AGENDA

Keith Wood, Vice Chair
Wayne Barneycastle, Chair
Sonya Cox, Commissioner
Brad Chandler, Commissioner
Rick Morris, Commissioner

PUBLIC HEARING OF THE BOARD OF COUNTY COMMISSIONERS
Monday, November 9, 2026
COMMISSIONERS CHAMBERS
6:00 PM

I. Call to Order

II. Invocation

III. Pledge of Allegiance

IV. Approval of Agenda

V. Public Comments

VI. Commissioner and Manager Comments

VII. Ethics Reminder and Conflicts of Interest

VIII. Information Agenda

a. RiverStreet Broadband Update

IX. Public Hearing

a. Rezoning Case #26-0902: M-1-CZ to R-A (unaddressed lots off Oldtown Road, Farmer Road, and Ethan Lane)

b. Rezoning Case #26-1007: R-A to H-B (6103 NC Hwy 66, King, NC 27021)

c. Rezoning Case #26-1020: R-A and H-B-CZ to H-B (1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052)

d. TEFRA Request Hearing

e. Project Delta - Development Agreement

X. Business Items

a. Rezoning Case #26-0902: M-1-CZ to R-A (unaddressed lots off Oldtown Road, Farmer Road, and Ethan Lane)

b. Rezoning Case #26-1007: R-A to H-B (6103 NC Hwy 66, King, NC 27021)

c. Rezoning Case #26-1020: R-A and H-B-CZ to H-B (1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052)

d. TEFRA Request Hearing

e. Project Delta - Development Agreement

XI. Closed Session

a. Rationales

XII. Adjournment

*Anyone with a disability(is) who needs an accommodation to participate in this meeting is requested to inform us 48 hours prior to the scheduled time of the affected group meeting
*Attachments may be delivered before or at the time of the meeting
*Times may vary due to times preset for agenda items

Board of County Commissioners
November 9, 2026

Item number: VIII.a

RiverStreet Broadband Update

Drafter: Olivia Jessup

Summary:

Board of County Commissioners
November 9, 2026

Item number: IX.a

Rezoning Case #26-0902: M-1-CZ to R-A (unaddressed lots off Oldtown Road, Farmer Road, and Ethan Lane)

Drafter: Avery Tew

Summary:
Rezoning Case #26-0902: M-1-CZ to R-A (unaddressed lots off Farmer Road, Oldtown Road, and Ethan Lane)

The subject property consists of three lots located off Farmer Road, Oldtown Road, and Ethan Lane (PINs 6973-43-5270, 6973-33-1081, and 6973-51-4188 in Sauratown Township). The lots comprise 229.91 acres in total (34.21 acres, 78.02 acres, and 117.66 acres).

This is a request to rezone the subject property from M-1-CZ (Light Manufacturing – Conditional Zoning) to R-A (Residential – Agricultural).

The existing M-1-CZ district is subject to the following conditions:

Permitted Uses: Utility scale solar photovoltaic facility.

Conditions:
1. Decommissioning: Within 6 months after the solar energy facility has ceased to produce electricity and the facility has reached its useful life, the owner of the facility shall immediately initiate the decommissioning plan for the facility.
2. Recycling: As part of decommissioning, the owner of the facility shall fully recycle all materials as reasonably possible.
3. Landscaping: The panels shall be reasonably concealed from view by either natural vegetation or planted evergreen vegetation. When relying on existing vegetation, the buffer shall be no less than 50 feet in width. When using planted vegetation to conceal the fence and panels in locations where there is no view from a residential structure, the applicant shall plant a staggered double row of evergreens. In locations where the facilities can be viewed from a residential structure, the applicant shall use three rows of evergreens, staggered. When using planted vegetation to conceal the facility, the vegetative buffer shall be no less than 20 feet in width. The final landscaping plans shall be approved by the Planning Director or his designee to ensure compliance with this condition.
4. Setbacks: Fifty feet from any property line.

ATTACHMENTS:
PB Minutes 26-0902.pdf
Staff Report 26-0902.pdf
Application 26-0902.pdf

STOKES COUNTY PLANNING BOARD
SPECIAL MEETING MINUTES (excerpt)
Commissioners' Chambers
Ronald W. Reagan Memorial Building
1014 Main St, Danbury, NC 27016
October 22, 2026
6:00 p.m.

Members Present: Ronnie Tilley, Chair; Patrick Flinchum; Jaden Hall; Mark Sizemore; Shannon Stanley; Joe Turpin; Jeff Whitaker; Tommy White

Members Absent: Ronnie Morris

Staff Present: Avery Tew, Planning and Inspections Director; Emma Cerow, Planner/Zoning Enforcement Officer

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Rezoning Case #26-0902: M-1-CZ to R-A (unaddressed lots off Farmer Road, Oldtown Road, and Ethan Lane)

Mr. Tew stated that the subject property consists of 229.91 acres across three lots located off Farmer Road, Oldtown Road, and Ethan Lane. The applicant was requesting to rezone the property from M-1-CZ (Light Manufacturing – Conditional Zoning) to R-A (Residential – Agricultural). The existing M-1-CZ zoning limited the property to a utility-scale solar photovoltaic facility, along with associated conditions. The subject property is currently undeveloped, and the surrounding area consists of a mix of residential and industrial uses. There are also regulated floodplains, wetlands, and mapped streams present on the property.

Mr. Tew stated that staff found the request consistent with the Stokes County 2035 Vision Plan. The subject property falls within the O-1 (Open Space 1 – Preserved Lands) and G-1 (Growth Sector 1 – Low-Density Growth Areas) classifications. The agricultural and forestry uses permitted within the R-A district are envisioned within the O-1 classification, while the low-density residential uses permitted within R-A are typical for the G-1 classification. Furthermore, staff considered the request reasonable because it would align the uses permitted on the subject property with surrounding R-A-zoned properties. The request would also lower the permitted development intensity on the property by removing the option for a large-scale solar facility. Therefore, staff recommended approval of the request.

In response to a question from the Board about the proximity of the property to the Town of Walnut Cove's extraterritorial jurisdiction (ETJ), Mr. Tew displayed a map showing the location of the property relative to the ETJ boundary. He stated that a corner of the subject property touches a corner of the ETJ area.

Chair Tilley asked whether there was anyone present from the public to speak in favor of or in opposition to the request.

Mr. Tim Mabe, applicant, stated that he wanted the property to remain used for forestry. He had allowed the previous rezoning of the property to M-1-CZ because he believed in the potential of solar energy, and because he had been told that the proposed solar facility would be visually attractive. However, he had changed his mind after seeing another solar facility.

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Mr. White moved to recommend approval of Rezoning Case #26-0902, a request to rezone the subject property from M-1-CZ to R-A, because the request was consistent with the Stokes County 2035 Vision Plan and was in the interest of the County and the people of the County. The motion was seconded by Mr. Sizemore. The Board voted unanimously, 8–0, in favor of the motion.

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STOKES COUNTY
PLANNING & INSPECTIONS DEPARTMENT

STAFF REPORT: REZONING CASE #26-0902

Property Information

The subject property consists of three lots located off Farmer Road, Oldtown Road, and Ethan Lane (PINs 6973-43-5270, 6973-33-1081, and 6973-51-4188 in Sauratown Township). The lots comprise 229.91 acres in total (34.23 acres, 78.02 acres, and 117.66 acres).

Nature of the Request

This is a request to rezone the subject property from M-1-CZ (Light Manufacturing – Conditional Zoning) to R-A (Residential – Agricultural).

The existing M-1-CZ district is subject to the following conditions:

Permitted Uses: Utility scale solar photovoltaic facility.

Conditions:

(1) Decommissioning: Within 6 months after the solar energy facility has ceased to produce electricity and the facility has reached its useful life, the owner of the facility shall immediately initiate the decommissioning plan for the facility.

(2) Recycling: As part of decommissioning, the owner of the facility shall fully recycle all materials as reasonably possible.

(3) Landscaping: The panels shall be reasonably concealed from view by either natural vegetation or planted evergreen vegetation. When relying on existing vegetation, the buffer shall be no less than 50 feet in width. When using planted vegetation to conceal the fence and panels in locations where there is no view from a residential structure, the applicant shall plant a staggered double row of evergreens. In locations where the facilities can be viewed from a residential structure, the applicant shall use three rows of evergreens, staggered. When using planted vegetation to conceal the facility, the vegetative buffer shall be no less than 20 feet in width. The final landscaping plans shall be approved by the Planning Director or his designee to ensure compliance with this condition.

(4) Setbacks: Fifty feet from any property line.

District Descriptions (from Stokes County Zoning Ordinance)

The **M-1 (Light Manufacturing) district** is established as a district in which the principal use of the land is for light manufacturing and warehousing uses which normally seek locations on large tracts of land where the operations involved do not detract from the development potential of nearby undeveloped properties.

The **R-A (Residential – Agricultural) district** is intended to accommodate crop and livestock production, forestry, as well as scattered non-farm development on traditional rural lots. Site-built, modular, or multi-sectional Class A, and single-wide Class B manufactured dwelling units situated on scattered individual lots and in minor subdivisions shall be the principal residential use permitted provided they meet the required lot and yard size requirements. Any proposal for a major single-family subdivision, manufactured home park or multi-family development shall require a rezoning from the R-A district to an appropriate residential district that will accommodate a more intense use.

Character of the Area

The vicinity of the subject property is characterized by a mix of residential and industrial uses.

Existing Land Use(s) on the Property: Undeveloped land

Surrounding Uses

North: Residential; industrial (Project Delta)

South: Residential; industrial (solar facility)

East: Industrial (Project Delta)

West: Residential; undeveloped land

Historic Properties: There are no sites listed in the National Register of Historic Places located on or adjacent to the subject property.

Infrastructure and Public Facilities

Public Schools: The requested rezoning is not anticipated to have a substantial impact on public school facilities.

Emergency Response: The subject property is approximately 2.9 miles from the nearest fire station.

Water and Sewer: A water line operated by the Town of Walnut Cove runs along Oldtown Road. Any proposed connection would be subject to the Town's utility connection policy and approval process.

Transportation

Existing Conditions: The North Carolina Department of Transportation (NCDOT) classifies Oldtown Road, Farmer Road, and Ethan Lane as Local Roads. The Federal Highway Administration (FHWA) describes Local Roads as follows:

> "[Local Roads] are not intended for use in long distance travel, except at the origin or destination end of the trip, due to their provision of direct access to abutting land. … They are often designed to discourage through traffic. … [Local Roads in rural areas] serve primarily to provide access to adjacent land."

The Annual Average Daily Traffic (AADT) for Oldtown Road is 1,721 vehicles per the 2026 NCDOT traffic count. AADT information is not provided for Farmer Road or Ethan Lane.

Proposed Improvements: There are currently no proposed road improvements in the vicinity of the subject property per the NCDOT 2026-2035 State Transportation Improvement Program Map. Development on the subject property is subject to NCDOT's review and permitting process.

Environmental Assessment

Topography: Topography on the subject property ranges from nearly level to moderately steep, per the Natural Resources Conservation Service's Web Soil Survey.

Floodplain: The subject property is partially within a regulated floodplain per Flood Insurance Rate Map #3710696200K, effective June 10, 2026.

Wetlands: Wetlands exist on the subject property per the National Wetlands Inventory's Wetlands Mapper.

Streams: Mapped streams exist on the subject property per Natural Resources Conservation Service Soil Survey Maps and/or U.S. Geological Survey Topographic Maps.

Watershed: The subject property is not located in a water supply watershed.

Consistency

The requested rezoning is **CONSISTENT** with the Stokes County 2035 Vision Plan, based on the following:

- The subject property is classified as O-1 (Open Space 1 – Preserved Lands) and G-1 (Growth Sector 1 – Low-Density Growth Areas) under the Plan's Land Use Transect framework. The residential and agricultural uses permitted in the R-A zoning district are generally compatible with both the O-1 and G-1 Transect Zones, as agriculture/forestry is explicitly considered as a typical land use within the O-1 designation and low-density residential development is envisioned within the G-1 designation.
- G-1 Policy 1.0 states, "Support low-density residential development where soils allow." The R-A district would support this policy by permitting low-density single-family residential development on the property.

Reasonableness

The request to rezone the subject property from M-1-CZ to R-A is **REASONABLE** because much of the surrounding area is zoned R-A, and the requested rezoning would align the permitted uses on the subject property with adjacent R-A-zoned properties. Additionally, the requested rezoning would bring the property into greater consistency with the 2035 Vision Plan by reducing the intensity of development permitted on the property while also enabling low-density residential development.

Staff Recommendation

Staff recommends **APPROVAL** of the request.

STOKES COUNTY CONDITIONAL ZONING APPLICATION

Petition#:
Date Filed:
Received By:
Office use only

OWNERSHIP INFORMATION:

Property Owner: Tim & Deborah Mabe, Sheila Hall Mabe		
Owner's Address: 1055 Mercedes Ln., 1398 Oldtown Rd. Walnut Cove NC		
Parcel Number(s): 6973-03-43-5270		Date Property Acquired: 8-1-95
Deed Book & Page 778-2033	Zoning Map:	Township: Sauratown
Size (Sq Ft or Acres): 34.23	Street Frontage (Ft): 62	
Location of Property: 0 Farmer Rd. Walnut Cove, NC 27052		
Current Land Use: Vacant		

ZONING REQUEST:

Existing Zoning: M1 CZ	Proposed Use: RA
Purpose of Change: Back to Forestry	

Name of Agent:	Name of Petitioner(s): Tim & Deborah Mabe Sheila Hall Mabe
Address:	Address: 1055 Mercedes Ln. 1398 Oldtown Rd. WC
Phone:	Phone: 336-591-8118
Signature of Agent:	Signature of Petitioner(s): Tim Mabe Deborah M. Mabe Sheila Hall Mabe

Upon submittal of the petition, all required items much be verified by a Planning & Community Development staff member before an application is considered completed and filed for processing. Incomplete applications are not accepted and will be returned to the petitioner. No applications will be accepted after the closing deadline for each month's cases. Deadline for submittal is the first Monday of each month. There is a limit of 6 cases per month.

FEE DUE UPON SUBMITTAL OF APPLICATION TO THE PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT BY CASH, CREDIT CARD OR CHECK MADE PAYABLE TO STOKES COUNTY INSPECTIONS DEPT.

Meeting Dates:

Planning Board:	Board of Commissioners:

STOKES COUNTY
PLANNING & INSPECTIONS DEPARTMENT

Certification of Property Owner Consent to Down-Zoning

I (we) certify that I am (we are) the owner(s) of the property indicated below:

Owner(s): TIM MABE, DEBORAH MABE, SHEILA HALL MABE

Property Address: 0 FARMER RD

Parcel Number (PIN): 6973-43-5270

Deed Book and Page: PB 778, Pg. 2033

I (we) acknowledge that the property described above is the subject of a proposed zoning map amendment (rezoning) that constitutes a down-zoning as defined in G.S. 160D-601(d).

The proposed amendment is generally described below:

Description of Proposed Rezoning: M-1-CZ TO R-A

By signing below, I (we) consent to the initiation, consideration, adoption, and enforcement of the proposed down-zoning amendment described above, pursuant to G.S. 160D-601(d).

Owner Name: Tim Mabe

Owner Signature: Tim Mabe **Date:** 8/19/26

Owner Name: Deborah Mabe

Owner Signature: Deborah Mabe **Date:** 8/19/26

Owner Name: Sheila Hall Mabe

Owner Signature: Sheila Hall Mabe **Date:** 8/19/26

STOKES COUNTY CONDITIONAL ZONING APPLICATION

Petition#:
Date Filed:
Received By:
Office use only

OWNERSHIP INFORMATION:

Property Owner: Tim MAbe, Deborah Mabe		
Owner's Address: 1055 Mercedes Lane, Walnut Cove, NC 27052		
Parcel Number(s): 6973-00-51-4188		Date Property Acquired: 8-1-95
Deed Book & Page 0778-2036	Zoning Map:	Township: Sauratown
Size (Sq Ft or Acres): 78.02 Acres	Street Frontage (Ft): 2226	
Location of Property: 0 Oldtown Rd. Walnut Cove, NC 27052		
Current Land Use: VACANT		

ZONING REQUEST:

Existing Zoning: M2 CZ	Proposed Use: RA
Purpose of Change: Back to Forestry	

Name of Agent:	Name of Petitioner(s): Tim and Deborah Mabe
	Address: 1055 Mercedes Ln., Walnut Cove
	Phone: 336-591-8118
	Signature of Petitioner(s): Tim Mabe, Deborah M. Mabe

Correct PIN#

6973033331081

be verified by a Planning & Community Development
leted and filed for processing. Incomplete applications
No applications will be accepted after the closing
l is the first Monday of each month. There is a limit of 6

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T CARD OR CHECK MADE PAYABLE TO STOKES

Planning Board:	Board of Commissioners:

STOKES COUNTY
PLANNING & INSPECTIONS DEPARTMENT

Certification of Property Owner Consent to Down-Zoning

I (we) certify that I am (we are) the owner(s) of the property indicated below:

Owner(s): TIM MABE, DEBORAH MABE

Property Address: 0 OLDTOWN RD

Parcel Number (PIN): 6973-51-4188

Deed Book and Page: DB 778, Pg. 2036

I (we) acknowledge that the property described above is the subject of a proposed zoning map amendment (rezoning) that constitutes a down-zoning as defined in G.S. 160D-601(d).

The proposed amendment is generally described below:

Description of Proposed Rezoning: M-1-CZ TO R-A

By signing below, I (we) consent to the initiation, consideration, adoption, and enforcement of the proposed down-zoning amendment described above, pursuant to G.S. 160D-601(d).

