to this ordinance; and
6. Present any substantive amendments requiring Town Council approval.

The Social District Manager, as identified in the approved Management and Maintenance Plan, is authorized to determine when the Social District is operational. The Social District shall be inactive whenever fewer than two participating establishments are open and participating.

Section 10. Severability.

Should any section, subsection, sentence, clause, or phrase of this Ordinance be declared invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

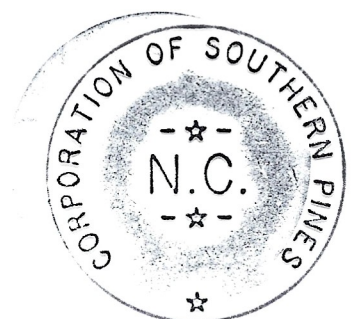
Section 11. Effective Date.

This Ordinance shall be and shall remain in full force and effect from the date of its adoption until otherwise amended.

Adopted this 28th day of July, 2026.

I certify that this Ordinance was adopted by the Town Council of the Town of Southern Pines at its meeting on July 28, 2026 as shown in the Minutes of the Town Council meeting for that date.


Elizabeth Robertson, Town Clerk





MEMO

To: Reagan Parsons, ICMA-CM, Town Manager
From: Beth Robertson, CMC, Town Clerk
Date: August 20, 2026
Re: Resolution #1160

Purpose

Resolution #1160 is being presented to Town Council for consideration to authorize the Town Clerk to act as the Town's limited Power of Attorney for the specific purpose of requesting duplicate or replacement titles from the North Carolina Division of Motor Vehicles (NCDMV) for vehicles and equipment owned by the Town.

This resolution is being requested to satisfy NCDOT/NCDMV requirements for obtaining copies of titles when the Town is unable to locate an original title or otherwise needs a replacement title for Town-owned property. As part of its process, NCDMV requires documentation establishing the authority of the individual submitting title-related requests on behalf of the Town.

The authority granted under Resolution #1160 would be limited specifically to title-related matters involving Town-owned vehicles and equipment. It would allow the Town Clerk, acting on behalf of the Town, to execute and submit the documentation necessary to request copies or replacement titles and complete related NCDMV requirements. The resolution does not provide general Power of Attorney authority beyond this limited administrative purpose.

Providing this authorization will establish clear documentation of the Town Clerk's authority, allow title requests to be processed in accordance with NCDMV requirements, and provide a consistent process when replacement titles are needed for Town-owned assets.

Action Requested

Approval of Resolution #1160 authorizing the Town Clerk to serve as the Town's limited Power of Attorney for the purpose of requesting and obtaining titles for Town-owned vehicles and equipment from NCDMV.



RESOLUTION #1160

AUTHORIZING THE TOWN CLERK, IN THE CAPACITY OF PURCHASING AGENT, TO ACT UNDER A LIMITED POWER OF ATTORNEY TO REQUEST COPIES OR DUPLICATES OF VEHICLE AND EQUIPMENT TITLES FROM THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

WHEREAS, the Town of Southern Pines owns and maintains vehicles and titled equipment used in the performance of municipal services; and

WHEREAS, from time to time, the Town may need to obtain a copy or duplicate of a certificate of title for a Town-owned vehicle or item of equipment in order to maintain complete records, establish ownership, or complete an authorized transaction; and

WHEREAS, the North Carolina Department of Transportation, Division of Motor Vehicles, may require proof that the individual requesting a copy or duplicate title is authorized to act on behalf of the Town; and

WHEREAS, the Town Clerk serves as the Town's Purchasing Agent and, in that capacity, is responsible for purchasing administration and related records concerning Town-owned property; and

WHEREAS, the Town Council finds that granting the Town Clerk limited authority to act on behalf of the Town for this purpose will promote the efficient administration of the Town's vehicle and equipment records;

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Southern Pines, North Carolina, that the person holding the position of Town Clerk, while serving as the Town's Purchasing Agent, is hereby appointed as the Town's true and lawful attorney-in-fact for the limited purpose of preparing, signing, submitting, and receiving documents necessary to request and obtain copies or duplicates of certificates of title for vehicles and equipment owned by the Town from the North Carolina Department of Transportation, Division of Motor Vehicles.

BE IT FURTHER RESOLVED, that this limited authority includes the authority to execute any power-of-attorney form, duplicate-title application, affidavit, certification, or related document required by the Division of Motor Vehicles solely for the purposes stated above, but does not authorize the sale, assignment, transfer, or encumbrance of any Town-owned vehicle or equipment unless separately approved or otherwise authorized in accordance with applicable law and Town policy.

BE IT FURTHER RESOLVED, that this authorization shall remain in effect until amended or revoked by the Town Council and shall apply to each person duly appointed to and serving in the position of Town Clerk and Purchasing Agent.

Adopted this 25th day of August, 2026.

I certify that this resolution was adopted by the Town Council of the Town of Southern Pines at its meeting on August 25, 2026, as shown in the minutes of the Town Council for that date.

Elizabeth Robertson, Town Clerk



**RESOLUTION #1068
APPROVING CONVEYANCE OF PROPERTY TO A NONPROFIT ORGANIZATION
PURSUANT TO G.S. 160A-279**

WHEREAS, the Town of Southern Pines owns approximately 49+/- acres of land located on the north side of Morganton Road along Henley Street; and

WHEREAS, the Town intends to subdivide the tract into multiple parcels for the purpose of potential conveyance over time; and

WHEREAS, North Carolina General Statute § 160A-279 authorizes a city or county to convey real or personal property by private sale to a nonprofit corporation if the city or county is authorized by law to appropriate money to the corporation; and

WHEREAS, North Carolina General Statute § 160A Article 18 outlines the authority of a Town to provide for recreational activities and facilities utilizing funds not otherwise restricted; and

WHEREAS, the Town of Southern Pines has designated a 7.73+/- acre parcel within the aforementioned 49+/- acre parent tract that it wishes to transfer to the YMCA of the Sandhills for the purpose of the YMCA constructing and operating a Recreation Facility for the provision of recreation and other services to citizens of the Town of Southern Pines and greater community; and

WHEREAS, the location of the designated tract provides convenient multi-modal access to individuals, families, and neighborhoods that might significantly benefit from the facilities and programs associated with a typical YMCA operation as recognized across the State of North Carolina and nation, thus meeting Town goals associated with fostering a healthy community, improving the quality of life for low-income individuals, and insuring development of this land interacts and functions appropriately with and within the interests of the adjacent neighborhood of West Southern Pines; now

NOW, THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SOUTHERN PINES, NORTH CAROLINA:

1. The Mayor of Southern Pines is authorized to execute all documents necessary to convey fee simple defeasible title to The YMCA of the Sandhills a 7.73+/- acre tract of land located along Morganton Road and Henley Street more particularly described as follows:

LEGAL DESCRIPTION FOR LOT 2 (7.73 ACRES)

BEING ALL OF LOT 2 CONTAINING 7.73 ACRES, MORE OR LESS, LOCATED IN SOUTHERN PINES, MCNEILL TOWNSHIP, MOORE COUNTY, NORTH CAROLINA, AS SHOWN ON A MAP TITLED "MINOR SUBDIVISION FOR TOWN OF SOUTHERN PINES", AS RECORDED IN PLAT CABINET 19 SLIDE 936 IN THE MOORE COUNTY REGISTER OF DEEDS; AND BEING A PORTION OF THE PROPERTY DESCRIBED TO TOWN OF SOUTHERN PINES, AS SHOWN IN D.B. 143 PG. 303, AS RECORDED IN THE MOORE COUNTY REGISTER OF DEEDS. BEING MORE PARTICULARLY DESCRIBED BY BEARINGS AND DISTANCES BELOW.

BEGINNING AT A CONCRETE RIGHT-OF-WAY MONUMENT IN THE WEST MARGIN OF SOUTH HENLEY STREET, SAID MONUMENT HAVING NC STATE PLANE COORDINATES NAD83(2011) N:518,343.23' E: 1,876,885.48', AND BEING LOCATED THE REVERSE CALL N35°59'23"W A DISTANCE OF 80.21 FEET FROM A CONCRETE RIGHT-OF-WAY MONUMENT IN THE EAST MARGIN OF SOUTH HENLEY STREET; THENCE WITH SAID WEST MARGIN OF SOUTH HENLEY STREET N55°02'38"E A DISTANCE OF 979.77 FEET TO AN IRON ROD IN THE SOUTH MARGIN OF WEST LOWE AVENUE;

THENCE WITH SAID SOUTH MARGIN DESCRIBED ABOVE N40°18'09"W A DISTANCE OF 57.22 FEET TO AN IRON ROD COMMON TO EDNA L. MCNEILL, AS SHOWN IN DB. 2507 PG. 477;

THENCE WITH SAID EDNA L. MCNEILL DESCRIBED ABOVE N61°01'22"W A DISTANCE OF 168.12 FEET TO A CONCRETE MONUMENT COMMON TO S&L USA, LLC, AS SHOWN IN DB. 4597 PG. 209;

THENCE WITH SAID S&L USA, LLC DESCRIBED ABOVE N61°23'15"W A DISTANCE OF 101.10 FEET TO AN IRON PIPE COMMON TO QUMARS SHODJA, AS SHOWN IN DB. 4691 PG. 107;

THENCE WITH SAID QUMARS SHODJA DESCRIBED ABOVE N61°01'43"W A DISTANCE OF 109.99 FEET TO A CONCRETE MONUMENT IN THE EAST MARGIN OF SOUTH STEPHENS STREET, SAID MONUMENT LOCATED THE REVERSE CALL S60°56'43"E A DISTANCE OF 87.79 FEET FROM A CONCRETE MONUMENT IN THE WEST MARGIN OF SOUTH STEPHENS STREET;