Owner Name: Tim MABE

Owner Signature: Tim Mabe **Date:** 8/19/26

Owner Name: Deborah Mabe

Owner Signature: Deborah Mabe **Date:** 8/19/26

Owner Name:

Owner Signature: **Date:**

STOKES COUNTY CONDITIONAL ZONING APPLICATION

Petition#:
Date Filed:
Received By:
Office use only

OWNERSHIP INFORMATION:

Property Owner: Tim Mabe, Deborah Mabe		
Owner's Address: 1055 Mercedes Lane, Walnut Cove, NC 27052		
Parcel Number(s): 6973-00-51-4188	Date Property Acquired: 2-23-99	
Deed Book & Page 778-2036	Zoning Map:	Township: Sauratown
Size (Sq Ft or Acres): 117.66 Acres	Street Frontage (Ft): —	
Location of Property: 0 Ethan Lane, Walnut Cove, NC 27052		
Current Land Use: VACANT		

ZONING REQUEST:

Existing Zoning: M1 CZ	Proposed Use: RA
Purpose of Change: BACK to Forestry	

Name of Agent:	Name of Petitioner(s): Tim and Deborah Mabe
Address:	Address: 1055 Mercedes Ln., Walnut Cove
Phone:	Phone: 336-591-8118
Signature of Agent:	Signature of Petitioner(s) Tim Mabe Deborah M. Mabe

Upon submittal of the petition, all required items much be verified by a Planning & Community Development staff member before an application is considered completed and filed for processing. Incomplete applications are not accepted and will be returned to the petitioner. No applications will be accepted after the closing deadline for each month's cases. Deadline for submittal is the first Monday of each month. There is a limit of 6 cases per month.

FEE DUE UPON SUBMITTAL OF APPLICATION TO THE PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT BY CASH, CREDIT CARD OR CHECK MADE PAYABLE TO STOKES COUNTY INSPECTIONS DEPT.

Meeting Dates:

Planning Board:	Board of Commissioners:

STOKES COUNTY
PLANNING & INSPECTIONS DEPARTMENT

Certification of Property Owner Consent to Down-Zoning

I (we) certify that I am (we are) the owner(s) of the property indicated below:

Owner(s): TIM MABE, DEBORAH MABE

Property Address: 0 ETHAN LN.

Parcel Number (PIN): 6973-51-4188

Deed Book and Page: DB 778, Pg. 2036

I (we) acknowledge that the property described above is the subject of a proposed zoning map amendment (rezoning) that constitutes a down-zoning as defined in G.S. 160D-601(d).

The proposed amendment is generally described below:

Description of Proposed Rezoning: M-1-CZ TO R-A

By signing below, I (we) consent to the initiation, consideration, adoption, and enforcement of the proposed down-zoning amendment described above, pursuant to G.S. 160D-601(d).

Owner Name: Tim Mabe

Owner Signature: Tim Mabe **Date:** 8/19/26

Owner Name: Deborah Mabe

Owner Signature: Deborah Mabe **Date:** 8/19/26

Owner Name: _____

Owner Signature: _____ **Date:** _____

Board of County Commissioners
November 9, 2026

Item number: IX.b

Rezoning Case #26-1007: R-A to H-B (6103 NC Hwy 66, King, NC 27021)

Drafter: Avery Tew

Summary:
Rezoning Case #26-1007: R-A to H-B (6103 NC Hwy 66, King, NC 27021)

The subject property is located at 6103 NC Hwy 66, King, NC 27021 (PIN 6903-74-8571 in Yadkin Township), and comprises 11.03 acres.

This is a request to rezone the subject property from R-A (Residential – Agricultural) to H-B (Highway Business).

This application was submitted in response to a zoning violation case. The property owner is seeking a rezoning to bring an existing landscaping supply and equipment rental business into compliance.

ATTACHMENTS:
Staff Report 26-1007.pdf
PB Minutes 26-1007.pdf
Application 26-1007.pdf

STOKES COUNTY
PLANNING & INSPECTIONS DEPARTMENT

STAFF REPORT: REZONING CASE #26-1007

Property Information

The subject property is located at 6103 NC Hwy 66, King, NC 27021 (PIN 6903-74-8571 in Yadkin Township), and comprises 11.03 acres.

Nature of the Request

This is a request to rezone the subject property from R-A (Residential – Agricultural) to H-B (Highway Business).

This application was submitted in response to an active zoning violation case on the subject property. The property owner is seeking a rezoning to bring the existing business operating on the property into compliance.

District Descriptions (from Stokes County Zoning Ordinance)

> The **R-A (Residential – Agricultural) district** is intended to accommodate crop and livestock production, forestry, as well as scattered non-farm development on traditional rural lots. Site-built, modular, or multi-sectional Class A, and single-wide Class B manufactured dwelling units situated on scattered individual lots and in minor subdivisions shall be the principal residential use permitted provided they meet the required lot and yard size requirements. Any proposal for a major single-family subdivision, manufactured home park or multi-family development shall require a rezoning from the R-A district to an appropriate residential district that will accommodate a more intense use.
>
> The **H-B (Highway Business) district** is established as a district in which the principal use of land is for retail trade establishments and the provision of services to the traveling public.

Character of the Area

The vicinity of the subject property is characterized by a mix of residential, commercial, and agricultural uses.

Existing Land Use(s) on the Property: Landscaping supply sales; agriculture (hay)

Surrounding Uses

North: Residential subdivision

South: Rural residential; agricultural

East: Residential subdivision

West: Rural residential; commercial (gas station)

Historic Properties: There are no sites listed in the National Register of Historic Places located on or adjacent to the subject property.

Infrastructure and Public Facilities

Public Schools: The requested rezoning is not anticipated to have a substantial impact on public school facilities.

Emergency Response: The subject property is approximately 3.1 miles from the nearest fire station.

Water and Sewer: A water line operated by the City of King runs along NC Highway 66. Any proposed connection would be subject to the City's utility connection policy and approval process.

Transportation

Existing Conditions: The North Carolina Department of Transportation (NCDOT) classifies NC Highway 66 as a Minor Arterial. The Federal Highway Administration provides the following description:

> "Minor Arterials provide service for trips of moderate length, serve geographical areas that are smaller than their higher Arterial counterparts, and offer connectivity to the higher Arterial system… Minor Arterials in rural areas are typically designed to provide relatively high overall travel speeds, with minimum interference to through movement."

The Annual Average Daily Traffic (AADT) for NC Highway 66 is 8,057 vehicles per the 2025 NCDOT traffic count.

Proposed Improvements: There are currently no proposed road improvements in the vicinity of the subject property per the NCDOT 2026-2035 State Transportation Improvement Program Map. Development on the subject property is subject to NCDOT's review and permitting process.

Environmental Assessment

Topography: Topography on the subject property is mostly gently sloping, with a small area of strongly sloping to moderately steep land, per the Natural Resources Conservation Service's Web Soil Survey.

Floodplain: There are no regulated floodplains on the subject property per Flood Insurance Rate Map #3710690300J, effective May 16, 2007.

Wetlands: There are no wetlands on the subject property per the National Wetlands Inventory's Wetlands Mapper.

Streams: There are no mapped streams on the subject property per Natural Resources Conservation Service Soil Survey Maps and/or U.S. Geological Survey Topographic Maps.

Watershed: The subject property is not located in a water supply watershed.

Consistency

The requested rezoning is **INCONSISTENT** with the Stokes County 2035 Vision Plan, based on the following:

- The subject property is classified as G-1 (Growth Sector 1 – Low Density Growth Areas) under the Plan's Land Use Transect framework. The H-B zoning district permits a wide range of commercial uses that do not align with the typical land uses envisioned within the G-1 Transect Zone, which are primarily low-density residential development, civic/institutional uses, and limited convenience retail uses.

Reasonableness

The request to rezone the subject property from R-A to H-B is **UNREASONABLE** because the H-B district permits a wide range of commercial uses that would not be compatible with the surrounding residential development, particularly the residential subdivision located to the north and east of the subject property. Additionally, the size of the property proposed to be rezoned (11.03 acres) would enable larger scale commercial development that would be more likely to subject neighboring properties to nuisances.

Staff Recommendation

Staff recommends **DENIAL** of the request.

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STOKES COUNTY PLANNING BOARD
SPECIAL MEETING MINUTES (excerpt)
Commissioners' Chambers
Ronald W. Reagan Memorial Building
1014 Main St, Danbury, NC 27016
October 22, 2026
6:00 p.m.

Members Present: Ronnie Tilley, Chair; Patrick Flinchum; Jaden Hall; Mark Sizemore; Shannon Stanley; Joe Turpin; Jeff Whitaker; Tommy White

Members Absent: Ronnie Morris

Staff Present: Avery Tew, Planning and Inspections Director; Emma Cerow, Planner/Zoning Enforcement Officer

…

Rezoning Case #26-1007: R-A to H-B (6103 NC Hwy 66, King, NC 27021)

Mr. Tew stated that the subject property consists of 11.03 acres located at 6103 NC Highway 66. The applicant is requesting to rezone the property from its current R-A zoning to the H-B (Highway Business) district. The property is also the subject of an active zoning violation case related to the use of the property for various business activities, including landscaping supply sales, fertilizer sales, and equipment rental. The property owner submitted the rezoning request in an attempt to bring the use of the property into compliance.

Chair Tilley asked how long the business had been operating on the property. Mr. Tew responded that he did not know precisely when the business had started, but he thought it was within the past couple years.

Mr. Turpin said he thought the business did not look out of place for the area.

Mr. Tew stated that the vicinity of the subject property consists of a mix of residential, commercial, and agricultural uses. Notably, there is a residential subdivision immediately adjacent to the subject property. Staff considered the request inconsistent with the Stokes County 2035 Vision Plan because many of the uses permitted in the H-B district would not align with the low-density residential development, civic/institutional uses, and limited convenience retail uses envisioned within the property's G-1 land use classification. Staff had discussed the option of a conditional rezoning that might be able to address this by limiting the uses permitted on the property, but the applicant had opted for a conventional rezoning application. Staff also considered the request unreasonable because the H-B district would permit a wide range of commercial uses that would not be compatible with surrounding residential development. Additionally, the size of the subject property would enable larger scale commercial development, which would be more likely to subject neighboring properties to nuisances. Therefore, staff recommended denial of the request.

Chair Tilley asked for confirmation on whether staff had discussed the option of conditional rezoning and the applicant had decided against that option. Mr. Tew responded that he had discussed the various options with the property owner, including conventional and conditional rezoning options. He had pointed out that the conditional zoning option would allow the

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applicant to limit the scope of development and use of the property. The applicant ultimately decided on the conventional rezoning option.

Chair Tilley asked whether staff's concern was that the H-B district would permit uses that would not be compatible with neighboring residential properties. Mr. Tew responded that staff's concern related to the range of uses permitted under the H-B district, as well as the ongoing complaints staff had been receiving about the current use of the property. A conventional rezoning request like the one before the Board could not impose conditions to limit the uses permitted on the property or address the neighbors' concerns about the business, such as proximity to residences or hours of operation.

Mr. Turpin asked whether the Planning Board could make a recommendation that applied conditions to the request. Mr. Tew responded that a conventional rezoning request was a distinct application type from a conditional rezoning request. In other words, conditions could not be added to a conventional rezoning request to make it a conditional rezoning request. In order to request a conditional rezoning, the applicant would need to submit a conditional rezoning application identifying the proposed conditions.

Mr. Whitaker asked about the nature of the complaints staff had received about the property. Mr. Tew responded that the complaints were largely related to heavy equipment being used in close proximity to residences, as well as RVs being occupied near residences. There were also concerns related to noise and vibration from the operation of heavy equipment on the property.

Mr. Sizemore asked whether there had been multiple complaints. Mr. Tew responded that he had received a complaint recently, but he was unsure whether it was from the same person who submitted the original complaint that prompted the zoning enforcement investigation.

Chair Tilley asked whether there was anyone present from the public to speak in favor of or in opposition to the request.

Ms. Ivy Lane, owner of the property at 6081 NC Highway 66, stated that she lives adjacent to the subject property. She was speaking on behalf of Richard Cook, who also resides at 6081 NC Highway 66. They did not approve of the requested rezoning, and their preference was for the subject property to remain zoned R-A and come into compliance with the current zoning regulations. The businesses operating on the property were nuisances, decreased property values in the area, and operated without regard for neighboring properties or zoning regulations.

Ms. Lane and Mr. Cook had bought their home in 2023, at which time the subject property contained only a manufactured home and a metal garage building. Since that time, multiple businesses have been located on the property, and it is now filled with heavy equipment, tractor trailers, dumpsters, bins of rock, gravel, and mulch, and campers for employees to live in. Some of the businesses operating on the property include Camel City Roll Offs (a roll-off dumpster business), Aaron's Trucking (tractor trailers, snow plows, etc.), 66 Tire Shop (installs tires using pneumatic tools), and River Rock Supply House (sells bulk materials and rents heavy equipment). None of these businesses are permitted in the current R-A district.

She said that a year ago, the River Rock Supply House business was started and was placed about 20 feet from the house at 6081 NC Highway 66. Since that time, there has been consistent noise from heavy equipment picking up and dumping bulk orders of rock. A video on the business's Facebook page showed 100 tons of rock being dumped about 20 feet from their house. This creates loud noise and vibrations strong enough to shake their house. They have

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since installed new windows and can still hear the noise constantly, all day long. The business operates as early as 6:30 a.m. and as late as 9:30 p.m.

She had reached out to the owner of the subject property to discuss her concerns, but she was told to mind her own business. She said that since their original complaint to the Planning and Inspections Department, the owner of the subject property had retaliated by releasing chickens into their yard, including roosters that crow all day. She noted that they had a minor child living at their home. The owner of the subject property had also dumped a large amount of chicken manure on the property line, approximately 10 to 15 feet from Ms. Lane's well. The trucks on the property also make constant noise as a result of being left idling and repeatedly picking up and dumping rock, even when there are no customers present.

Ms. Lane reiterated her opposition to the requested rezoning. She thought the property owner should try to bring the property into compliance rather than seeking to rezone it. She stated that most of the neighbors were concerned about the business operations on the property, but they did not want to say anything. She had attempted to approach the property owner nicely, but he responded aggressively. There was an RV located close to her property line where employees had lived for about a year. There was also an inflatable and bounce house rental company that operated out of the property, and chicken eggs were also sold.

Mr. Flinchum asked how close the business was to Ms. Lane's driveway. Ms. Lane responded that it was probably two feet off the property line. She said there was a row of trees planted along the property line, but it was not enough to stop the noise. They could still hear the noise with their doors closed and the television on. She had spoken with other neighbors and they could also hear the noise.

Mr. Turpin asked whether Ms. Lane would be opposed to a conditional rezoning, and what conditions she would like to see applied to the property. Ms. Lane responded that she thought the business would be less of an issue if it was located in the center of the 11-acre property.

Chair Tilley asked whether the business was visible from Ms. Lane's property. Ms. Lane responded that it was.

Ms. Lane stated that she only worked two days a week, and the other days she was at home with her son, who is in high school in a virtual K-12 program. The owner of the subject property dumped 100 tons of rock while her son was trying to take an exam. Mr. Cook had texted the owner of the subject property to relay their concerns and was dismissed. They had experienced cracks in the ceiling and basement walls. They did not know if the cracks were caused by the activity on the subject property, but Ms. Lane said it did not help the situation.

Mr. Turpin moved to recommend denial of Rezoning Case #26-1007, a request to rezone the subject property from R-A to H-B, because the request was inconsistent with the Stokes County 2035 Vision Plan, and the residential area was not suitable for heavy manufacturing or the broad spectrum of uses permitted under the H-B district.

Mr. Sizemore asked whether a conditional rezoning would address the issues raised by Ms. Lane. Mr. Tew responded that the conditions would need to be agreed upon by the property owner and the Board of Commissioners. The Board of Commissioners could not unilaterally impose conditions, but they could make a decision to deny a conditional rezoning request if they found the proposed conditions to be insufficient.

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Mr. Flinchum asked about the required setback for a supply yard. Mr. Tew responded that the H-B district typically had a side setback of 10 feet. Outside storage areas for building supply sales yards were also required to be screened from view from all adjacent residential properties and enclosed with a security fence.

Chair Tilley asked for clarification on what exactly the Planning Board was considering in this case. Mr. Tew responded that the Board was considering only the request to rezone the property to H-B without conditions. The Board could note in their recommendation that the present application does not adequately address concerns about the potential impacts of the uses permitted in the H-B district. However, the property owner would need to request a conditional rezoning before conditions would be formally on the table for consideration.

Chair Tilley asked if there was a second for the motion that had been made previously. Mr. Sizemore asked for clarification on the motion. Mr. Turpin responded that he had made a motion to recommend denial of the request. The motion was seconded by Mr. Sizemore. The Board voted unanimously, 8–0, in favor of the motion.

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STOKES COUNTY
PLANNING & INSPECTIONS DEPARTMENT

REZONING APPLICATION

For Office Use Only:

Case # 26-1007 Date Filed 10/7/26 Received By AT

Property Information

Property Address(es) 6103 NC HWY 66

Property PIN #(s) 6903 - 74 - 8571

Deed Book and Page Reference(s) 699 pg 945

Property Acreage (or square footage if less than one acre) 11.03

Zoning Information

Existing Zoning District RA Requested Zoning District HB

Check One:

- [x] The request is to rezone an entire parcel or parcels.
- [ ] The request is to rezone a portion of a parcel or parcels. (Legal description is required.)

Owner/Applicant Certification

I (we) hereby certify that the information provided is complete and accurate to the best of my (our) knowledge, and consent to the proposed rezoning described in this application.

Kenneth Gaddy
Property Owner Signature

Applicant/Representative Signature (if applicable)

KENNETH GADDY
Name

Name

6103 NC 66 Hwy S
Mailing Address

Mailing Address

KING NC 27021
City, State, Zip Code

City, State, Zip Code

336 - 979-4406
Phone Number

Phone Number

gaddyKaaron@gmail.com
Email Address

Email Address

Revised 08/24/2026

Board of County Commissioners
November 9, 2026

Item number: IX.c

Rezoning Case #26-1020: R-A and H-B-CZ to H-B (1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052)

Drafter: Avery Tew

Summary:
Rezoning Case #26-1020: R-A and H-B-CZ to H-B (1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052)

The subject property is located at 1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052 (PIN 6955-16-7445 in Meadows Township), and comprises 9.6 acres.