THENCE THE FOLLOWING CALLS: S55°02'38"W A DISTANCE OF 756.30 FEET TO AN IRON ROD SET; THENCE S56°08'22"E A DISTANCE OF 310.06 FEET TO AN IRON ROD SET; THENCE S55°02'38"W A DISTANCE OF 255.06 FEET TO AN IRON ROD SET IN THE EAST LINE OF RENTAL DERBY, LLC, AS SHOWN IN DB. 5625 PG. 451, SAID IRON ROD LOCATED S15°59'40"E A DISTANCE OF 368.88 FEET FROM A CONCRETE MONUMENT;

THENCE WITH SAID EAST LINE OF RENTAL DERBY, LLC DESCRIBED ABOVE S15°59'40"E A DISTANCE OF 62.62 FEET TO A CONCRETE RIGHT-OF-WAY MONUMENT IN THE NORTH MARGIN OF WEST MORGANTON ROAD AND THE WEST MARGIN TRANSITION OF SOUTH HENLEY STREET;

THENCE WITH SAID WEST MARGIN TRANSITION OF SOUTH HENLEY STREET N78°35'07"E A DISTANCE OF 122.65 FEET TO A CONCRETE RIGHT-OF-WAY MONUMENT, WHICH IS THE BEGINNING, AND HAVING AN AREA OF 7.73 ACRES.

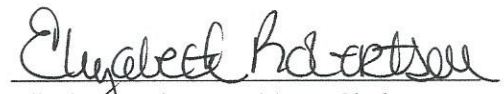
2. The consideration for the conveyance is the following set of conditions, covenants, and restrictions, which shall be incorporated in the deed given by the Town to Association:

- a. *The YMCA of the Sandhills will purchase the subject tract for an agreed upon amount of \$5,000.*
- b. *The YMCA of the Sandhills will fund and construct a minimum (45,000) Sq. ft. recreation facility, to include at minimum an indoor pool, in addition to any parking, landscaping, and necessary public infrastructure in accordance with general plans and architecture to be submitted to the Town and ultimately approved via the appropriate Town permitting authorities. Initial site plan and Architectural Review application will be submitted no later than (September 30, 2026)*
- c. *The YMCA shall have applied for a Building Permit per the approved plans referenced in subsection (a) no later than (December 31, 2027)*
- d. *The YMCA shall have constructed and opened a facility meeting the minimum requirements outlined herein no later than (December 31, 2028.) Once the improvement project is complete, The YMCA of the Sandhills will operate a recreation center in the building, offering programs for the benefit of citizens of the Town and others who join as members. Consideration for membership or program involvement shall include opportunity for low-to-moderate income individuals to participate at a reduced or negligible rate in order to meet Town of Southern Pines goals and objectives.*
- e. *The deed given by the city to the 7.73-acre tract of land shall convey a title in fee simple determinable. The fee simple interest of the YMCA of the Sandhills in the property shall terminate if at any time during the next 25 years the YMCA shall fail to meet the deadlines outlined herein, or ultimately cease to use the property to operate a recreation facility once the improvement project is complete.*

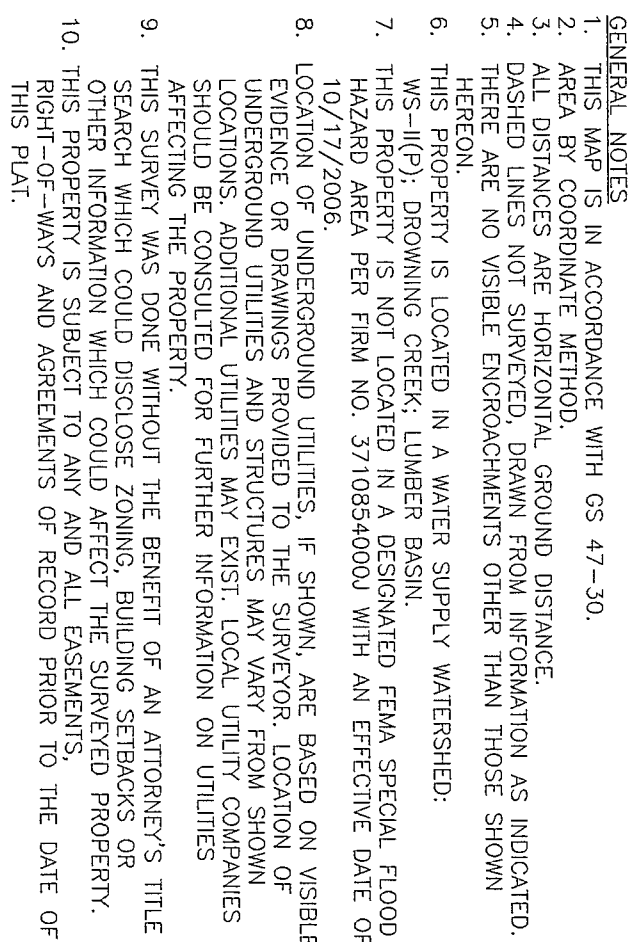
3. The Town clerk shall publish a notice summarizing the contents of this resolution, and the property may be sold at any time after 10 days after publication of the notice.

Adopted this the 8th day of August, 2023.

I certify that this resolution was adopted by the Town Council of the town of Southern Pines at its meeting of August 8, 2023 as shown in the minutes of the Town Council for that date.


Elizabeth Robertson, Town Clerk



[illegible]

IRS ● = 5" IRON ROD SET FLUSH
 EIR ○ = EXISTING IRON ROD
 EIP ○ = EXISTING IRON PIPE
 ECM □ = EXISTING MONUMENT
 — = RIGHT OF WAY
 — = BOUNDARY LINE
 — = BOUNDARY NOT SURVEYED
 — = EDGE OF PAVEMENT
 — = EDGE OF CONCRETE
 - - - X - - - X - - - = EXISTING FENCE
 □ = WATER METER

IRS = S " IRON ROD SET FLUSH
ER ○ = EXISTING IRON ROD
EIP ○ = EXISTING IRON PIPE
EDM □ = EXISTING MONUMENT
_____ = RIGHT OF WAY
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===== EDGE OF PAYMENT
-----X-----X -----X-----X = EDGE OF CONCREE
○ = WATER METER

Sharon McCallie
NOTARY
PUBLIC
Exp. 10/20/2023
Moore County, NC

DATE 07/27/23 OWNER Elizabeth J. Williams
(NOTARIZED)



1. Luth Pedersen REVIEW OFFICER OF
WHICH THIS CERTIFICATION IS AFFIXED MEETS

July 31, 2023 02:02:51 PM
Book 19 Page 936-936
FEE: \$21.00
INSTRUMENT # 2023010226

January 8
2026

DEFINING DATA CENTERS:

A Reference Guide for Central
Pines Member Communities



CENTRAL PINES
REGIONAL COUNCIL

Defining Data Centers

A Reference Sheet for Central Pines Regional Council Member Communities

As interest in data centers continues to increase across North Carolina and our region, this document aims to define what a data center is, provides a concise overview of key considerations and impacts on operations, and offers resources and potential strategies for local governments as they navigate development requests.

Central Pines Regional Council is actively learning alongside our member communities as interest in data centers grows in North Carolina. While we are not positioning ourselves as subject-matter experts, we are committed to helping local governments think through their approach, connect with reputable state and national resources, and identify the questions that matter most when evaluating potential projects.

Member communities are welcome to reach out to discuss emerging issues, request support in gathering information or responding to development requests, explore opportunities for coordinated regional planning.

- General Support: Grace Berry, gberry@centralpinesnc.gov
- Zoning and Planning Support: Chris Lawson, clawson@centralpinesnc.gov

Understanding the Types of Data Centers

Hyper Scale Data Centers

Hyperscale data centers are very large facilities designed to support thousands of servers and the massive computing, storage, and networking needs of major cloud and technology companies ([IBM](#)). They rely on highly scalable power, cooling, and network systems that allow them to expand quickly and operate with continuous reliability.

- Hyper-scale data centers are large, multi-building campuses built out over long timeframes that require large amounts of land (Figure 1) and energy. They have steady and predictable power use and can add billions of dollars to the tax base. Construction activity is significant, but ongoing employment is typically limited to a small number of high-skill positions. Hyperscale operators value clear zoning, reliable timelines, and communities that have already done foundational planning work.
- Legacy hyperscale data centers typically connected at 20 - 50 megawatts (MW), but utilities are now receiving AI-driven connection requests for data center campuses of 300 - 1,000 MW ([The U.S. Department of Energy's Secretary of Energy Advisory Board](#)). To put the low end of that new range in context, a 300 MW facility running around the clock would consume about 2.6 terawatt-hours a year, roughly the annual electricity use of 250,000 U.S. homes.

Co-location Data Centers

Co-location data centers are facilities built and operated by a provider that leases space to multiple tenants such as law firms, technology companies, and smaller governments. These centers rely on strong network connectivity and are typically located near metropolitan areas. Their presence can

support broader broadband investment.

AI and High-Density Computing Centers

These computing centers are smaller in square footage but dense in computing activity. They require more intensive cooling and create less stable power loads that rise and fall rapidly. Water availability and grid stability are major planning considerations.