This is a request to rezone the subject property from R-A (Residential – Agricultural) and H-B-CZ (Highway Business – Conditional Zoning) to H-B (Highway Business).

The existing H-B-CZ zoning is subject to the following conditions:

Permitted Uses: Commercial/Private Outdoor Kennel – Humane Animal Shelter

ATTACHMENTS:
Staff Report 26-1020.pdf
PB Minutes 26-1020.pdf
Application 26-1020.pdf

STOKES COUNTY
PLANNING & INSPECTIONS DEPARTMENT

STAFF REPORT: REZONING CASE #26-1020

Property Information

The subject property is located at 1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052 (PIN 6955-16-7445 in Meadows Township), and comprises 9.60 acres.

Nature of the Request

This is a request to rezone the subject property from split-zoned R-A (Residential – Agricultural) (approximately 9.12 acres) and H-B-CZ (Highway Business – Conditional Zoning) (approximately 0.48 acres) to H-B (Highway Business).

The existing H-B-CZ district is subject to the following conditions:

Permitted Uses: Commercial/Private Outdoor Kennel – Humane Animal Shelter

District Descriptions (from Stokes County Zoning Ordinance)

The **R-A (Residential – Agricultural) district** is intended to accommodate crop and livestock production, forestry, as well as scattered non-farm development on traditional rural lots. Site-built, modular, or multi-sectional Class A, and single-wide Class B manufactured dwelling units situated on scattered individual lots and in minor subdivisions shall be the principal residential use permitted provided they meet the required lot and yard size requirements. Any proposal for a major single-family subdivision, manufactured home park or multi-family development shall require a rezoning from the R-A district to an appropriate residential district that will accommodate a more intense use.

The **H-B (Highway Business) district** is established as a district in which the principal use of land is for retail trade establishments and the provision of services to the traveling public.

Character of the Area

The vicinity of the subject property is characterized by a mix of residential, commercial, industrial, and institutional uses.

Existing Land Use(s) on the Property: Old prison building to be renovated into Stokes County Animal Shelter; Friends of the Stokes Shelter (FOSS) animal adoption center

Surrounding Uses

- North: Residential and institutional (Stokes Early College / Forsyth Tech Stokes County Center)
- South: Retail and self-storage uses zoned H-B

- East: Residential across Dodgetown Road
- West: Industrial (North Carolina Department of Transportation maintenance yard)

Historic Properties: There are no sites listed in the National Register of Historic Places located on or adjacent to the subject property.

Infrastructure and Public Facilities

Public Schools: The requested rezoning is not anticipated to have a substantial impact on public school facilities.

Emergency Response: The subject property is approximately 3.1 miles from the nearest fire station.

Water and Sewer: The property is served by public utilities through the Stokes County Water and Sewer Authority.

Transportation

Existing Conditions: The North Carolina Department of Transportation (NCDOT) classifies Dodgetown Road as a Minor Collector. The Federal Highway Administration provides the following description:

> "In the rural environment, Collectors generally serve primarily intra-county travel (rather than statewide) and constitute those routes on which … predominant travel distances are shorter [and] more moderate speeds may be posted. … [Minor Collectors in rural areas] provide service to smaller communities not served by a higher-class [road]."

The Annual Average Daily Traffic (AADT) for Dodgetown Road is 2,113 vehicles per the 2026 NCDOT traffic count.

Proposed Improvements: There are currently no proposed road improvements in the vicinity of the subject property per the NCDOT 2026-2035 State Transportation Improvement Program Map. Development on the subject property is subject to NCDOT's review and permitting process.

Environmental Assessment

Topography: Topography on the subject property ranges from gently sloping to strongly sloping per the Natural Resources Conservation Service's Web Soil Survey.

Floodplain: There are no regulated floodplains on the subject property per Flood Insurance Rate Map #3710694400J, effective May 16, 2007.

Wetlands: There are no wetlands on the subject property per the National Wetlands Inventory's Wetlands Mapper.

Streams: There are no mapped streams on the subject property per Natural Resources Conservation Service Soil Survey Maps and/or U.S. Geological Survey Topographic Maps.

Watershed: The subject property is not located in a water supply watershed.

Consistency

The requested rezoning is **CONSISTENT** with the Stokes County 2035 Vision Plan, based on the following:

- The subject property is classified as G-2 (Growth Sector 2 – Controlled Growth Areas) under the Plan's Land Use Transect framework. The uses permitted in the H-B zoning district align with the typical land uses envisioned within the G-2 Transect Zone, which include mixed use development, as well as commercial, civic, and light industrial uses.
- G-2 Policy 2.0 states, "Provide for neighborhood-scale commercial uses (retail and office) that appropriately serve nearby residential areas and emphasize pedestrian use." The proposed H-B district aligns with this policy because it permits both retail and office uses.

Reasonableness

The request to rezone the subject property from split-zoned R-A and H-B-CZ to H-B is **REASONABLE** because the surrounding area exhibits a pattern of substantial commercial, industrial, and institutional development. The requested rezoning would permit commercial and institutional uses that have the potential to benefit the surrounding community by providing essential services. The proposed rezoning would also align the permitted uses on the property with the uses permitted on the H-B-zoned properties located directly to the south and in the general area. Furthermore, many of the uses permitted in the proposed H-B district would be less intense than the kennel permitted under the property's existing H-B-CZ zoning.

Staff Recommendation

Staff recommends **APPROVAL** of the request.

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STOKES COUNTY PLANNING BOARD
SPECIAL MEETING MINUTES (excerpt)
Commissioners' Chambers
Ronald W. Reagan Memorial Building
1014 Main St, Danbury, NC 27016
October 22, 2026
6:00 p.m.

Members Present: Ronnie Tilley, Chair; Patrick Flinchum; Jaden Hall; Mark Sizemore; Shannon Stanley; Joe Turpin; Jeff Whitaker; Tommy White

Members Absent: Ronnie Morris

Staff Present: Avery Tew, Planning and Inspections Director; Emma Cerow, Planner/Zoning Enforcement Officer

…

Rezoning Case #26-1020: R-A and H-B-CZ to H-B (1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052)

Mr. Tew stated that the subject property consists of 9.60 acres located at 1075 and 1111 Dodgetown Road. The subject property is owned by Stokes County, and the County was seeking to rezone the property from split-zoned R-A and H-B-CZ (Highway Business – Conditional Zoning) to H-B. Approximately 0.48 acres of the property is currently zoned H-B-CZ and the remaining approximately 9.12 acres is zoned R-A. The existing H-B-CZ zoning is limited to use as an animal shelter. Currently, the Friends of the Stokes Shelter Animal Adoption Center operates within the H-B-CZ area. The R-A portion of the property contains an old prison facility, which the County plans to redevelop into an animal shelter.

The surrounding area consists of a mix of different use types, including residential, institutional/civic, and commercial uses. Early College and the Forsyth Tech Stokes Center are located to the north of the subject property, and an NCDOT maintenance yard is located immediately to the west. To the south lie a Dollar General and a self-storage facility on H-B-zoned properties. Several other H-B-zoned properties are located farther south.

Staff considers the request consistent with the Stokes County 2035 Vision Plan because the uses permitted in the H-B district align with those envisioned within the G-2 (Growth Sector 2 – Controlled Growth Areas) land use classification, which include mixed use development, as well as commercial, civic, and light industrial uses. The request is also consistent with G-2 Policy 2.0, which states, "Provide for neighborhood-scale commercial uses (retail and office) that appropriately serve nearby residential areas and emphasize pedestrian use," as the H-B district permits both retail and office uses. Furthermore, staff considers the request reasonable because the uses permitted in the H-B district would be compatible with the pattern of development in the surrounding area, which includes commercial, industrial, and institutional uses. The H-B district would also align the permitted uses on the property with those permitted on the H-B-zoned properties located immediately to the south. Many of the uses permitted in the H-B district would be equally or less intensive than the animal shelter facility that is already permitted within the H-B-CZ-zoned portion of the property. Therefore, staff recommends approval of the request.

Mr. White asked whether the property had always been zoned R-A. Mr. Tew responded that he thought the property was zoned R-A when the County applied initial zoning in 1983.

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There was no one present to speak in favor or in opposition to the request.

Mr. Whitaker moved to recommend approval of Rezoning Case #26-1020, a request to rezone the subject property from R-A and H-B-CZ to H-B. The request is consistent with the Stokes County 2035 Vision Plan because the subject property is classified as G-2 under the Plan's land use transect methodology. The uses permitted in the H-B district would align with the typical land uses envisioned within the G-2 Transect Zone, including mixed use development, as well as commercial, civic, and light industrial uses. The request is also reasonable because the surrounding area exhibits a pattern of substantial commercial, industrial, and institutional development. The motion was seconded by Mr. Sizemore. The Board voted unanimously, 8–0, in favor of the motion.

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STOKES COUNTY
PLANNING & INSPECTIONS DEPARTMENT

REZONING APPLICATION

For Office Use Only:

Case # 26-1020 Date Filed 10/13/2026 Received By AT

Property Information

Property Address(es) 1075 & 1111 Dodgetown Rd, Walnut Cove, NC 27052

Property PIN #(s) 6955-16-7445

Deed Book and Page Reference(s) DB 700, Pg 564

Property Acreage (or square footage if less than one acre) 9.6 acres

Zoning Information

Existing Zoning District R-A and H-B-CZ Requested Zoning District H-B

Check One:

- [X] The request is to rezone an entire parcel or parcels.
- [ ] The request is to rezone a portion of a parcel or parcels. (Legal description is required.)

Owner/Applicant Certification

I (we) hereby certify that the information provided is complete and accurate to the best of my (our) knowledge, and consent to the proposed rezoning described in this application.

Property Owner Signature	Applicant/Representative Signature (if applicable)
County of Stokes, Jeff Sanborn	
Name	Name
PO Box 98	
Mailing Address	Mailing Address
Danbury, NC 27016	
City, State, Zip Code	City, State, Zip Code
336-593-2448	
Phone Number	Phone Number
jsanborn@co.stokes.nc.us	
Email Address	Email Address

Revised 08/24/2026

Board of County Commissioners
November 9, 2026

Item number: IX.d

TEFRA Request Hearing

Drafter: Olivia Jessup

Summary:
Dr. Lindsey Duch is the President of Coastal Affordable Senior Housing Foundation (CASHF), a North Carolina nonprofit organization formed to preserve and operate senior-living communities for the benefit of older adults, including residents with limited incomes. CASHF is preparing to acquire the real estate and operating assets, one of which are located within Stokes County.
Federal tax law requires a local public hearing and approval—commonly called a “TEFRA approval”—from an eligible governmental unit where the project is located.

This is a limited federal tax-law approval. CASHF is not asking the County to issue the bonds, provide funding, guarantee repayment, pledge its taxing authority, or assume any financial or operational responsibility for the project. The bonds will be payable solely from the nonprofit borrower’s revenues and collateral. The approval also does not replace any applicable licensing, zoning, permitting, or regulatory requirements.

A detailed explanatory memorandum from Dr. Duch and resolution is attached.

ATTACHMENTS:
Explanatory Memo
Stokes County TEFRA Resolution â€“ Rose Tara Senior Living

MEMORANDUM

To: Stokes County Board of Commissioners

From: Coastal Affordable Senior Housing Foundation, Inc.

Date: October 29, 2026

Re: **Request to Conduct a Public Hearing and Adopt an Approval Resolution for the Bond Financing of Rose Tara Senior Living**

Coastal Affordable Senior Housing Foundation, Inc. ("CASHF") respectfully asks the Stokes County Board of Commissioners to conduct a public hearing and adopt a resolution approving the proposed tax-exempt bond financing, solely for purposes of Section 147(f) of the Internal Revenue Code, as it relates to the projects located in Stokes County. This memorandum explains the limited action requested and confirms that the County will not issue, repay, or guarantee the bonds. This memo covers what the County is being asked to do, and just as importantly, what it is not being asked to do.

Who We Are and What We Are Doing

CASHF is a North Carolina nonprofit corporation. CASHF is buying several senior living communities across North Carolina. One such project, Rose Tara Senior Living, 125 Plantation Dr, King; to serve senior residents in the county providing care and housing to those in need, both in assisted living.

How CASHF Is Paying for the Purchase

CASHF is borrowing money to help pay for these communities. It plans to borrow the money through bonds. A bond works much like a loan: investors provide money up front, and CASHF pays it back over time, with interest, like a mortgage.

Because CASHF is a nonprofit that serves seniors, federal tax law allows the interest on these bonds to be exempt from federal income tax. That tax break lowers CASHF's borrowing costs, which helps keep the communities financially healthy and helps keep care affordable for residents.

CASHF intends to finance a portion of the acquisition and related costs through one or more series of revenue bonds in an aggregate principal amount not to exceed **$70 Million**. These amounts are ceilings for public-approval purposes and do not represent a commitment that the full amount will be spent on any project.

Why We Need the County's Help

Federal tax law, IRS code (Section 147(f), will not allow this kind of tax-exempt bond to be issued unless two things happen first: a public hearing, and approval by an elected official or body with authority over the area where the project is located.

This requirement exists so that residents of the community where the project is located get a chance to learn about it and share their views, and so that a local elected government confirms it is aware of the project. It is a federal tax law requirement. The County's action is a limited federal tax-law approval; it is not a request for the County to evaluate or endorse the business of the project.

The bonds will actually be issued by the Public Finance Authority, a public financing agency organized in Wisconsin that regularly issues tax-exempt bonds for nonprofit projects across the country, including many projects in North Carolina. Stokes County is not being asked to issue any bonds itself.

What the County Is Being Asked to Do

We are asking the County to do two things. First, hold a public hearing to give County residents a chance to comment on the project. Second, after the hearing, adopt a resolution in support of the bond financing, to the extent it relates to the project identified above.

What the County Is Not Being Asked to Do

Approving the resolution will not cost the County any money. The County is not borrowing money, is not lending money, and is not guaranteeing repayment of the bonds. If CASHF cannot repay the bonds, the County has no financial responsibility for that debt.

The County's approval is also limited to the projects identified above. It does not apply to, and does not express any view on, the other communities in the portfolio, which are located elsewhere in North Carolina and are subject to their own separate approval processes.

Next Steps

We respectfully ask that the Council place this matter on the agenda for the November meeting, or whatever date works best for the Council's calendar. To use the federal seven-day notice safe harbor, the public-hearing notice should be posted no later than seven days prior to scheduled agenda, earlier posting is preferable. We respectfully ask the County to place the hearing and approval resolution on the earliest later meeting that accommodates the County's procedures and a compliant notice period.

CASHF and its bond counsel will provide a publication-ready public notice, proposed resolution, and any additional information requested by County staff or counsel.

Questions

If you have any questions about this request, please contact:

Dr. Lindsey Duch, President, Coastal Affordable Senior Housing, 828.851.0777, lduch@algsenior.com

Ray Jones or Ryan Romano, bond counsel to CASHF in this financing, at Parker Poe Adams & Bernstein LLP, telephone 704-372-9000, email rayjones@parkerpoe.com or ryanromano@parkerpoe.com.

RESOLUTION NO. [2026-__]

RESOLUTION OF THE BOARD OF COMMISSIONERS OF STOKES COUNTY, NORTH CAROLINA, APPROVING, SOLELY FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, SECTION 66.0304(11)(a) OF THE WISCONSIN STATUTES, AND SECTION 4 OF THE PUBLIC FINANCE AUTHORITY JOINT EXERCISE AGREEMENT, THE ISSUANCE BY THE PUBLIC FINANCE AUTHORITY OF REVENUE BONDS TO FINANCE THE ACQUISITION OF ROSE TARA SENIOR LIVING

WHEREAS, the Public Finance Authority (the "Authority"), a commission organized under and pursuant to Sections 66.0301, 66.0303, and 66.0304 of the Wisconsin Statutes, proposes to issue its Retirement Facilities Revenue Bonds (Coastal Affordable Senior Housing Foundation Portfolio), Series 2026, in one or more series, in an aggregate principal amount not to exceed $70,000,000 (the "Bonds"); and

WHEREAS, the Authority will loan the proceeds of the Bonds to Coastal Affordable Senior Housing Foundation Holdco I LLC, a North Carolina limited liability company (the "Borrower"), whose sole member is Coastal Affordable Senior Housing Foundation, Inc., a North Carolina nonprofit corporation described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), to finance the Borrower's acquisition of a portfolio of six assisted living, memory care, and independent living communities located in North Carolina (collectively, the "Portfolio"), to fund a debt service reserve fund, an operating reserve fund, and a liquidity support fund for the Portfolio, and to pay costs of issuing the Bonds; and

WHEREAS, one of the assisted living, memory care, and independent living communities comprising the Portfolio is Rose Tara Senior Living, located at 125 Plantation Drive, King, North Carolina 27021, within Stokes County (the "Project"), which is or will be owned and operated by the Borrower or by a single-member limited liability company of which the Borrower is the sole member; and

WHEREAS, not more than $15,000,000 of the Bonds is allocable to the financing of the acquisition of the Project, and the Bonds are intended to constitute "qualified 501(c)(3) bonds" within the meaning of Section 145(a) of the Code; and

WHEREAS, Section 147(f) of the Code requires, among other things, that the issuance of the Bonds be approved, following a public hearing held after reasonable public notice, by an applicable elected representative of each governmental unit having jurisdiction over the area in which the Project is located, except that if more than one governmental unit within a State has jurisdiction over the entire area in which the Project is located, only one such unit need approve; and

WHEREAS, Section 66.0304(11)(a) of the Wisconsin Statutes provides that the Authority may not issue bonds to finance a capital improvement project outside Wisconsin unless a political

subdivision within whose boundaries the project is to be located has approved the financing of the project, and permits that approval to be given by the governing body of the political subdivision, and Section 4 of the Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated as of September 28, 2010 (the "Joint Exercise Agreement"), likewise requires that approval before the Authority issues bonds; and

WHEREAS, the Board of Commissioners of Stokes County (the "Board") is the elected legislative body of Stokes County, North Carolina (the "County"), and the Project is located within the geographic jurisdiction of the County; and

WHEREAS, notice of a public hearing regarding the Bonds and the Project, stating the time and place of the hearing, was given on November 2, 2026, at least seven days before the hearing, by posting on the County's primary public website in the area used to inform residents of public meetings, in accordance with Treasury Regulations Section 1.147(f)-1(d), and was also posted on that date on the principal bulletin board of the Board; and

WHEREAS, on November 9, 2026, at 6:00 p.m. in the Stokes County Commissioners Chambers, Ronald Wilson Reagan Memorial Building (County Administration Building), 1014 Main Street, Danbury, North Carolina, during a regular meeting of the Board held and noticed in accordance with the North Carolina Open Meetings Law, Article 33C of Chapter 143 of the North Carolina General Statutes, the Board held the public hearing, at which all persons wishing to express their views on the issuance of the Bonds and the financing of the Project were given a reasonable opportunity to be heard, orally or in writing, and [__ persons spoke and __ written comments were received], and the Board has considered the comments received, if any; and

WHEREAS, the Borrower has represented to the County that the Bonds will be special, limited obligations of the Authority payable solely from payments made by the Borrower and from funds and accounts established under the bond documents; and

WHEREAS, Section 159-153 of the North Carolina General Statutes requires approval of the Local Government Commission before a county may incur indebtedness, enter into a similar financing arrangement, or approve or otherwise participate in the incurrence of indebtedness or a similar financing arrangement by another party on its behalf, and the Bonds are not being issued by or on behalf of the County; and

WHEREAS, the Board wishes to provide the approval requested by the Borrower, subject to the limitations set forth in this resolution;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Stokes County, North Carolina, as follows:

Section 1. Approval. Solely for purposes of Section 147(f) of the Code, Section 66.0304(11)(a) of the Wisconsin Statutes, and Section 4 of the Joint Exercise Agreement, the Board, as the

applicable elected representative and governing body of the County, approves (a) the issuance of the Bonds by the Authority, as qualified 501(c)(3) bonds within the meaning of Section 145 of the Code, in an aggregate principal amount not to exceed $70,000,000, of which not more than $15,000,000 is allocable to the financing of the acquisition of the Project, as stated in the notice of public hearing attached as Exhibit A, and (b) the financing of the Project with proceeds of the Bonds. The Project is the assisted living and memory care community known as Rose Tara Senior Living, located at 125 Plantation Drive, King, North Carolina 27021, to be owned by the Borrower or by a single-member limited liability company of which the Borrower is the sole member, the sole member of the Borrower being Coastal Affordable Senior Housing Foundation, Inc. This approval extends only to the Project located in Stokes County and to the portion of the Bonds allocable to the Project, and does not constitute host approval of any other community in the Portfolio.

Section 2. No County Obligation. The Bonds are not being issued by or on behalf of the County. By adopting this resolution, the County is not incurring indebtedness, entering into a financing arrangement, or approving or participating in the incurrence of indebtedness or a financing arrangement by another party on its behalf, within the meaning of Section 159-153 of the North Carolina General Statutes. The Bonds shall not constitute a debt, liability, or obligation of the County, and neither the faith and credit nor the taxing power of the County is or shall be pledged to the payment of the Bonds. The County shall have no obligation to issue, repay, guarantee, or otherwise support the Bonds, and assumes no financial responsibility for the Bonds by adopting this resolution. No property, revenues, funds, taxing power, or other assets of the County are pledged or committed to payment of the Bonds or to any other obligation relating to the financing. The County is not a borrower, guarantor, obligor, sponsor, or member of the Authority by virtue of this resolution.

Section 3. No Endorsement or Other Approval. The approval in Section 1 is given only to satisfy the requirements of Section 147(f) of the Code, Section 66.0304(11)(a) of the Wisconsin Statutes, and Section 4 of the Joint Exercise Agreement. It does not constitute an endorsement of the Bonds, the Borrower, Coastal Affordable Senior Housing Foundation, Inc., or any manager or operator of the Project, or a representation, warranty, or finding by the County concerning the creditworthiness of the Borrower, the feasibility of the financing, the price or terms of the acquisition, the tax status of the Bonds, or the investment merits of the Bonds. The County has not approved and assumes no responsibility for any offering document, bond document, repayment obligation, disclosure obligation, or post-issuance tax-compliance undertaking. Nothing in this resolution approves or waives any zoning, land-use, building, licensing, health, environmental, or other governmental requirement or approval. The County has made no independent investigation of these matters and makes no representation to any purchaser or holder of the Bonds.

Section 4. Reliance; No Further Duties. The County has relied on information provided by the Borrower and its counsel in adopting this resolution. Nothing in this resolution obligates the County or any County official to take any further action.

Section 5. Limited Authorization. The Chair and the Clerk to the Board are authorized solely to execute and attest this resolution and to certify and deliver true copies of this resolution, the notice of public hearing, evidence of its posting, and the record of the hearing and the Board's action. This authority is ministerial only. No officer or employee of the County is authorized to change the amount, ownership description, location, functional use, or scope of the Project approved by the Board, to execute any financing or offering document, or to undertake any payment, indemnification, guarantee, disclosure, tax-compliance, or other contractual obligation on behalf of the County.

Section 6. Effective Date. This resolution is effective upon its adoption. The approval granted by this resolution applies only to Bonds issued within one year after the date of its adoption and only within the amounts and Project scope expressly approved in this resolution.

Adopted this 9th day of November, 2026.

BOARD OF COMMISSIONERS OF STOKES COUNTY, NORTH CAROLINA

_____

Wayne Barneycastle
Chair

ATTEST:

_____

Olivia Jessup
Clerk to the Board

CERTIFICATE OF CLERK

I, Olivia Jessup, Clerk to the Board of Commissioners of Stokes County, North Carolina, certify as follows:

1. The foregoing is a true and correct copy of a resolution adopted by the Board of Commissioners of Stokes County at a regular meeting held on November 9, 2026, called, noticed, and held in accordance with Article 33C of Chapter 143 of the North Carolina General Statutes. A quorum was present when the Board acted, and the public hearing described in the resolution was held before the resolution was adopted.

2. The resolution was adopted by the following vote: Ayes: [__]; Noes: [__]; Excused from voting: [__]; Absent: [__]. The names of the members in each category, the motion, and the action taken are recorded in the official minutes of the meeting.

3. Notice of the public hearing described in the resolution was given on November 2, 2026, by posting on the County's primary public website in the area used to inform residents of public meetings and on the principal bulletin board of the Board, and a true copy of the notice exactly as posted, together with evidence of its posting, is attached as Exhibit A.

4. The public hearing was held on November 9, 2026, at 6:00 p.m. in the Stokes County Commissioners Chambers, Ronald Wilson Reagan Memorial Building (County Administration Building), 1014 Main Street, Danbury, North Carolina, and the resolution has not been modified, amended, or repealed and remains in full force and effect.

WITNESS my hand and the seal of Stokes County, North Carolina, this 9th day of November 2026.

_____

Olivia Jessup
Clerk to the Board

[SEAL]

EXHIBIT A

NOTICE OF PUBLIC HEARING AS POSTED NOVEMBER 2, 2026

Attached are true copies of the notice of public hearing exactly as posted on November 2, 2026.

[ATTACH POSTED NOTICE AND EVIDENCE OF POSTING]

Board of County Commissioners
November 9, 2026

Item number: IX.e

Project Delta - Development Agreement

Drafter: Bryan Miller

Summary:
This is a legislative public hearing on a proposed development agreement for Project Delta. The agreement is between Stokes County, ELSDCSP2, LLC, and DFC Stokes, LLC and DFC Stokes 2, LLC. It covers about 1,849 acres that were rezoned to M-2-CZ on September 14. Under Chapter 160D, it would lock in the rules that apply to the property for 15 years. Notice was mailed and posted on October 28.

ATTACHMENTS:
10.28.2026 ELSDCSP2_ DFC_Stokes -Development Agreement.pdf
Staff Report Project Delta Development Agreement.pdf
Project Delta Development Agreement â€" Public Hearing Binder (Written Comments).pdf

DEVELOPMENT AGREEMENT

BETWEEN

ELSDCSP2, LLC, DFC STOKES, LLC, AND DFC STOKES 2, LLC

AND

STOKES COUNTY, NORTH CAROLINA

Prepared by and Return to:
Thomas E. Terrell, Jr.
Fox Rothschild LLP
230 N. Elm Street, Suite 1200
Greensboro, N.C. 27401

STATE OF NORTH CAROLINA)
)
COUNTY OF STOKES)

DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") is entered into and considered executed on this _____ day of November, 2026 (the "Effective Date") pursuant to North Carolina General Statutes § 160D Article 10 between the Stokes County ("County"), and developer ELSDCSP2, LLC ("Developer") and landowners DFC Stokes, LLC and DFC Stokes 2, LLC ("Landowner") (collectively, the "Parties") for the development of data centers (the "Project") on four tax parcels (the "Property"), in consideration of the mutual promises made herein and upon the following terms:

ARTICLE I.
LEGAL FRAMEWORK, BACKGROUND, AND PURPOSE

1.1 North Carolina General Statutes § 160D-1001 through § 160D-1012 (the "Act"), enables local governments to enter into binding development agreements with entities intending to develop real property under certain conditions set forth in the Act. Among other things, the Act provides

assurance to private parties that the laws in effect at the time of Agreement adoption are not changed while projects are in development and financing phases; enable private parties to risk greater capital investment; and create frameworks for cooperation among local governments and developers for effective management of large-scale, multi-year projects.

1.2 Adoption. This Agreement is entered into and adopted, making this Agreement legally binding and enforceable by its terms and by powers vested in the County by statute. In addition to the force of law conferred upon this Agreement by its adoption and N.C. Gen Stat. Chapter 160D, the terms of this Agreement also are contractual in nature and a significant inducement and consideration for both Parties to enter into this Agreement and may be enforced as contractual terms. The approval of this Agreement constitutes a legislative act of the County.

1.3 Benefits to County. This Agreement, among other things, furthers the County's goals as expressed in the Comprehensive Plan. For purposes of this Agreement, the consistency statement adopted by the Board for the underlying zoning map amendment for the Property is incorporated by reference and constitutes the County's consideration of this Agreement's consistency with the County's comprehensive plan. The County will also benefit from this Agreement because, among other things, this Agreement will create a clearer path forward for a project that may substantially increase the tax base and provide numerous high paying jobs. Regarding enhancement to the County's tax base, the Developer presented the County with a projection of property tax income at full buildout equal to $40 million at the current tax rate, which may result in annual payments that may double the county's annual property tax income. The projection was based upon the taxes annually paid by three comparable data centers that have existed for several years, with that information extrapolated to account for the size and acreage of this project. The county found this study to be reasonable and reliable.

1.4 Benefits to Landowner and Developer. Developer and Landowner will benefit from this Agreement because, among other things, this Agreement provides for certainty and clarity as to the regulations to be applied to the Property (as defined below) through the term of this Agreement. As appropriate to context, Developer may be named in certain provisions of this Agreement relating strictly to development. To the extent the Agreement provision implicates the owner of the land, Landowner, shall be named as the relevant party. Both Developer and Landowner shall be named where the distinction between landowner and developer is not relevant to context.

1.5 Public Notice and Public Hearing. Pursuant to N.C. Gen. Stat. § 160D-1005, the Board of Commissioners conducted a public hearing regarding this Agreement on November _____, 2026. The notice of public hearing specified, among other things, the location of the Property subject to this Agreement, the development uses proposed for the Property, and a place where a copy of the proposed Agreement could be obtained. The initial draft of this Agreement was available for public inspection at County offices.

1.6 Terms. Terms not otherwise defined in this Agreement shall have the meanings set forth in the Stokes County Zoning Ordinance.

ARTICLE II.
LAND GOVERNED BY AGREEMENT

2.1 The Property encompasses approximately 1,848 acres over four tax parcels owned by DFC Stokes, LLC and DFC Stokes 2, LLC. The tax parcel PINs, approximate acreage, and ownership of each parcel are listed below and are shown on a map attached as Exhibit A. A metes and bounds description of the Property is attached as Exhibit B.

PIN 6964-91-8321 1,062.602 acres
PIN 6973-49-0574 3.831 acres
PIN 6973-76-7124 248.084 acres
PIN 6973-73-4188 534.224 acres

2.2 ELSDCSP2, LLC, the Developer, is a wholly owned subsidiary of Engineered Land Solutions, LLC, that has a contractual financial interest in the Project and is authorized by the Landowner to undertake development of the Property.

ARTICLE III.
ZONING APPROVALS, VESTING,
LAWS GOVERNING DEVELOPMENT OF THE PROJECT

3.1 Map Amendment and Zoning Conditions. On September 14, 2026, the County enacted an ordinance approving a zoning map amendment for the Properties (the "Map Amendment"), rezoning each tract from R-A to M-2-CZ. The zoning conditions adopted with the Map Amendment are affirmed by this agreement and are not altered, diminished, or otherwise affected.

3.2 Vested Rights. Pursuant to N.C. Gen. Stat. § 160D-1007, Developer and Landowner, and their assigns, successors in interest, and successors in title shall be vested under the laws that exist on the date of the adoption of this Agreement and the County may not enact subsequently adopted ordinances or development policies to the Property while the Property is protected during the vesting period described in this Agreement. In the event that a moratorium is enacted at a future date related to data centers, the Property and the Project shall not be affected and shall be deemed to be vested under current laws.

3.3 Zoning Ordinance, Policies, and Other Laws. The County's current zoning ordinance and all County standards and policies are listed by title and date of adoption on Exhibit C attached. Other laws applicable to the Project include the adopted Map Amendment and its conditions. Any covenants and restrictions enacted as part of a Property Owners' Association are not part of or affected by this Agreement.

3.4 Permits. Permits issued by the County, the State of North Carolina or the United States exist as to term and validity pursuant to the terms of the permit and underlying general statutes and federal codes. Permits referenced in this paragraph do not establish vested rights except as to common law application. Nothing in this Section limits or waives any vested right arising under G.S. 160D-108, 160D-108.1, or 143-755, which are in addition to the vested rights established by this Agreement.

3.5 Consent Required. Except as expressly provided in N.C. Gen. Stat. §§ 160D-108(c) or 160D-108.1(f), no changes, amendments, alterations, expansions, enhancements, or application of newly County-enacted laws, policies, or regulations shall apply to the Project without the written consent of the Developer and Landowner as provided in N.C. Gen. Stat. § 143-755.

3.6 Change in State or Federal Law. As provided in N.C. Gen. Stat. § 160D-1007(c), in the event State or federal law is changed after this Agreement has been entered into and the change prevents or precludes compliance with one or more provisions of this Agreement, the Parties may modify the affected provisions, upon a finding that the change in State or federal law has a fundamental effect on the Agreement. To the extent that a change in State or federal law has a fundamental effect on the Agreement to the detriment of Developer and Landowner and amendment of this Agreement is not prohibited by law, the County agrees that its consent to amendment shall not be unreasonably or capriciously withheld.

3.7 Nonconformities. No nonconformities have been or will be created by the adoption of this Agreement.

3.8 Existing Laws Retained. The Existing Laws shall be kept in a permanent file in the Stokes County Planning Department clearly marked "PERMANENT COUNTY RECORDS – DO NOT DISCARD OR AMEND." These documents govern the development of Project Delta (Data Center).

3.9 Interpretation. All Laws shall be interpreted as though the Parties intended consistent interpretation and application and shall be read for consistent interpretation and application. To the extent allowed under North Carolina law, the terms and conditions of this Agreement shall control. Where there is a discrepancy in interpretation or application, the Zoning Ordinance that existed on the date of this Agreement's adoption shall be considered the controlling ordinance. If a provision in the Zoning Ordinance that existed on the date of this Agreement's adoption is ambiguous as to how it is applied to this Project, then this Agreement shall be considered first as the County's official interpretation of that provision and secondarily as an expression of the County's intent. To the extent there is an ambiguity in terms or meaning not resolved by the above-listed canons of construction, then the ambiguity shall follow the rule at common law that ambiguities shall be interpreted to favor the free use of land.

ARTICLE IV.
TRANSPORTATION

4.1 Road Upgrades. The Developer shall make all upgrades to adjoining roads as required by NCDOT as part of NCDOT's driveway permit review process.

ARTICLE V.
ENVIRONMENTAL PROTECTIONS

5.1 Stormwater Management. Stormwater control measures shall be designed and constructed in accordance with all applicable laws and regulatory requirements based on site-specific engineering plans for each building site.

5.2 Compliance with permits. The Developer shall hire a qualified engineering firm to monitor compliance with all environmental permits, including stormwater control devices, and to oversee the implementation of best practices in stormwater management and control. Monitoring reports prepared shall be provided to the County upon request.

5.3 Permitting. The Developer shall timely provide or make accessible to the County copies of all state and federal permits, including stormwater, wetlands, sedimentation and erosion control, stream permitting, air quality, or other environmental permitting required by law.

5.4 Floodplain. For each phase of development, the floodplain area as depicted in Exhibit A and described in the conditions of the Map Amendment, shall be monitored quarterly beginning upon the first land-disturbing activity and continuing until final stabilization of that phase. Monitoring shall be performed by a qualified engineer to ensure compliance with all protections required by the Map Amendment for such area. Quarterly monitoring shall be required only during active development of a phase and shall not be required before commencement of a phase or between phases, except as otherwise required by applicable law, permits, or regulatory approvals.

5.5 Effect. The County agrees that the Developer and Landowner have offered environmental protection measures that exceed the requirements set forth under the County's regulations and reflect a commitment to environmental stewardship and the preservation of the County's natural resources.

ARTICLE VI.
TERM

6.1. Term. Unless and until modified by the Parties, the term of this Agreement shall be 15 years from the date of execution of this agreement.

ARTICLE VII.
ARTICLE 160D-1006 CERTIFICATIONS

7.1 Description. A description of the property subject to the agreement and the names of its legal and equitable property owners is found in Article II and on Exhibit B.