Figure 1. This image compares the physical footprint of a hyperscale data center to a familiar regional landmark at the same scale. On the left is the Colossus 1 Data Center in Memphis, Tennessee. On the right is the Lenovo Center and Carter-Finley Stadium complex in Raleigh, North Carolina. Shown at the same scale, the comparison illustrates that a single hyperscale data center can occupy an area comparable to, or larger than, a major sports and entertainment complex.

Economic and Infrastructure Considerations

Direct Benefits

- Significant property tax value, long-term utility revenue, construction employment, and improvements in regional fiber networks.
- Property tax valuation remains ever-changing with these developments.

Property Tax Case Studies

Loudoun County, Virginia | [Source](#)

Loudoun County shows the upside. Data centers have added billions of dollars to the commercial tax base and now provide a major share of county property tax revenue. Because Virginia taxes both buildings and equipment, Loudoun has seen sustained growth in data center valuations rather than rapid decline.

Nebraska rural counties | [Source](#)

In parts of Nebraska, data centers generate property tax revenue that is more than 100

times higher than what the same land produced as agricultural property. This demonstrates how a single data center campus can dramatically increase a rural county's tax base, even though the long-term value depends on how equipment is assessed.

Odessa, Texas [Source](#)

Odessa highlights the broader fiscal impact. Data centers there are tied not just to property taxes but also to long-term utility revenue and local economic activity. However, as in many states, much of the taxable value comes from equipment that can depreciate, which makes long-term revenue more uncertain without clear assessment rules.

Industry Context

- Land use estimates from recent projects averaging 0.5 to 1.5 acres per MW, which would translate to roughly 96 to 288 square miles of U.S. land devoted to AI-related data center campuses by 2035.
- Data centers are capital intensive rather than labor intensive. Communities should not expect traditional job creation patterns.

Process Tips for Local Governments

1. Be proactive

Assess community standards and expectations around data center development ahead of time. Communities that proactively define these expectations in their zoning and development ordinances give themselves clearer guardrails and processes when proposals emerge.

- **Urban Land Institute** | [Local Guidelines for Data Center Development](#)

The Urban Land Institute provides local governments with a proactive framework for regulating data centers before proposals arrive. It recommends treating data centers as a distinct form of industrial use and establishing clear zoning categories and performance standards that reflect their unique infrastructure and community impacts. The guidance helps communities anticipate issues related to site selection, power and water demand, and long-term land use so that expectations are set in advance through zoning and development ordinances, rather than negotiated reactively once a developer applies.

There are existing examples of zoning best practices from local governments with significant data center activity. Some are included below.

- Loudoun County, Virginia, regulates data centers through zoning ordinance amendments (ZOAM 2024 0001) that now require a Special Exception in most industrial districts. The county's Data Center Standards and Locations project outlines siting criteria, compatibility expectations, and infrastructure requirements. [Source](#)
- Prince William County, Virginia, uses a Data Center Opportunity Zone Overlay District (codified in PART 509 of its zoning ordinance) to identify eligible areas and ensure adequate electrical service, buffering, and transportation access. This framework is widely referenced because of the county's rapid growth in hyperscale development. [Source](#)
- Frederick County, Maryland, is developing a Critical Digital Infrastructure Overlay Zone that designates appropriate locations, reduces conflict with residential areas, and aligns buildout with available utilities. Legislative packets and draft standards are available publicly. [Source](#)
- Mesa, Arizona, adopted Section 11 31 36 of its zoning code to regulate data centers through the Planned Area Development process. This requires applicants to demonstrate utility capacity, site compatibility, and compliance with operational standards before approval. [Source](#)
- Dublin, Ohio, evaluates large technology and data-intensive facilities through its Planned Development process and Innovation District development standards. These requirements address setbacks, screening, utility capacity, and compatibility with nearby uses. [Source](#)

2. Understand viable site qualities and identify best locations

A viable data center site is one that already has, or can reasonably support, the power, land, fiber, water, and transportation needs associated with large-scale facilities. Identify

suitable/viable sites ahead of time, evaluate infrastructure limits, and brief elected officials before any proposals. Early preparation helps reduce confusion and misinformation.

3. Access to power is the driving factor

Developers seek clarity regarding available power, delivery timelines, and phased buildout. Communities should expect a ramp schedule that outlines power needs over time. Requests for extremely large immediate loads are generally unreliable indicators of project seriousness. *Local governments should be aware that Duke Energy has an established process for evaluating and responding to large-load power requests. Communities should take time to understand this process and connect with Duke Energy early in any potential project, so they have accurate information, realistic timelines, and coordinated planning as proposals develop.*

4. Designate a single point of contact for your community, county, or region

A central and well-informed coordinator can help streamline communication between utilities, planning staff, elected officials, and external partners. Some communities and regions choose to designate a central coordinator or partner organization to serve as the primary point of contact for data center inquiries and development coordination. For example, Catawba County has worked with its Economic Development Corporation to lead data center recruitment and engagement with major corporate partners, coordinate between municipalities and utilities, and provide a consistent interface for prospective developers.

5. Be transparent about timelines

Overly optimistic estimates often create avoidable conflict later.

6. Evaluate the project before negotiating incentives

Communities should first understand who the developer is, what companies will occupy the data center, how the project will be financed, how many permanent jobs will be created, and what long-term commitments are being made to the community. In some cases, speculative development groups approach local governments before they have secured any tenants, using promises of incentives and economic impact to make their proposals seem difficult to refuse. By separating incentives from the initial evaluation of the project, communities can better assess whether a data center proposal is financially, operationally, and strategically sound before considering any public subsidies.

7. Confirm project readiness through the zoning process

Communities can use their zoning and development approval processes to make sure a proposed data center is real, ready, and likely to move forward. This includes requiring site plans, infrastructure plans, and clear timelines for when construction must begin. Approvals can also include expiration dates so that if a project does not move ahead, the zoning rights do not stay in place indefinitely. These steps help prevent land from being tied up by speculative proposals while still treating all applicants fairly and consistently.

Water and Wastewater Planning

Data centers can range from minimal water use to several million gallons per day, depending on their method of cooling. Utilities must also evaluate both water draw and wastewater return.

Key considerations include:

- Whether cooling systems are open or closed loop.

- Whether demand is constant or highly variable.
- The potential for rapid expansion may outpace utility capacity.
- The possibility that water use will decline sharply due to changing technology.

Utilities should protect themselves through full cost recovery, system development charges, take-or-pay agreements, volumetric rate structures, and/or contract provisions that allow for periodic re-evaluation.

Data Center Water Efficiency Resources:

- **Urban Land Institute** | [*Local Guideline for Data Center Development*](#)
This white paper provides a single, comprehensive guide for communities preparing for data center development. It goes into depth about how data center's function, including a visual tour of a hyperscale data center to illustrate scale and infrastructure needs, and offers practice guidance on zoning, site design, and community impacts. The report also included case studies and model ordinance language that local governments can adapt when developing their own data center policies. This resource includes a highly effective glossary of terms essential for understanding data centers.
- **U.S. Environmental Protection Agency** | [*WaterSense Cooling Tower Guidance*](#)
EPA's WaterSense program provides detailed best practices for operating cooling towers in commercial and industrial settings, including data centers. Section 6.3 of *WaterSense at Work* outlines strategies for reducing water loss, improving concentration cycles, monitoring water chemistry, and incorporating reclaimed water where feasible. This guidance helps utilities and large customers understand how cooling tower management directly affects water demand, wastewater return, and long-term system sustainability.
- **U.S. Environmental Protection Agency** | [*Water Reuse Resources*](#)
EPA provides national frameworks and recommended practices for using reclaimed water in industrial cooling applications. These resources help utilities evaluate regulatory requirements, treatment levels, and operational considerations for substituting reclaimed water for potable supply in high demand cooling systems.
- **American Water Works Association** | [*AWWA*](#)
AWWA outlines considerations for utilities planning for large water-using industries, including methods to forecast water demand, compare cooling technologies, and manage long-term supply impacts. Its data-center-focused white paper helps communities understand the infrastructure and policy decisions involved.
- **WaterReuse Association** | [*Industrial and Commercial Reuse*](#)
WaterReuse provides national guidance on when and how reclaimed water can be used for industrial processes, including cooling systems. Its resources help utilities assess feasibility, evaluate treatment needs, and design reuse programs that can support high-volume users such as data centers.

- **North Carolina Department of Environmental Quality** | [*Water Reuse and Reclamation*](#)
NC DEQ offers state-specific guidance on reclaimed water programs, permitting pathways, and industrial applications. These materials help utilities understand the regulatory steps required for using reclaimed water in cooling operations within North Carolina.
- **Lawrence Berkeley National Laboratory** | [*Data Center Water Efficiency*](#)
LBNL provides practical guidance for improving water efficiency in data centers, including cooling technology comparisons, water usage metrics, and strategies to reduce potable water dependence. These resources help utilities and operators plan for sustainable long-term water management.

Relevant Organizations

- **Urban Land Institute**

ULI provides practical guidance for local governments on how to regulate and site large facilities like data centers through zoning and development standards. Its resources are useful when a community is considering ordinance updates, special use permits, or design requirements to manage scale, buffering, and compatibility.

- **UNC School of Government**

The UNC School of Government helps North Carolina communities understand their legal authority under Chapter 160D. Its guidance is useful when staff or elected officials need clarity on what can be regulated through zoning, conditional approvals, or quasi-judicial decisions related to data center proposals.

- **North Carolina Utilities Commission**

The North Carolina Utilities Commission oversees how electric utilities plan for and recover the costs of serving very large power users. Its work is relevant when communities are trying to understand who pays for infrastructure upgrades and how hyperscale power requests affect ratepayers.