7.2 Duration of the Agreement. The duration of this Agreement shall be 15 years from the date of execution by all Parties.

7.3 Permitted uses, densities, placement on the site, and design. The Property shall be limited to the development of data centers and accessory and ancillary uses as defined in the Map Amendment. Placement of buildings on the site shall be determined as buyers and end users are selected. In no circumstance shall a data center building be located within the protected area of the floodplain, as shown and described in the Map Amendment. For consistency between documents, the use allowances and restrictions in the Map Amendment are incorporated by reference into this Agreement, and the definition of the use (data center and accessory uses) is below:

Data Center: A facility, campus of facilities, or array of interconnected facilities used for the primary purpose of storing, retrieving, managing, and/or processing digital data, including associated infrastructure such as servers, data storage equipment, network equipment, power supply systems, backup generators, cooling systems, and related accessory structures. A data center does not include electronic equipment incidental to a business whose primary activity is other than storing, retrieving, managing, and processing digital data (e.g., a retail store, office building, or school).

Accessory uses, facilities, structures, infrastructure, equipment, and technologies associated with the development or operation of the Data Center, including power generation; substations; electrical infrastructure; natural gas infrastructure; fiber optic infrastructure; battery backup and generation equipment; equipment yards; batteries; security facilities; on-site maintenance facilities; container storage; and fuel and water storage.

7.4 Public facilities, responsibility for construction, dates and schedules of delivery. All provisions in the Agreement related to public facilities, who shall develop and provide the services, the sequences of delivery and who is responsible are described in Article VIII (Public Services) and Article IV (Transportation). The specific construction date for any such facility may be established through subsequent construction plans or other applicable development approvals, provided the facility is available concurrently with the impacts of the development it serves. To the extent that the County has incurred obligations for public services as described in this Agreement, such obligations shall be tied to successful performance of the Project and meeting its obligations as described in this Agreement.

7.5 Land reserved, dedicated or sold for public purposes and provisions for the protection of environmentally sensitive property. There is no land designated for public use, but the Parties may discuss the public use of floodplain areas as the Project matures. Areas for the protection of environmental, historic, or culturally significant resources are described in the Map Amendment and generally include the area designated as floodplain. For consistency between the Agreement and the Map Amendment, the floodplain area that has legal and use restrictions imposed is described below:

Within the floodplain areas designated on the Federal Emergency Management Agency ("FEMA") Flood Insurance Rate Maps ("FIRMs") for Stokes County, North Carolina, Map Nos. 3710696200K and 3710696400K, effective June 10, 2026, development and uses shall be limited to infrastructure improvements and recreational, agricultural, conservation, preservation, and open space uses. Except as expressly provided above, no other development shall be permitted within the designated floodplain areas.

7.6 Fire and Emergency Services Contribution. The Developer voluntarily agrees to provide a one-time contribution of Two Hundred Thousand Dollars ($200,000) to Stokes County, due and payable upon issuance of the first Land Disturbance Permit for the Project. The County shall use the contribution to support fire service training, emergency response equipment, and

related emergency management~~emergency~~ preparedness and operational readiness needs that enhance the capacity of local fire and emergency services to serve the Project and surrounding community. The Parties acknowledge that the contribution is a mutually negotiated commitment, expressly identified in this Agreement, to support the fire protection and emergency response needs associated with the development and surrounding community.

7.7 Other protections for health, safety, and welfare. This Agreement does not provide conditions for public health or safety, which provisions have been thoroughly addressed in the Map Amendment conditions. Additional provisions related to general welfare are described in Articles IV and V.

7.8 Descriptions of provisions for preservation and restoration of historic structures. The Parties acknowledge that the Property may contain structures of potential historic significance. The Developer shall comply with all applicable historic preservation laws and review procedures, including coordination with the North Carolina State Historic Preservation Office (SHPO), as required. Any resulting preservation requirements shall be addressed in accordance with applicable law. To the extent that there is a known cemetery on the Property, the known cemetery shall be provided with a reasonable buffer, not be developed, and reasonable access shall be provided as required by applicable North Carolina law.

ARTICLE VIII.
PUBLIC SERVICES

8.1 Electricity. Electricity service to the Property may be provided by Duke Energy, or such other provider authorized to serve the Property. Any extensions, upgrades, or other improvements necessary to serve development on the Property shall be provided in accordance with the applicable provider's policies, standards, service requirements, and agreements. The location, capacity, routing, configuration, and responsibility for such facilities shall be determined as development occurs and in accordance with applicable provider requirements and subsequent development approvals.

8.2 Water. Water service to the Property may be provided by the Stokes County Water and Sewer Authority, other water service provider lawfully authorized to serve the Property, onsite water supply systems, or any combination thereof, as permitted by applicable law. Any extensions, upgrades, or other improvements necessary to serve development on the Property shall be provided in accordance with the applicable provider's policies, standards, service requirements, and agreements. The location, capacity, routing, and configuration of related facilities shall be determined as development occurs and in connection with applicable regulatory requirements, provider requirements, and subsequent development approvals.

8.3 Natural Gas. Natural gas services may be provided by Piedmont Natural Gas, or other provider authorized to serve the Property. Any extensions, upgrades, or other improvements necessary to serve development on the Property shall be provided in accordance with the applicable provider's policies, standards, service requirements, and agreements. The location, capacity, routing, configuration, and responsibility for such facilities shall be determined as development

occurs and in accordance with applicable provider requirements and subsequent development approvals.

8.4 Wastewater and Sewer. Wastewater services may be provided by the Stokes County Water and Sewer Authority, another lawfully authorized public or private wastewater service provider, onsite wastewater treatment systems, or any combination thereof, as permitted by applicable law. Any extensions, upgrades, or other improvements necessary to provide public wastewater service shall be provided in accordance with the applicable provider's policies, standards, service requirements, and agreements. The location, capacity, routing, and configuration of related facilities shall be determined as development occurs and in connection with applicable regulatory requirements, provider requirements, and subsequent development approvals.

ARTICLE IX.
MISCELLANEOUS

9.1 Amendment. This Agreement may be amended by the mutual consent of the Parties or their successors in interest. As required by N.C. Gen. Stat. § 160D-1006(e), consideration of a proposed major modification of the agreement shall follow the same procedures as required for initial approval of the Agreement.

9.2 Recordation. Developer shall record this Agreement in the Office of the Stokes County Register of Deeds within fourteen (14) days after the date of adoption. All recording costs shall be paid by Developer.

9.3 Reimbursement. Developer and Landowner shall pay up to $10,000 to reimburse the County's legal costs in the negotiation and review of this Agreement.

9.4 Affirmation of Consideration. The Parties affirm that the consideration provided one to another by this Agreement is adequate to support the mutual promises and benefits described herein

9.5 Periodic Review. This Agreement shall be reviewed by the County once every twelve (12) months, at which time Developer shall demonstrate good faith compliance with the terms of this Agreement. Additional reviews may be conducted upon a reasonable basis to believe that a material noncompliance with this Agreement has occurred.

9.6 Notice and Opportunity to Cure. If any Party determines that another Party is not in compliance with this Agreement, the Party asserting noncompliance shall provide written notice to the Party alleged to be noncompliant, with a copy to the other Parties, identifying the nature of and the evidence supporting such determination. The Party alleged to be noncompliant shall have a reasonable opportunity to cure the noncompliance, taking into consideration the nature and extent, the corrective action required, and the good-faith efforts to achieve compliance, provided, however, that in no event shall the cure period be less than ninety (90) days following receipt of the written notice.

If the noncompliance cannot reasonably be cured within the initial cure period, the noncompliant Party shall be afforded such additional time as is reasonably necessary, provided that the Party commences corrective action within the initial cure period and diligently pursues such action to completion. Upon reasonable request, the noncompliant Party shall provide updates regarding the progress of corrective action and the anticipated completion date. No noncompliance shall constitute a default under this Agreement unless it is material and remains uncured following expiration of the applicable cure period, including any extension warranted under this Section.

9.7 Default. Upon an uncured default, the Parties shall first make a good faith efforts to negotiate and informally resolve the issue in dispute (the "Claim"). If the Parties do not resolve the Claim through negotiation the asserting Party shall provide written notice of the uncured default to the alleged defaulting Party. Within thirty (30) days after written notice of the uncured default is received by the alleged defaulting Party, the Parties agree to submit the claim to mediation pursuant to the following process:

9.7.1 The non-defaulting Party (the "Claimant") shall have thirty (30) additional days within which to submit the Claim to mediation under the auspices of any dispute resolution center or other such independent agency providing similar services upon which the Parties may mutually agree.

9.7.2 If the Parties do not settle the Claim within thirty (30) days after initiation of mediation or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a notice of termination of the mediation proceedings. Such notice shall set forth when and where the Parties met, that the Parties are at an impasse, and the date that mediation was terminated.

9.7.3 If settlement does not occur and mediation is terminated; the Parties may pursue any actions at law and equity permitted under this Agreement subject to applicable rights to notice and cure provided for in this Agreement.

9.7.4 The costs of mediation shall be paid in equal shares by the Parties; provided, however, a Party who refuses to participate in a mediation that has been requested pursuant to this Paragraph may be assessed the entire costs of the mediation.

9.8 Partial Termination; Multiple Owners or Developers. If the Property is owned or developed by more than one Landowner or Developer, a default by one Party shall not be treated as a default by any other Party. Subject to Sections 9.6 and 9.7, any modification or termination of this Agreement resulting from a default shall, to the extent reasonably practicable, apply only to the defaulting Party and the portion of the Property owned or controlled by that Party. This Agreement shall remain in effect as to all non-defaulting Parties and unaffected portions of the Property.

9.9 Notices. Notices shall be made to the following persons. Each Party shall make a good faith effort to determine the successors in interest of each of the following:

To the County:

Jeff Sanborn, County Manager
1014 Main Street, Highway 89
Danbury, NC 27016
jsanborn@co.stokes.nc.us

With a copy to:

Jennifer Michaud, Esq.
153 Jefferson Church Road
King, NC 27021
jmichaud@kinglawoffices.com

To ELSDCSP2, LLC

Andrew S. Nations
1009 East Blvd
Charlotte, NC 28203
drew@engineeredlandsolutions.com

With a copy to:

Michael S. Fox, Esq.
Tuggle Duggins P.A.
400 Bellemeade Street, Suite 800
Greensboro, NC 27401

To DFC Stokes, LLC and DFC Stokes 2, LLC

David F. Couch
Blue Ridge Companies
5826 Samet Drive #105
High Point, NC 27265
dcouch@blueridgecompanies.com

With a copy to:

Thomas E. Terrell, Jr., Esq.
Fox Rothschild LLP
230 N. Elm St. Suite 1200
Greensboro, NC 27401
tterrell@foxrothschild.com

9.10 Entire Agreement. This Agreement and Map Amendment set forth and incorporate by reference all promises, terms, conditions and understandings between the Parties related to the Property and the Project, and there are no promises, agreements, conditions or understandings, oral or written, expressed or implied, among the Parties related to the matters addressed in this Agreement.

9.11 Construction. Counsel for the County and the Parties have reviewed and revised this Agreement and any rule of construction that ambiguities are to be resolved against the drafting party shall not apply.

9.12 Runs with the Land. Agreement shall be binding upon, enforceable against, and inure to the benefit of the Parties and their heirs, successors, and assigns. This Agreement shall run with the Property and be binding upon the rights and obligations of the Project and shall be binding upon future owners thereof for the term of this Agreement. The expiration of this Agreement shall not affect or cause to expire those conditions adopted in the Map Amendment.

9.13 Governing Law. This Agreement shall be governed by the laws of the State of North Carolina.

9.14 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and such counterparts shall constitute one and the same instrument.

9.15 Agreement to Cooperate. In the event of legal action instituted by a third party or parties challenging the validity of any text amendments, rezoning, or the adoption of this Agreement or any provision contained herein, the Parties agree to cooperate in defending such action; provided, however, each party shall retain the right to pursue its own independent legal defense. Developer and Landowner further agree to pay the County's reasonable attorneys' fees up to and including $50,000 to participate in litigation which defends Developer's' interests.

9.16 Severability. If any term or provision herein shall be judicially determined to be void or of no effect, such determination shall not affect the validity of the remaining terms and provisions.

9.17 No Pledge of Taxing Power or Governmental Authority. No provision of this Agreement shall be construed or interpreted as (1) creating a pledge of the faith and credit of the County within the meaning of any constitutional debt limitation, (2) delegating governmental powers, or (3) a donation or a lending of the credit of the County within the meaning of the Constitution of the State of North Carolina. The County has pre-audited this Agreement and the obligations hereunder to ensure compliance with budgetary accounting requirements (if any) that may apply. This Agreement is conditioned upon, and shall not be operative until, any required pre-audited certificate is supplied.

9.18 Authority. Each party represents that it has undertaken all actions necessary for corporate or public approval of this Agreement.

[THE REMAINDER OF THIS PAGE INTENTIONALLY BLANK]

Stokes County

By:_____

Print Name:_____

Title:_____

State of North Carolina

_____ County

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein on behalf of Stokes County, and in the capacity indicated: _____.

Date: _____ _____

Notary Public

My Commission Expires:

_____ Print Name: _____

[Affix Notary Stamp or Seal below]

PRE-AUDIT CERTIFICATION

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

_____

_____, Stokes County Finance Director

[SIGNATURES ON FOLLOWING PAGES]

ELSDCSP2, LLC

By: _____
Andrew S. Nations, Manager

State of North Carolina

_____ County

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein on behalf of ELSDCSP2, LLC and in the capacity as manager.

Date: _____ _____

Notary Public

My Commission Expires:

_____ Print Name: _____

[Affix Notary Stamp or Seal below]

[REMAINING SIGNATURE ON FOLLOWING PAGE]

DFC Stokes, LLC and DFC Stokes 2, LLC

By: _____
David F. Couch, as Managing Member of Each Company

State of North Carolina

_____ County

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein on behalf of DFC Stokes, LLC and DFC Stokes 2, LLC, and in the capacity of managing member of each company**.**

Date: _____ _____

Notary Public

My Commission Expires:

_____ Print Name: _____

[Affix Notary Stamp or Seal below]

EXHIBIT A

(Map Amendment Site Plan)

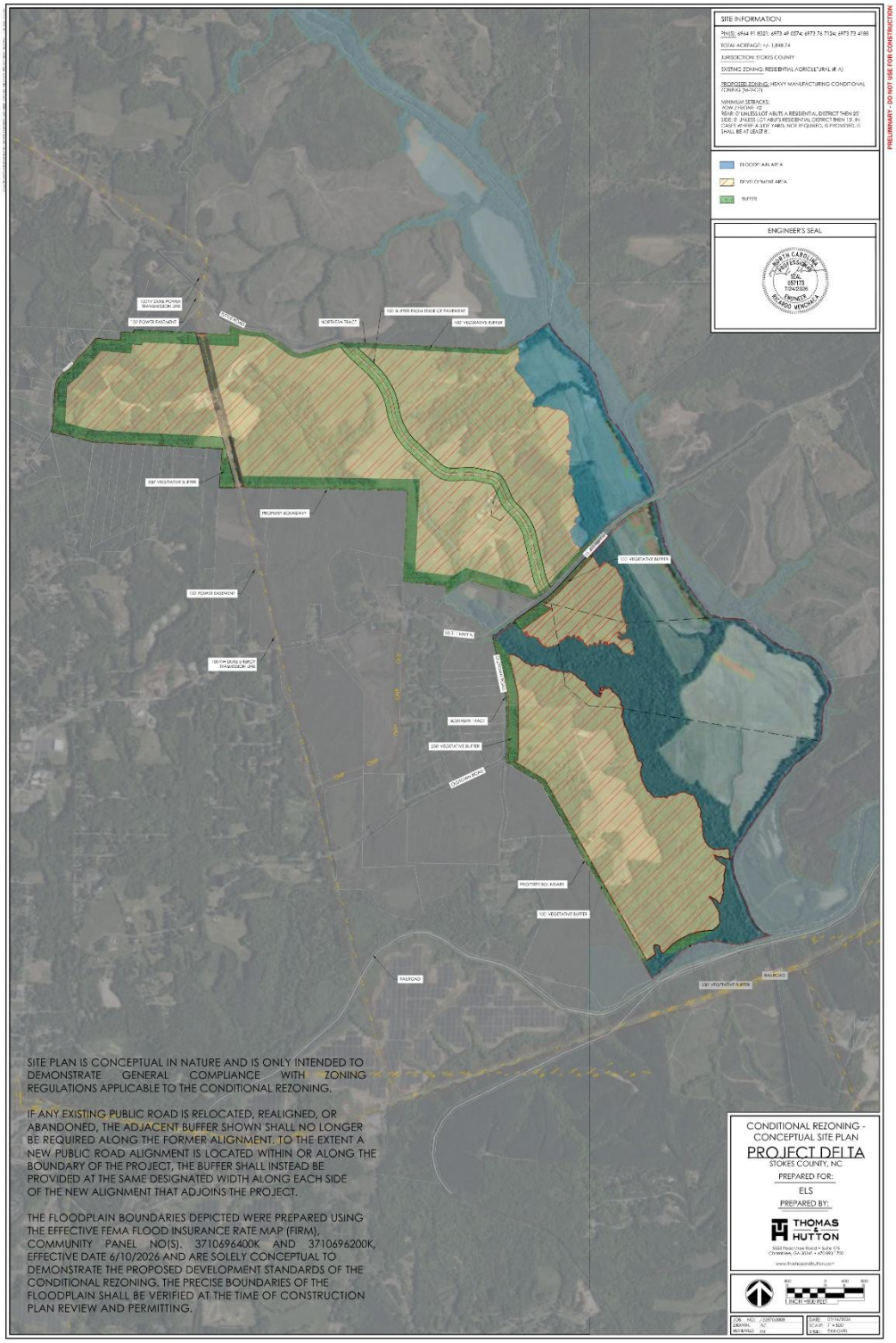


EXHIBIT B

(Metes and Bounds Property Description)

Following are metes and bounds descriptions of the Property, described also as PINs 6964-91-8321, 6973-49-0574, 6973-76-7124, and 6973-73-4188.