- **National Renewable Energy Laboratory**

NREL provides technical research on energy efficiency, grid impacts, and large electricity loads. Local governments can use these resources to better understand energy claims made by developers and to frame informed conversations with utilities and state agencies.

- **Uptime Institute**

The Uptime Institute explains how data centers are designed to maintain reliability and continuous operation. Its resources help local governments understand terms commonly used by developers, such as redundancy and resilience, and how those design choices affect infrastructure needs.

- **Georgetown Climate Center**

Georgetown Climate Center examines how local governments use land use and policy tools

to manage high impact development. Its work is helpful for communities considering how data center growth intersects with long-term planning, sustainability goals, and climate resilience.

- **NC Clean Energy Technology Center**

The NC Clean Energy Technology Center tracks energy policy and grid trends affecting North Carolina. Its analysis helps communities stay informed about how large new electricity users fit into statewide energy planning and regulatory discussions.

- **International Council on Clean Transportation**

ICCT conducts research on electricity demand growth and infrastructure impacts from large users. Local governments may find this useful when thinking about long-term grid capacity and the cumulative effects of multiple large power-intensive facilities.

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CODE OF ETHICS SOUTHERN PINES TOWN COUNCIL

The stability and proper operation of democratic representative government depends upon the continuing consent of the governed, upon the public confidence in the integrity of the government and upon responsible exercise of the trust conferred by the people. Government decision and policy must be made and implemented through proper channels and processes of the governmental structure. The purpose of this code is to establish guidelines for ethical standards of conduct for the Southern Pines Town Council and all references herein to the Council shall be understood to include the Mayor. It should not be considered a substitute for the law or a Councilmember's best judgment.

Councilmembers must be able to act in a manner to maintain their integrity and independence yet must be responsive to the interests and needs of those they represent. Councilmembers serve in an important advocacy capacity in meeting the needs of their citizens and should recognize the legitimacy of this role as well as the intrinsic importance of this function to the proper functioning of representative government. At the same time, councilmember's must, at times, act in an adjudicatory or administrative capacity and must, when doing so, act in a fair and impartial manner. Councilmembers must know how to distinguish these roles and when each role is appropriate, they must act accordingly. Councilmembers must be aware of their obligation to conform their behavior to standards of ethical conduct that warrant the trust of their constituents. Each councilmember must find within his or her own conscience the touchstone on which to determine appropriate conduct.

A Councilmember Shall Obey the Law

Councilmembers shall support the Constitution of the United States, the Constitution of North Carolina and the laws enacted by the Congress of the United States and the General Assembly pursuant thereto. Members specifically acknowledge and agree to comply with the requirements of N.C.G.S. §14-234 entitled "Public officers or employees benefiting from public contracts; exceptions."

A Councilmember Should Uphold the Integrity and Independence of His or Her Office

Councilmembers should demonstrate the highest standards of personal integrity, truthfulness, honesty and fortitude in all their public activities in order to inspire public confidence and trust in town government. Councilmembers should participate in establishing, maintaining, and enforcing, and should themselves observe, high standards of conduct so that the integrity and independence of their office may be preserved. The provision of this Code should be construed and applied to further these objectives.

A Councilmember Should Avoid Impropriety and the Appearance of Impropriety in All His or Her Activities

It is essential that town government attract those citizens best qualified and willing to serve. Councilmembers have legitimate interests-economic, professional and vocational-of a private nature. Councilmembers should not be denied, and should not deny to other Councilmembers or citizens, the opportunity to acquire, retain and pursue private interests, economic or otherwise, except when conflicts with their responsibility to the public cannot be avoided. Councilmembers must exercise their best judgment to determine when this is the case.

Councilmembers should respect and comply with the law and should conduct themselves at all times in a manner that promotes public confidence in the integrity of the office of Councilmembers and town government.

Councilmembers should not allow family, social, or other relationships to unduly influence their conduct or judgment and should not lend the prestige of the office of Councilmembers to advance the private interests of others; nor should they convey or permit others to convey the impression that they are in a special position to influence them. Councilmembers shall not grant any special considerations, treatment of advantage to any citizen beyond that which is available to every other citizen.

A Councilmember Should Perform the Duties of the Office Diligently

Councilmembers should, while performing the duties of the office as prescribed by law, give precedence to these duties over other activities. In the performance of these duties, the following standards should apply:

A. Legislative Responsibilities

1. Councilmembers should actively pursue policy goals they believe to be in the best interests of their constituents within the parameters of orderly decision-making, and open government.
2. Councilmembers should respect the legitimacy of the goals and interests of other councilmembers and should respect the rights of others to pursue goals and policies different from their own.

B. Adjudicative Responsibilities

1. Councilmembers should be faithful to general and local laws pertaining to the office and strive for professional competence in them. They should be unswayed by partisan interests, public clamor, or fear of criticism.
2. Councilmembers should demand and contribute to the maintenance of order and decorum in proceedings before the Southern Pines Town Council.
3. Councilmembers should be honest, patient, dignified and courteous to those with whom they deal in their official capacity, and should require similar conduct of their staff and others subject to their direction.
4. Councilmembers should accord to every person who is legally interested in a proceeding before the Council full right to be heard according to law.
5. Councilmembers should dispose promptly of the business of the town for which they are responsible.

C. Administrative Responsibilities

1. Councilmembers should clearly distinguish legislative, adjudicatory and administrative responsibilities and should refrain from inappropriate interference in the impartial administration of town affairs by town employees. Councilmembers should diligently discharge those administrative responsibilities that are appropriate, should maintain professional competence in the administration of these duties and should facilitate the diligent discharge of the administrative responsibilities of fellow Councilmembers and other town officials.
2. Councilmembers should conserve the resources of the town in their charge. They should employ town equipment, property, funds and personnel only in legally permissible pursuits and in a manner that exemplifies excellent stewardship.
3. Councilmembers should require town employees subject to their direction and control to observe the standards of fidelity and diligence that apply to Councilmembers as well as those appropriate for employees.
4. Councilmembers who become aware of improper conduct by a town employee should promptly inform the Town Manager, in order to initiate appropriate disciplinary measures.
5. Councilmembers should not employ or recommend the appointment of unnecessary employees and should exercise the power of employment only on the basis of merit, avoid favoritism and refrain from illegal discrimination and nepotism. They should not approve compensation of employees beyond the fair value of services rendered.

A Councilmember Should Conduct the Affairs of the Southern Pines Town Council in an Open and Public Manner

Councilmembers should be aware of the letter and intent of the State's Open Meetings Law, should conduct the affairs of the Council to be consistent with the letter and spirit of that law and consistent with the need to inspire and maintain public confidences in the integrity and fairness of town government and the office of Councilmember. Consistent with this goal of preserving public trust, Councilmembers should be aware of the need for discretion in deliberations when the lack of discretion would pose a threat to the resources of the town, to the reputation of current or potential town employees, to orderly and responsible decision making, to the integrity of other governmental processes or to other legitimate interests of the town.

A Councilmember Should Regulate His or Her Extra Governmental Activities to Minimize the Risk of Conflict with His or Her Official Duties.

1. Councilmembers should inform themselves concerning campaign finance, conflict of interest and other appropriate state and federal laws and should scrupulously comply with the provisions of such laws.
2. Councilmembers should refrain from financial and business dealings that tend to reflect adversely on the council or on town government or to interfere with the proper performance of official duties.
3. Councilmember should manage their personal financial interests to minimize the number of cases in which they must abstain from voting on matters coming before the Council.
4. Information acquired by Councilmembers in their official capacity should not be used or disclosed in financial dealings or for any other purpose not related to official duties.

**A Councilmember Should Refrain from Political Activity Inappropriate to
His or Her Office**

1. Councilmembers have a civic responsibility to support good government by every available means, to continue to inform and educate the citizenry about the affairs and processes of town government, and to make themselves available to citizens of the town so that they may ascertain and respond to the needs of the community. In doing so, councilmembers may and should join or affiliate with civic organizations whether partisan or non-partisan, may and should attend political meetings, may and should advocate and support the principles or policies of civic or political organizations consistent with the Constitution and laws of the United States and North Carolina.
2. Candidates for the office of councilmembers, including incumbents:
 - a. Should inform themselves concerning the laws of this state with regard to campaigns and relevant disclosure requirements and should scrupulously comply with the provisions of such laws;
 - b. Should maintain the dignity appropriate to the office, and should encourage members of their families to adhere to the same standards of political conduct that apply to councilmembers;
 - c. Should not make pledges or promises of conduct in office that they will not or cannot perform or would be illegal if it were performed;
 - d. Should not misrepresent their identity, qualifications, present position, or other fact; and
 - e. Should avoid pledges or promises of conduct in office other than the faithful and impartial performance of the duties of the office.

BE IT FURTHER RESOLVED that:

1. A violation of this Code of Ethics may subject a Councilmember to a censure Resolution by the Southern Pines Town Council; however, no such censure resolution shall be adopted until the person alleged to have committed the violation has been given notice of the alleged violation and provided with the opportunity to appear before the Council and be heard regarding the allegation
2. When a Councilmember has a question as to the applicability of this code to a particular situation, he or she may apply, orally or in writing, to the Town Attorney for advisory guidance. Upon receipt of a request for advisory guidance and based only upon the information given to the Town Attorney, the Town Attorney will provide advisory guidance to the councilmember. In the Town Attorney's discretion, he may retain outside legal counsel to advise him in connection with any request for advisory guidance. In no event will the Town Attorney's advisory guidance excuse a councilmember from complying with the Code of Ethics or other applicable law.

Town of Southern Pines Resolution #663
Adopted on November 9, 2010