PIN: 6964-91-8321

BEGINNING at an iron in the eastern right-of-way line of Fulp Road (S. R. 1719), said iron being the northwest corner of the property of James W. King as described in deed recorded in Book 312 at Page 297,Stokes County Registry; thence from said beginning point North 75 degrees 31 minutes 32 seconds West 30.75 feet to a point in the center of Fulp Road (S. R. 1719); thence along the center of Fulp Road (S. R. 1719) the twenty-one (21) following courses and distances, to-wit: North 18 degrees 11 minutes 34 seconds East 81.46 feet to a point, North 08 degrees 45 minutes 18 seconds East 95.06 feet to a point, North 05 degrees 25 minutes 58 seconds East 96.39 feet to a point, North 03 degrees 38 minutes 58 seconds East 97.75 feet to a point, North 03 degrees 43 minutes 16 seconds East 349.76 feet to a point, North 04 degrees 03 minutes 18 seconds East 90.36 feet to a point, North 06 degrees 15 minutes 29 seconds East 94.64 feet to a point, North 11 degrees 15 minutes 42 seconds East96.11 feet to a point, North 19 degrees 19 minutes 44 seconds East 96.27 feet to a point, North 33 degrees 45 minutes 36 seconds East 95.26 feet to a point, North 46 degrees 40 minutes 35 seconds East 94.47 feet to a point, North 51 degrees40 minutes 45 seconds East 98.58 feet to a point, North 48 degrees 45 minutes 06 seconds East96.25 feet to a point, North 43 degrees 44 minutes 11 seconds East 94.01 feet to a point, North 42 degrees 10 minutes 27 seconds East 98.16 feet to a point, North 42 degrees 08 minutes 45 seconds East 96.87 feet to a point, North 42 degrees 24 minutes 36 seconds East 96.97 feet to a point, North 42 degrees 59 minutes 19 seconds East 161.48 feet to a point, North 42 degrees 37 minutes 56 seconds East 88.06 feet to a point, North 41 degrees 32 minutes 29 seconds East 320.74 feet to a point, and North 41 degrees 37 minutes 38 seconds East 66.03 feet to a P.K. nail in the center of Fulp Road (S.R.1719), said nail being in the south line of the property of Betty C. Tilley as described in deed recorded in Book 375 at Page 446, Stokes County Registry; thence along Tilley's south line the two (2) following courses and distances, to-wit: South 85 degrees 25 minutes 57 seconds East 37.57 feet to an iron and South 85 degrees 23 minutes 09 seconds East 636.47 feet to an iron, the southeast comer of said Tilley tract, the southernmost comer of a Tilley tract described in deed recorded in Book 175 at Page 253, Stokes County Registry and the southwest corner of the property now or formerly owned by Elizabeth Banks Franklin as described in deed recorded in Book 96 at Page 171, Stokes County Registry; thence along Franklin's south line South 86 degrees 37 minutes 00 seconds East 7833.44 feet to an iron; thence continuing with Franklin's property North 58 degrees 02 minutes 52 seconds East 1014.58 feet to an iron on the east bank of the Dan River, thence continuing North 58 degrees 02 minutes 52 seconds East 51.52 feet to a point in the center of the Dan River, thence along a line at or near the center of the Dan River, the center of the River being the actual property line, the following nineteen (19) courses and distances, to-wit:

South 32 degrees 46 minutes 11 seconds East 303.33 feet to a point, South 50 degrees 00 minutes 40 seconds East 126.00 feet to a point, South 34 degrees 03 minutes 47 seconds East 224.52 feet to a point, South 55 degrees 13 minutes 43 seconds East 148.86 feet to a point, South 49 degrees 36 minutes 26 seconds East 275.05 feet to a point, South 38 degrees 27 minutes 26 seconds East 260.14 feet to a point, South 26 degrees 42 minutes 51 seconds East 293.09 feet to a point, South 15 degrees 29 minutes 58 seconds East 413.58 feet to a point, South 23 degrees 02 minutes 13 seconds East 387.46 feet to a point, South 35 degrees 25 minutes 56 seconds East 422.84 feet to a point, South 28 degrees 26 minutes 15 seconds East 340.08 feet to a point, South 30 degrees 51 minutes 09 seconds East 328.06 feet to a point, South 29 degrees 42 minutes 32 seconds East 376.12 feet to a point, South 20 degrees 36 minutes 55 seconds East 226.08 feet to a point, South 16 degrees 18 minutes 29 seconds East 238.78 feet to a point, South 12 degrees 04 minutes 47 seconds East 1180.72 feet to a point, South 31 degrees 03 minutes 03 seconds East 705.68 feet to a point, South 34 degrees 59 minutes 49 seconds East 596.88 feet to a point, and South 44 degrees 56 minutes 08 seconds East 358.39 feet to a point; thence leaving the center of the Dan River, South 23 degrees 14 minutes07 seconds West 50.00 feet to a point at or near the waters edge; thence South 87 degrees 25 minutes 56 seconds West 112.92 feet to an iron on the bank of the Dan River, said iron being in the north line of the property of William C. Kluttz as described in deed recorded in Book 283 at Page 636, Stokes County Registry; thence along Kluttz north line, the two (2) following courses and distances, to-wit: South 87 degrees 25 minutes 56 seconds West 1676.47 feet to an iron and North 75 degrees 04 minutes 54 seconds West 1649.79 feet to an iron, the northwest corner of said Kluttz and the northeast comer of property of John M. Nelson as described in deed recorded in Book 268 at Page 313, Stokes County Registry; thence along the north line of Nelson and falling in with the north line of property of Frances Lamb as described in deed recorded in Book 268 at Page 315, Stokes County Registry, the five (5) following courses and distances, to-wit: North 75 degrees 21 minutes 32 seconds West 210.70 feet to a nail at the base of a disturbed concrete monument, North 73 degrees 20 minutes 50 seconds West 1611.11 feet to an iron in an old roadbed, South 58 degrees 54 minutes 10 seconds West 548.41 feet to an iron in an old roadbed, North 02 degrees 39 minutes 10 seconds East 151.10 feet to an iron, and North 82 degrees 36 minutes 38 seconds West 905.47 feet to an iron in the east line of the property of Harden Brown as described in deed recorded in Book 247 at Page 702, Stokes County Registry; thence along Brown's east line, North 03 degrees 09 minutes 32 seconds East 317.48 feet to an iron on the creek bank, a corner with property of Jacob Fulton Heirs, map of which is recorded in Plat Book 4 at Page 248, Stokes County Registry; thence along said plat, North 03 degrees 40 minutes 09 seconds East 1604.42 feet to a nail at the base of a bent iron; thence along the north line of said plat, North 88 degrees 34 minutes 47 seconds West 2850.61 feet to an iron, the northeast corner of property of Leonard Terry Greene as described in deed recorded in Book 289 at Page 333, Stokes County Registry; thence hence along Greene's north line, North 88 degrees 34 minutes 25 seconds West 1089.38 feet to a point in a pond in the east line of property of Jonas Bailey, Jr. as described in deed recorded in Book 103 at Page 540, Stokes County Registry, thence along Bailey's east line, North 05 degrees 01 minutes 35 seconds East 813.31 feet to an iron, Bailey's northeast comer, thence along the north line of Jonas Bailey, Jr. and falling in with the north line of R. S. Bailey, et al property as described in deed recorded in Book 53 at Page 480, Stokes County Registry, an additional Jonas Bailey Jr. tract, and property of Richard S. Bailey Heirs as described in deed recorded in Book 53 at Page 456, Stokes County Registry, North 86 degrees 12 minutes 05 seconds West 2703.00 feet to a 30 degrees oak tree, the northwest comer of James W. King as described in deed recorded in Book 312 at Page 297, Stokes County Registry; thence along King's north line

North 75 degrees 31 minutes 33 seconds West 935.39 feet to the point and place of BEGINNING, containing 1065.507 acres, more or less, all according to a survey of Larry L. Callahan dated October 30, 1995 and being the identical property described in deed recorded in Book 386 at Page 1430, Stokes County Registry.

THERE IS EXPRESSLY EXCEPTED from the above-described property, two (2) parcels being more particularly described as follows:

Parcel One: That certain parcel or tract of land conveyed to Elizabeth Banks Franklin by deed recorded in Book 451 at Page 1459, Stokes County Registry, being more particularly described as follows: BEGINNING at a magnetic nail in the center of Tuttle Road (S.R. 1717), said nail being located South 86 degrees 38 minutes 05 seconds East 3040.66 feet from a 1-inch square iron at the southernmost corner of the property of Betty Cain Tilley et vir as described in deed recorded in Book 175 at Page 253, Stokes County Registry and the eastern most corner of the property of Betty C. Tilley et vir as described in deed recorded in Book 375 at Page 446, Stokes County Registry; thence from said beginning point South 86 degrees 38 minutes 05 seconds East 54.88 feet to an iron in the northern right-of-way line of Tuttle Road (S. R. 1717); thence continuing South 86 degrees 38 minutes 05 seconds East 1078.76 feet to an iron in the northern right-of-way line of Tuttle Road (S. R. 1717); thence continuing South 86 degrees 38 minutes 05 seconds East 106.61 feet to a nail in the center of Tuttle Road (S. R. 1717); thence along the center of Tuttle Road (S. R. 1717) the seven (7) following courses and distances, to-wit: on a curve to the left the radius of which is 466.32 feet, having an arc length of 65.16 feet and a chord bearing and distance of South 78 degrees 27 minutes 40 seconds West 65.11 feet to a nail; South 74 degrees 27 minutes 28 seconds West 576.91 feet to a nail; on a curve to the right the radius of which is 913.99 feet, having a length of 120.09 feet and a chord bearing and distance of South 78 degrees 13 minutes 19 seconds West 120.00 feet to a nail: on a curve to the right the radius of which is 290.64 feet, having a length of 205.78 feet and a chord bearing and distance of North 77 degrees 43 minutes 51 seconds West 201.51 feet to a nail; on a curve to the right the radius of which is 1234.29 feet, having a length of 87.83 feet and a chord bearing and distance of North 55 degrees 24 minutes 33 seconds West 87.81 feet to a nail; North 53 degrees 22 minutes 15 seconds West 247.85 feet to a nail; on a curve to the left the radius of which is 8155.39 feet, having a length of 40.96 feet and a chord bearing and distance of North 53 degrees 30 minutes 53 seconds West 40.96 feet to the point and place of BEGINNING, containing 3.790 acres, more or less, all according to a survey of Thomas A. Hughes dated April 29, 2001.

Parcel Two: That certain parcel or tract of land conveyed to Charles David Pyrtle and wife, Jean C. Pyrtle by deed recorded in Book 392 at Page 2166, Stokes County Registry, being more particularly described as follows:

BEGINNING at an iron in the south line of the property now or formerly owned by Betty C. Tilley as described in deed recorded in Book 375 at Page 446, Stokes County Registry, said iron being located North 85 degrees 23 minutes 09 seconds West 252.47 feet from an iron at the southwest corner of the property of Elizabeth Banks Franklin and the southeast corner of the aforementioned Tilley property; thence from said beginning point on a new

line, South 04 degrees 36 minutes 51 seconds West 178.30 feet to an iron; thence continuing North 85 degrees 23 minutes 09 seconds West 518.14 feet to an iron in the southeastern right-of-way line of Fulp Road (S.R. 1719); thence North 85 degrees 23 minutes 06 West 37.53 feet to a nail in the center of Fulp Road (S.R. 1719); thence on a line in the center of Fulp Road (S.R. 1719) North 41 degrees 32 minutes 29 seconds East 157.04 feet to a nail; thence continuing with the center of Fulp Road (S.R. 1719) North 41 degrees 37 minutes 38 seconds East 66.03 feet to an existing P.K. nail, the northwest corner of the property of Norman L. Nifong as described in deed recorded in Book 386 at Page 1430, Stokes County Registry, said nail being in the south line of the aforementioned Tilley property; thence along Tilley the two (2) following courses and distances, to-wit: South 85 degrees 25 minutes 57 seconds East 37.57 feet to an iron in the southeastern right-of-way line of Fulp Road (S.R. 1719) and South 85 degrees 23 minutes 09 seconds East 384.00 feet to the point and place of BEGINNING, containing 2.00 acres, more or less, all according to survey of Larry L. Callahan dated August 20, 1996.

TRACT II:

BEGINNING at a magnetic nail in the center of Tuttle Road (S.R. 1717), said nail being located South 86 degrees 38 minutes 05 seconds East 3040.66 feet from a 1-inch square iron at the southernmost corner of the property of Betty Cain Tilley et vir as described in deed recorded in Book 175 at Page 253, Stokes County Registry and the eastern most corner of the property of Betty C. Tilley et vir as described in deed recorded in Book 375 at Page 446, Stokes County Registry; thence from said beginning point with the center of Tuttle Road (S.R. 1717) the four (4) following courses and distances, to-wit: on a curve to the left the radius of which is 8155.39 feet, having a length of 157.77 feet and a chord bearing and distance of North 54 degrees 12 minutes 46 seconds West 157.76 feet to a nail; on a curve to the left the radius of which is 533.28 feet, having a length of 272.64 feet and a chord bearing and distance of North 69 degrees 24 minutes 47 seconds West 269.68 feet to a nail: North 84 degrees 03 minutes 33 seconds West 157.02 feet to a nail; and, on a curve to the right the radius of which is 1324.40 feet, having a length of 478.39 feet and a chord bearing and distance of North 73 degrees 42 minutes 40 seconds West 475.79 feet to a nail in the center of Tuttle Road (S.R. 1717); thence leaving the center of Tuttle Road (S.R. 1717) South 04 degrees 06 minutes 57 seconds West 32.42 feet to an iron in the southern right-of-way line of Tuttle Road (S.R.1717): thence continuing South 04 degrees 06 minutes 57 seconds West 245.50 feet to an iron in the line of the property of Norman L. Nifong as described in deed recorded in Book 386 at Page 1430, Stokes County Registry; thence along Nifong's North line South 86 degrees 38 minutes 05 seconds East 959.64 feet to an iron in the right-of-way of Tuttle Road (S.R. 1717); thence continuing South 86 degrees 38 minutes 05 seconds East 55.36 feet to the point and place of BEGINNING, containing 3.790 acres, more or less, all according to a survey of Thomas A. Hughes dated April 29, 2001 and being the identical property as described in deed recorded in Book 451 at Page 1456, Stokes County Registry.

TRACT III:

BEGINNING at a 1-inch square iron at the southernmost corner of the property of Betty Cain Tilley et vir as described in deed recorded in Book 175 at Page 253, Stokes County Registry, said iron also being the easternmost corner of an additional Tilley tract as described in deed recorded

in Book 375 at Page 446, Stokes County Registry; thence from said beginning point along the east line of the former Tilley tract North 17 degrees 06 minutes 30 seconds East 65.01 feet to an iron; thence on a new line South 86 degrees 38 minutes 05 seconds East 2011.04 feet to an iron; thence South 04 degrees 06 minutes 57 seconds West 63.16 feet to an iron in the north line of the property of Norman L. Nifong a described in deed recorded in Book 386 at Page 1430, Stokes County Registry; thence along Nifong's north line North 86 degrees 38 minutes 05 seconds West 2025.66 feet to the point and place of BEGINNING, containing 2.926 acres, more or less, all according to a survey of Thomas A. Hughes dated April 29, 2001 and being the identical property described in deed recorded in Book 499 at Page 2270, Stokes County Registry.

PIN: 6973-49-0574

BEGINNING at a point in the center of Tuttle Road, said point being located North 22 degrees 24 minutes 21 seconds West 1930.10 feet from a PK nail set at the intersection of the center line of Tuttle Road and U. S. Highway 311, said point having North Carolina Grid coordinates of N=938931.98 and E=1674551.01; thence from said beginning point along the center of Tuttle Road the five (5) following courses and distances, to-wit: North 44 degrees 44 minutes 26 seconds West 61.59 feet to a point, North 38 degrees 14 minutes 57 seconds West 75.52 feet to a point, North 29 degrees 00 minutes 57 seconds West 83.12 feet to a point, North 22 degrees 25 minutes 29 seconds West 231.84 feet to a point and North 25 degrees 22 minutes 13 seconds West 66.42 feet to a point; thence South 24 degrees 57 minutes 28 seconds West 38.97 feet to an iron in the western right-of-way line of Tuttle Road; thence on a new line the four (4) following courses and distances, to-wit: South 24 degrees 57 minutes 28 seconds West 285.63 feet to an iron, South 8 degrees 29 minutes 40 seconds West 339.14 feet; South 62 degrees 20 minutes 23 seconds East 221.60 feet to an iron and North 40 degrees 07 minutes 28 seconds East 339.36 feet to an iron in the western right-of-way line of Tuttle Road; thence continuing North 40 degrees 07 minutes 28 seconds East 30.12 feet to the point and place of BEGINNING, containing 3.831 acres, more or less, all according to survey of David Bradley Coe dated March 7, 2012, and being a tract of land carved from the property of Norman L. Nifong as described in deed recorded in Book 549 at Page 1386 in the Office of the Register of Deeds of Stokes County, North Carolina.

PIN: 6973-76-7124:

BEGINNING at an iron in the south line of the property formerly owned by The Sauratown Plantation, Inc. and identified as Tract One in deed recorded in Book 197 at Page 674, Stokes County Registry, said iron being the northeastern most corner of the property identified as Tract One in deed recorded in Book 418 at Page 1094, Stokes County Registry; thence from said beginning point along the south line of the property formerly owned by The Sauratown Plantation, Inc. the three (3) following courses and distances, to-wit: South 75° 11' 00" East 1649.98 feet to an iron, North 86° 51' 50" East 1755.80 feet to an iron and continuing North 86° 51' 50" East 45.64 feet to a point in the mouth of Widow's Creek; thence on a line at or near the bank of the Dan River, the River being the actual property line, the nine (9) following courses and distances, to-wit: South 82° 19' 50" East 536.37 feet to a point, South 57° 02' 20" East 273.42 feet to a point,

South 53° 45' 50" East 835.75 feet to a point, South 71° 08' 40" East 340.70 feet to a point, South 64° 03' 00" East 395.81 feet to a point, South 28° 02' 00" East 568.64 feet to a point, South 09° 14' 50" East 93.00 feet to a point, South 26° 19' 40" West 323.77 feet to a point and South 08° 48' 00" West 738.17 feet to a point at or near the bank of the Dan River, said point being in the north line of property identified as Tract One in deed recorded in Book 418 at Page 1094, Stokes County Registry; thence leaving the River along the north and east line of Tract One in deed recorded in Book 418 at Page 1094, Stokes County Registry, the six (6) following calls and distances, to-wit: North 80° 14' 00" West and crossing an iron at 12.00 feet a total distance of 2754.08 feet to an iron, continuing North 80° 14' 00" West 1626.72 feet to an iron, South 87° 39' 40" West 543.76 feet to an iron, North 40° 37' 00" West 650.50 feet to an iron, North 03° 37' 00" West 133.00 feet to an iron, and North 08° 37' 00" West 1605.00 feet to the point and place of BEGINNING, containing 248.084 acres, more or less, all according to a survey of Obie M. Chambers dated May, 1985.

PIN: 6973-73-4188:

BEGINNING at an iron at the southeast corner of the property of Tim Mabe as described in deed recorded in Book 383 at Page 330, Stokes County Registry; thence from said beginning point along Mabe's east line North 24° 57' 58" West a total distance of 1270.85 feet to an iron and crossing irons at 137.34 feet, 402.85 feet, 701.36 feet, and 998.31 feet; thence North 54° 21' 31" West 883.74 feet to an iron in the eastern right-of-way line of Farmer Road (S.R. 1917); thence continuing North 24° 21' 31" West 88.40 feet to a point in the center of Old Town Road (S.R. 1918); thence with the centerline of Old Town Road (S.R. 1918) the five (5) following courses and distances, to-wit: on a curve to the left the radius of which is 270.00 feet, having a length of 190.46 feet and a chord bearing and distance of North 28° 06' 56" East 186.54 feet to a point, continuing on a curve to the left the radius of which is 2393.39 feet, having a length of 164.59 feet and a chord bearing and distance of North 05° 56' 13" East 164.55 feet to a point, North 03° 58' 01" East 833.99 feet to a point, on a curve to the left the radius of which is 1514.43 feet, having a length of 333.99 feet and a chord bearing and distance of North 02° 21' 03" West 333.31 feet to a point and North 08° 40' 08" West 1168.69 feet to a point in the center of U. S. Highway 311; thence with the center of U. S. Highway 311 the two (2) following courses and distances, to-wit: on a curve to the left the radius of which is 876.80 feet, having a length of 91.50 feet and a chord bearing and distance of North 62° 15' 12" East 91.46 feet to a point and North 59° 15' 49" East 1146.00 feet to a point in the center of U. S. Highway 311; thence South 69° 35' 44" East 58.28 feet to an iron in the southeast right-of-way of U. S. Highway 311; thence continuing South 69° 35' 44" East 19.84 feet to a disturbed concrete monument with a nail at the base; thence South 71° 36' 26" East 210.74 feet to an iron, the northwest corner of the property of William C. Kluttz, et al as described in deeds recorded in Book 283 at Page 636 and in Book 232 at Page 584, Stokes County Registry; thence with Kluttz' west and south lines the seven (7) following courses and distances, to-wit: South 04° 45' 25" East 1605.11 feet to an iron, South 00° 16' 38" West 132.89 feet to an iron, South 36° 45' 05" East 650.62 feet to an iron, South 88° 30' 47" East 544.19 feet to an iron, South 76° 25' 07" East 1627.10 feet to an iron, continuing South 76° 25' 07" East 2737.17 feet to an iron on the bank of the Dan River and continuing South 76° 25' 07" East 65.91 feet to a point in the center of the Dan River; thence on a line within the Dan River, the center of the river

being the actual property line, the twenty-one (21) following courses and distances, to-wit: South 40° 00' 28" West 240.22 feet to a point, South 59° 50' 56" West 183.75 feet to a point, South 58° 56' 05" West 123.77 feet to a point, South 48° 46' 50" West 240.10 feet to a point, South 38° 14' 09" West 111.25 feet to a point, South 45° 52' 24" West 244.75 feet to a point, South 40° 05' 43" West 353.70 feet to a point, South 35° 30' 31" West 330.71 feet to a point, South 37° 46' 31" West 318.21 feet to a point, South 38° 25' 02" West 280.24 feet to a point, South 39° 13' 38" West 279.81 feet to a point, South 37° 05' 07" West 213.35 feet to a point, South 20° 54' 03" West 235.14 feet to a point, South 04° 06' 12" East 173.20 feet to a point, South 12° 43' 12" East 301.68 feet to a point, South 14° 44' 33" East 188.68 feet to a point, South 19° 17' 27" East 306.24 feet to a point, South 17° 24' 14" East 142.95 feet to a point, South 23° 49' 53" East 186.99 feet to a point, South 26° 23' 32" East 306.52 feet to a point, and South 54° 26' 46" East 156.71 feet to a point at the mouth of Town Fork Creek; thence up Town Fork Creek on a line within the Creek, the center of the creek being the actual property line, the thirteen (13) following courses and distance, to-wit: South 66° 01' 03" West 279.92 feet to a point, South 77° 49' 07" West 129.28 feet to a point, South 83° 38' 12" West 286.09 feet to a point, North 72° 23' 53" West 292.61 feet to a point, North 80° 29' 16" West 199.80 feet to a point, South 87° 39' 33" West 255.62 feet to a point, South 77° 52' 10" West 168.00 feet to a point, South 68° 11' 25" West 241.61 feet to a point, South 48° 22' 37" West 123.36 feet to a point, South 46° 08' 05" West 134.72 feet to a point, South 38° 16' 10" West 274.48 feet to a point, South 24° 16' 01" West 188.28 feet to a point, and North 87° 13' 32" West 265.50 feet to a point in the center of Town Fork Creek and in the east line of the property now or formerly owned by Pine Hall Brick & Pipe Company, Inc. as described in deed recorded in Book 363 at Page 2348, Stokes County Registry; thence with the east line of said Pine Hall Brick & Pipe Company, Inc. property (now or formerly) North 24° 57' 58" West 3450.65 feet to the point and place of BEGINNING, containing 534.224 acres, more or less, all according to a survey by Larry L. Callahan dated October 10, 1998.

EXHIBIT C

(Ordinances, Policies, and Rules)

1. Stokes County Zoning Ordinance, effective March 1, 1993, and as amended July 13, 2026.
2. Stokes County 2035 Vision Plan: Moving Together, adopted April 14, 2015
3. Stokes County Water and Sewer Policy, effective _____, and as amended_____

STOKES COUNTY, NORTH CAROLINA

Board of Commissioners

Staff Report for Board of Commissioners Consideration

Project Delta

Proposed Development Agreement — G.S. Chapter 160D, Article 10

Data Center Facility / Campus — Property Rezoned R-A to M-2-CZ on September 14, 2026

Parties: Stokes County; ELSDCSP2, LLC (Developer); DFC Stokes, LLC and DFC Stokes 2, LLC (Landowners)

Parcels: 6964-91-8321; 6973-49-0574; 6973-76-7124; 6973-73-4188 — Approximately 1,848.74 acres

Legislative Public Hearing: November 9, 2026

Board Consideration and Vote: Following the hearing, as the Board determines

Reflects the proposed development agreement received October 28, 2026

Prepared by: Bryan S. Miller, Assistant County Manager

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1. Statutory Authority

Statute[1]	**What it provides**
G.S. 160D-1001(b)	The County may enter into development agreements. It may not make commitments not authorized by law or impose a tax or fee not otherwise authorized.
G.S. 160D-1001(d)	Development under the agreement must comply with all applicable laws, including ordinances, regulations, permits, and policies affecting development of the property.
G.S. 160D-1003(a)	The Board must approve the agreement following the hearing procedure in G.S. 160D-1005.
G.S. 160D-1004	The agreement may cover property of any size and must state a reasonable term.
G.S. 160D-1005	A legislative hearing is required. Notice follows G.S. 160D-602 as for a zoning map amendment and must state the property location, proposed uses, and where a copy of the agreement can be obtained.
G.S. 160D-1006	Sets required contents (Section 3). Developer-offered mitigation beyond what could be required must be stated in the agreement.
G.S. 160D-1007	Laws in effect at execution govern. Later ordinances and policies apply only as allowed by G.S. 160D-108(c) or 160D-108.1(f).
G.S. 160D-1008	Allows periodic review. For a material breach, written notice and a reasonable time to cure, after which the County may terminate or modify the agreement, appealable to the Board of Adjustment.
G.S. 160D-1009	Amendment or termination by mutual consent. A major modification follows the initial approval procedure (G.S. 160D-1006(e); agreement §9.1).
G.S. 160D-1011	The developer records the agreement within 14 days after execution. It binds successors in interest.

[1] N.C. Gen. Stat. Chapter 160D, Article 10, Development Agreements (§§ 160D-1001 to 160D-1011) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_160D/Article_10.pdf

2. Notice

Notice	Authority	Completed
Mailed, first class, to owners of the four parcels and abutting parcels at the addresses in County tax records, 10 to 25 days before the hearing	G.S. 160D-1005; 160D-602(a)[2]	October 28, 2026
Posted on the property or adjacent right-of-way, 10 to 25 days before the hearing	G.S. 160D-1005; 160D-602(c)	October 28, 2026

The proposed development agreement was made available at the Stokes County Planning and Inspections Department, 1014 Main Street, Danbury, NC 27016, during normal business hours, and online at co.stokes.nc.us/departments/data_center.php under "Project Delta." The mailed notice referenced the version received October 26, 2026. The October 28, 2026 version differs only in the numbering of sections in Article IX.

Ten written comments received through November 6, 2026 are provided in the hearing binder.

3. Required Contents — G.S. 160D-1006(a)

Required item	Where it appears in the agreement
(1) Property and owners	Article II; §7.1; Exhibits A and B
(2) Duration	15 years from execution by all parties (§§6.1, 7.2)
(3) Uses, density, building types, placement, design	§7.3: data centers and accessory uses as defined in the Map Amendment; placement "determined as buyers and end users are selected"; no data-center building in the protected floodplain
(4) Public facilities and schedule	§7.4; Article IV (roads); Article VIII (utilities); facilities available concurrent with impacts
(5) Public land; environmental measures	§7.5: no land designated for public use. Article V: monitoring and permit access
(6) Health, safety, and welfare	§7.7: none added; addressed by the Map Amendment conditions
(7) Historic preservation	§7.8: compliance with law and SHPO coordination; cemetery buffer and access

4. Summary of the Agreement

4.1 Developer and Landowner Obligations

- **$200,000** one-time fire and emergency services contribution, due when the first Land Disturbance Permit is issued (§7.6).

[2] N.C. Gen. Stat. § 160D-602 (mailed and posted notice) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-602.pdf

- **Up to $10,000** for County legal costs to negotiate and review the agreement (§9.3), and **up to $50,000** toward County attorneys' fees in third-party litigation defending the Developer's interests (§9.15).
- Road upgrades required by NCDOT through driveway-permit review (§4.1).
- Stormwater controls to applicable law (§5.1); engineering monitoring of environmental permits (§5.2); copies of permits (§5.3); quarterly floodplain monitoring during active development (§5.4).
- Record the agreement and pay recording costs (§9.2); show good-faith compliance at a review every 12 months (§9.5).

4.2 County Provisions

- **Vesting:** Laws in effect on the date of adoption govern for the term; a future data-center moratorium would not affect the property (§3.2).
- **Consent:** Except as G.S. 160D-108(c) and 160D-108.1(f) allow, new County rules apply only with the Developer's and Landowner's written consent (§3.5).
- **Interpretation:** To the extent allowed by law, the agreement's terms control. The Zoning Ordinance in effect at adoption controls a discrepancy. The agreement is the County's official interpretation of any ambiguous Zoning Ordinance provision, and remaining ambiguity is resolved in favor of the free use of land (§3.9).
- **Change in law:** The County will not unreasonably withhold consent to a lawful amendment after a fundamental State or federal change (§3.6).
- **Statements:** If approved, the agreement would state that the County found the Developer's tax study "reasonable and reliable" (§1.3) and that the environmental measures exceed County regulations (§5.5).

4.3 Other Terms

- **Rezoning conditions:** Affirmed and not altered (§3.1); they remain after the agreement expires (§9.12).
- **Tax projection:** The Developer projected $40 million in annual property tax income at full buildout (§1.3). The agreement does not obligate any party to pay that amount.
- **Utilities:** Service follows each provider's policies (§§8.1–8.4). See Section 5 regarding onsite water supply.
- **Breach:** Written notice and at least 90 days to cure, then negotiation and mediation (§§9.6–9.7). A default by one owner or developer does not bind the others (§9.8).
- **Exhibits:** A – Map Amendment site plan (property and floodplain area); B – legal descriptions; C – Zoning Ordinance (as amended July 13, 2026), 2035 Vision Plan, and Water and Sewer Policy.

5. Board Options

Following the hearing, the Board may:

- Approve the agreement as presented;
- Approve the agreement with revisions agreed to by all parties;
- Continue the matter to a later meeting; or
- Decline to enter into the agreement.

Revisions that substantially change the proposed agreement may require a new hearing with notice under G.S. 160D-1005. The County Attorney can advise on whether a particular revision requires one.

6. Sample Motions

The following are provided for the Board's convenience.

6.1 Motion to Approve

I move that the Board approve the Development Agreement among Stokes County, ELSDCSP2, LLC, DFC Stokes, LLC, and DFC Stokes 2, LLC, dated October 28, 2026 [as presented] [with the revisions agreed to by all parties as stated on the record]; adopt the following statement; and authorize the Chair to execute the agreement after review by the County Attorney.

Consistency. The agreement applies to property zoned M-2-CZ on September 14, 2026 and does not change the uses or conditions approved with that zoning. The plan consistency statement the Board adopted with the Map Amendment applies to this agreement (§1.3).

Reasonableness. The agreement is reasonable and in the public interest because it keeps all zoning conditions in effect during and after its term; provides a $200,000 fire and emergency services contribution and reimbursement of County legal costs; adds engineering monitoring of environmental permits and quarterly floodplain monitoring; requires an annual compliance review; and provides the long-term certainty for a large, multi-phase project described in G.S. 160D-1001(a).

6.2 Motion to Deny

I move that the Board decline to enter into the proposed Development Agreement among Stokes County, ELSDCSP2, LLC, DFC Stokes, LLC, and DFC Stokes 2, LLC, dated October 28, 2026.

STOKES COUNTY, NORTH CAROLINA

BOARD OF COMMISSIONERS

PROJECT DELTA

Proposed Development Agreement

Public Hearing Binder — Written Comments Received

Legislative Public Hearing: Monday, November 9, 2026, 6:00 p.m.

Commissioners' Chambers, Ronald Wilson Reagan Memorial Building, 1014 Main Street, Danbury, NC

Parties: Stokes County; ELSDCSP2, LLC; DFC Stokes, LLC; DFC Stokes 2, LLC

Parcels: 6964-91-8321; 6973-49-0574; 6973-76-7124; 6973-73-4188 — Approximately 1,848.74 acres

Prepared by: Bryan S. Miller, Assistant County Manager

How to Use This Binder

This binder assembles the written comments received by Stokes County on the proposed development agreement for Project Delta as of November 6, 2026. Each submission is preceded by a numbered divider identifying its author, date, and form, and is reproduced in full as received. Submissions are arranged by length, shortest first, so that brief comments are not lost behind longer documents. Submissions of equal length appear in the order received.

Email submissions are printed from the original message files and show the sender, date and time sent, recipients, and subject as received. Letters are reproduced from the documents submitted. Inclusion in this binder does not indicate that the County has verified any statement in a submission.

Retention. This binder shall be preserved with the minutes of the November 9, 2026 Board of Commissioners meeting in accordance with the North Carolina local-government records retention and disposition schedule.

Certification

I certify that the submissions listed in the Index that follows are true and complete copies of the written comments on the proposed Project Delta development agreement received by Stokes County as of November 6, 2026, and assembled for the record of the November 9, 2026 legislative hearing.

_____

Bryan S. Miller, Assistant County Manager

Date: _____

Index of Written Comments

Binder page numbers refer to the page on which each divider appears. Total binder length: 212 pages.

No.	Submission	Date	Form	Position	Pages	Binder Page
01	Email from scubadude2736@aol.com — "NO Data Center"	November 1, 2026	Email	Opposed	1	4
02	Cindy Finsie — Email, "Project Delta Development Agreement Concerns"	November 1, 2026	Email	Requests revisions	1	6
03	Jerry W. Moorefield, P.E. — Email, "I support the Project Delta Development Agreement"	November 5, 2026	Email	Supports	1	8
04	Karl Borgen — Email, "I Support Project Delta Development Agreement"	November 5, 2026	Email	Supports	1	10
05	Sri Ananda Sarvasri — "Talk for the Commissioners, November 9, 2026"	November 5, 2026	Written remarks	Opposed; requests conditions	1	12
06	Boyd Palmer — Email, "I Support Project Delta Development Agreement"	November 6, 2026	Email	Supports	1	14
07	Patrick Minges — Letter Requesting Revisions to the Development Agreement	October 30, 2026	Letter	Requests revisions	9	16
08	Sarvasri Ananda — "November Comments Regarding ELS Document" (Development Agreement Deficiencies)	November 5, 2026	Written statement	Requests revisions	20	26
09	Sadaajit Ananda — "Public Comment Regarding Development Agreement"	November 5, 2026	Written statement	Requests revisions	28	47
10	Southern Environmental Law Center and Southern Coalition for Social Justice — Comments on the Proposed Development Agreement	November 5, 2026	Letter with attachments	Opposed	136	76

Summary by position stated: opposed or requesting revisions before approval — 7 (Nos. 01, 02, 05, 07, 08, 09, 10); in support — 3 (Nos. 03, 04, 06).

EXHIBIT

01

Email from scubadude2736@aol.com — "NO Data Center"

Source / Description

Email from Scubadude2736 <scubadude2736@aol.com>, sent November 1, 2026, 1:25 PM EST.
Subject: "NO Data Center."

Pages

1

Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026
Project Delta Development Agreement — Board of Commissioners

Email Submission

From:	Scubadude2736 <scubadude2736@aol.com>
Sent:	Sunday, November 1, 2026 1:25 PM EST
To:	"ojessupe@co.stokes.nc.us" <ojessupe@co.stokes.nc.us>
Cc:	"publiccomments@co.stokes.nc.us" <publiccomments@co.stokes.nc.us>
Subject:	NO Data Center

I truly do not understand how these elected board people are selling us out at any cost? They do not have the interests of the majority of the people that voted them in. How can you give this developer a free pass for the next 15 years without a plan for water contamination, power usage, or at the very least a fire plan? They have sold us out and will not be held responsible for their BAD decisions. They will all eventually be held responsibility by their maker for this BAD decision.

Printed from the original .msg file received by Stokes County. Message text is reproduced as received.

EXHIBIT

02

Cindy Finsie — Email, "Project Delta Development Agreement Concerns"

Source / Description

Email from cindy finsie <cfinsie@gmail.com>, sent November 1, 2026, 1:34 PM EST. Subject: "Project Delta Development Agreement Concerns."

Pages

1

Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026

Project Delta Development Agreement — Board of Commissioners

Email Submission

From:	cindy finsie <cfinsie@gmail.com>
Sent:	Sunday, November 1, 2026 1:34 PM EST
To:	ojessup@co.stokes; PublicComments@co.stokes.nc.us
Subject:	Project Delta Development Agreement Concerns

Dear Commissioners,

I am writing to express my concerns regarding the proposed Project Delta Development Agreement currently under consideration for Stokes County.

As a local resident, I urge the Board of Commissioners to carefully review the terms of this agreement to ensure that community interests, environmental impacts, and public resources are thoroughly protected. Specifically, I ask that the Board:

- Delay the vote until revisions are negotiated and a revised draft is made public for 14 days.
- Strike the moratorium shield and end the entitlement if nothing is built within five years.
- Strike the "reasonable and reliable" finding, and release both the revenue study and the signed September ordinance.
- Require SHPO archeological review and cemetery protections prior to any ground disturbance.
- Disclose and cap power demand, ban bridging generators, cap water use, and require bonds with enforceable penalties.

Please listen to the community's concerns and take these necessary steps to protect Stokes County.

Thank you for your time, dedication to our community, and consideration of public input on this important matter.

Sincerely,

Cindy Finsie

Printed from the original .msg file received by Stokes County. Message text is reproduced as received.

EXHIBIT

03

Jerry W. Moorefield, P.E. — Email, "I support the Project Delta Development Agreement"

Source / Description

Email from Jerry Moorefield <jerry@mepc-consultants.com>, sent November 5, 2026, 10:48 AM EST. Subject: "I support the Project Delta Development Agreement."

Pages

1

Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026

Project Delta Development Agreement — Board of Commissioners

Email Submission

From:	Jerry Moorefield <jerry@mepc-consultants.com>
Sent:	Thursday, November 5, 2026 10:48 AM EST
To:	Rick Morris <rmorris@co.stokes.nc.us>; Brad Chandler <bchandler@co.stokes.nc.us>; Keith Wood <kwood@co.stokes.nc.us>; Sonya Cox <scox@co.stokes.nc.us>; Wayne Barneycastle <wbarneycastle@co.stokes.nc.us>; PublicComments@co.stokes.nc.us
Subject:	I support the Project Delta Development Agreement
Attachments:	image001.png (embedded signature image)

Dear Commissioners,

As a lifelong resident of Stokes County I would first like to thank each of you for your service and commitment to Stokes County. We truly live in one of the most beautiful places a person could call home.

I support Project Delta because I believe the jobs, tax revenue, and overall economic development this project will produce will benefit all of those who call Stokes County home. Project Delta can provide the revenue to pay our teachers what they deserve, renovate our schools, and put more police cars and ambulances on the road, and providing funding possibilities for projects that will make Stokes County an even more attractive place for people to call home, all without burdening Stokes County homeowners with even higher taxes.

I respectfully ask that you please vote “yes” on the Project Delta development agreement.

Thank you-

Jerry W. Moorefield, P.E.
Principal Engineer

Moorefield Engineering, PC
University Commercial Center
7990 North Point Blvd., Suite 209
Winston Salem, NC 27106

www.mepc-consultants.com
[embedded image]
Any CAD files attached with this electronic transfer are being provided for general information and/or coordination. Moorefield Engineering, P.C. cannot assure that any files transferred will be compatible or complete. Use of final sealed hardcopy plans shall govern over any information provided via electronically transferred files. Also, we make every effort to maintain virus free files, but have no control over any corruption of files once the files have been transmitted.

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EXHIBIT

04

Karl Borgen — Email, "I Support Project Delta Development Agreement"

Source / Description

Email from <karl.borgen@triad.rr.com>, sent November 5, 2026, 3:40 PM EST. Subject: "I Support Project Delta Development Agreement."

Pages

1

Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026

Project Delta Development Agreement — Board of Commissioners

Email Submission

From:	<karl.borgen@triad.rr.com>
Sent:	Thursday, November 5, 2026 3:40 PM EST
To:	<rmorris@co.stokes.nc.us>; <bchandler@co.stokes.nc.us>; <kwood@co.stokes.nc.us>; <scox@co.stokes.nc.us>; <wbarneycastle@co.stokes.nc.us>; <PublicComments@co.stokes.nc.us>
Subject:	I Support Project Delta Development Agreement

Dear Commissioners,
First, thank you for your service to Stokes County.
I support Project Delta because I believe the jobs, tax revenue, and overall economic development this project will produce will benefit Stokes County. Project Delta can provide the revenue to pay our teachers what they deserve, renovate our schools, and put more police cars and ambulances on the road – all without burdening Stokes County homeowners with even higher taxes.
I believe Stokes County needs more jobs, and the only way to achieve that is to allow this development to proceed. In the coming months and years, And with all the building of manufacturing towards Greensboro and South toward Winston Salem we need to be competitive.
As you look at the areas where the building Stokes County below Pang Rock State Park there's some mostly the northern part of the county there's not a lot of reason to have any manufacturing that way.
I respectfully ask that you please vote "yes" on the Project Delta Development Agreement.
Thank you,

Warm regards,

Karl Borgen
Founder & CEO
Pine Hall Disabled Veteran Light Manufacturing & Housing Reintegration Program
tax-exempt 501(C)(3) nonprofit organization
http://www.linkedin.com/in/karlborgen
336-757-6350

Email: karl.borgen@manufacturingforvets.org
https://phdv.org/
https://manufacturingforvets.org/

Jeremiah 30:17 "For I will restore health unto thee, and I will heal thee of thy wounds, saith the LORD; because they called thee an Outcast, saying, This is Zion, whom no man seeketh after."

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EXHIBIT

05

Sri Ananda Sarvasri — "Talk for the Commissioners, November 9, 2026"

Source / Description

Written remarks prepared for the November 9, 2026 hearing. Document dated by file metadata November 5, 2026.

Pages

1

Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026

Project Delta Development Agreement — Board of Commissioners

Can you multiply 10 times 10 times 10?
10 times 10 is 100. Times 10 is 1,000. Times 10 is 10,000. Got it?
If you can do simple math, you can save Stokes County and ELS from making a massive, greedy mistake of rushing into the AI market. The County wants millions in taxes. It won't work.

Why?

Because AI efficiency increases 10-fold every year. In two years, AI algorithms and chips will be 100 times more powerful. That means for the same money, you can do 10 times more— put it another way, we **need 10 times less physical infrastructure** to do what today costs millions.

Do not let ELS put in 2,000 megawatts, 2 gigawatts, of power. A year or so from now, they won't need 2,000, only 200. The year after that, 20. Then 2MW. Super inference chips are hitting the market that are 15,000 times more powerful.

I have AI running locally on my iPhone that is more powerful than ChatGPT was a year and a half ago. Microsoft has a $2600 Surface Laptop Ultra running full frontier models for half of what AI cost last year. Apple is launching stronger AI hardware in 2027. People and businesses are building their own local setups for 10 to 100 times less money. They won't pay high prices for central data centers.

The County hopes to make $40 million a year from taxes on AI infrastructure. But hardware that loses 50-90% of its value every year is worthless in two or three years. You can't collect tax revenue on a worthless asset. Even OpenAI won't be profitable until 2030 at best. AI infrastructure companies like ELS are going belly up because they built expensive facilities nobody needs. Stokes County will go belly up right along with them if we count on tax revenue from rapidly depreciating assets.

Be patient! You don't need to be an engineer like me—you just need to know how to multiply 10x10.
If this County moves forward at all, two strict, legally binding conditions must be enforced in advance, because protection cannot be retrofitted. These are non-negotiable.

1. First, Infrasound controls. 2. Second, catalytic pollution controls with tall exhaust stacks.
Details below.

The Details.
1. Infrasound from power generation is like banging the human brain with a hammer 10 times a second. It causes severe headaches, dizziness, sleep disturbances, nausea, vertigo, stroke, and cardiovascular issues. It can't be shielded; it must be stopped at the source. Every generator must be mounted on an energy-absorbing isolation platform so zero measurable infrasound leaves the property. If children in our schools have their "brains turned to mush," parents will sue for tens of millions. Lawsuits will bankrupt ELS and Stokes County, forcing you to either shut down the schools and Walnut Cove, or shut down the entire AI plant.

2. Without tall exhaust stacks, generator emissions will be lethal and violate EPA standards by 100 times. Large turbines require a minimum 213-foot stack. Every diesel generator array requires an 80-foot stack (8-16/clusters). Look at Belews Creek—their stack is 600 feet for a reason.
Don't rush into bankruptcy. Review the full technical documents I submitted, hold ELS accountable, and put these strict controls in writing today.

Thank you.

EXHIBIT

06

Boyd Palmer — Email, "I Support Project Delta Development Agreement"

Source / Description

Email from Boyd Palmer <Boyd.Palmer@hoffmanhydronics.com>, sent November 6, 2026, 8:47 AM EST. Subject: "I Support Project Delta Development Agreement."

Pages

1

Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026

Project Delta Development Agreement — Board of Commissioners

Email Submission

From:	Boyd Palmer <Boyd.Palmer@hoffmanhydronics.com>
Sent:	Friday, November 6, 2026 8:47 AM EST
To:	"rmorris@co.stokes.nc.us" <rmorris@co.stokes.nc.us>; "bchandler@co.stokes.nc.us" <bchandler@co.stokes.nc.us>; "kwood@co.stokes.nc.us" <kwood@co.stokes.nc.us>; "scox@co.stokes.nc.us" <scox@co.stokes.nc.us>; "wbarneycastle@co.stokes.nc.us" <wbarneycastle@co.stokes.nc.us>; "PublicComments@co.stokes.nc.us" <PublicComments@co.stokes.nc.us>
Subject:	I Support Project Delta Development Agreement

Dear Commissioners,

First, thank you for your service to Stokes County.

I support Project Delta because I believe the jobs, tax revenue, and overall economic development this project will produce will benefit Stokes County. Project Delta can provide the revenue to pay our teachers what they deserve, renovate our schools, and
put more police cars and ambulances on the road all without burdening Stokes County homeowners with even higher taxes.

I respectfully ask that you please vote yes on the Project Delta Development Agreement.

Thank you,

Printed from the original .msg file received by Stokes County. Message text is reproduced as received.

EXHIBIT

07

Patrick Minges — Letter Requesting Revisions to the Development Agreement

Source / Description

Letter dated October 30, 2026, addressed to the Board of Commissioners c/o Olivia Jessup, Clerk to the Board, with copy to PublicComments@co.stokes.nc.us.

Pages

9

Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026

Project Delta Development Agreement — Board of Commissioners

Patrick Minges
1045 Evans Rd.
King, NC 27021

October 30, 2026

Stokes County Board of Commissioners
c/o Olivia Jessup, Clerk to the Board
1014 Main Street, Hwy 89, P.O. Box 20
Danbury, NC 27016
ojessup@co.stokes.nc.us · cc: PublicComments@co.stokes.nc.us

RE: Proposed Development Agreement between Stokes County and ELSDCSP2, LLC, DFC Stokes, LLC, and DFC Stokes 2, LLC ("Project Delta") — Requested Revisions for the November 9, 2026 Public Hearing (G.S. § 160D-1005)

Dear Commissioners:

I ask that the Board not adopt the October 28, 2026 draft Development Agreement as written. Instead, I ask the Board to require the revisions below before any vote. A development agreement is the one tool North Carolina gives the County to secure commitments that a zoning condition cannot. It is also the document that freezes the rules on this land for fifteen years. Whatever protections are not written into it now will be out of the County's reach until 2041.

The draft gives the Developer and Landowner a great deal: vested rights under § 3.2, immunity from any future data-center moratorium, a consent requirement for any new County rule under § 3.5, and interpretive rules that favor "the free use of land" under § 3.9. In return, the County receives a one-time $200,000 fire contribution, up to $60,000 toward legal costs, and environmental terms that mostly restate obligations that already exist under state and federal law. Section 7.7 says outright that the Agreement "does not provide conditions for public health or safety."

The revisions below build on my August 25, 2026 letter to this Board. Each one is written as replacement or additional contract language that the Board can adopt directly. Under G.S. § 160D-1006, the Agreement may include "any other provisions" the parties agree to. None of these terms requires new legislation. Each requires only that the County ask for it before it signs.

I am not an attorney. I ask that the County Attorney review this language, and that this letter be entered into the record of the November 9 hearing.

I. Archaeological, Burial, and Cultural Resources (§§ 7.5 and 7.8)

The draft treats this site's cultural resources as if they sit in the floodplain alone. The State's own record says otherwise. In correspondence under ER 22-2071 and ER 26-1083, NC SHPO identified 14 archaeological sites inside the area of proposed disturbance: 31SK9, 31SK17, and 31SK247 through 31SK258. In June 2023, SHPO asked that all 14 be delineated and assessed for National Register eligibility. On April 2, 2026, in a letter titled "Project Delta Data Center," it repeated that request. It also repeated its 2022 request for an architectural historian's evaluation

of the Hairston Sauratown Plantation (SK0182). Nothing in the public record shows that either has been done.

The floodplain itself contains the Upper Sauratown Archaeological District (31SK1, 31SK1a, 31SK6), which is eligible for the National Register, and 31SK15, a 16th-century site already found eligible. Yet § 7.5 allows "infrastructure improvements" and agricultural use there. Section 7.8 refers only to "structures of potential historic significance" and "a known cemetery" with a "reasonable buffer." It says nothing of the 14 sites, unmarked graves, or the descendant communities whose ancestors are buried on this land.

Requested revisions:

1. **Strike the second sentence of § 7.5's resource description** and replace it with: "The Parties acknowledge that archaeological and historic resources identified by NC SHPO under ER 22-2071 and ER 26-1083 are located both within and outside the designated floodplain, including sites 31SK9, 31SK17, 31SK123, 31SK247–31SK258, and the Hairston Sauratown Plantation (SK0182)."
2. **No ground disturbance until SHPO's work is finished.** Add to § 7.8: "No land disturbance permit, clearing, grading, staging, borrow, access road, or utility installation shall be issued or undertaken on any portion of the Property until (a) the comprehensive survey, delineation, and National Register eligibility assessment recommended by NC SHPO on April 2, 2026 have been completed for all identified sites and any un-surveyed area of potential effect; (b) the Hairston Sauratown Plantation has been evaluated by a Secretary of the Interior–qualified architectural historian; and (c) the Developer has filed with the County Manager NC SHPO's written concurrence that this work is complete."
3. **Preserve eligible sites in place.** "Any site determined eligible for, or not yet evaluated for, the National Register shall be avoided and preserved in place, protected by a no-disturbance buffer of not less than 100 feet from its delineated boundary, marked with temporary fencing during all construction, and placed under a recorded conservation easement before the first building permit."
4. **Protect the floodplain district.** Amend § 7.5 so that within the Upper Sauratown Archaeological District and site 31SK15, no infrastructure, utility, intake, road, or new ground-disturbing agricultural activity is permitted without NC SHPO's written concurrence.
5. **Find the graves before the grading.** "Before any land disturbance, the Developer shall fund a ground-penetrating radar and archaeological survey, by a qualified firm acceptable to the County and NC OSA, of every known, reported, or suspected burial area on the Property, including all areas identified by the National Hairston Clan or other descendants. Each cemetery so identified shall receive a surveyed no-disturbance buffer of not less than 100 feet, shall not be relocated, and shall remain open to descendants in perpetuity, consistent with G.S. Chapter 65, Article 12 and G.S. Chapter 70, Article 3."
6. **Plan for unexpected discoveries.** "A qualified archaeological monitor shall be present during ground disturbance within 500 feet of any identified site or cemetery. On any discovery of human remains or burial goods, all work within 100 feet shall stop, and the Developer shall notify the Chief Medical Examiner and NC OSA as required by G.S. 70-29, as well as the County, the National Hairston Clan, and the tribal nations listed in item 7."

7. **Consult the descendant communities.** "The Developer shall offer consultation on the treatment of cultural resources to the Catawba Indian Nation, the Occaneechi Band of the Saponi Nation, and the National Hairston Clan. Where any federal permit, license, or funding is required, including a Clean Water Act Section 404 permit, the Developer shall not begin land disturbance in the affected area until consultation under Section 106 of the National Historic Preservation Act (54 U.S.C. § 306108) is complete."
8. **Make violations immediately enforceable.** "A violation of § 7.8 is a material default not subject to the cure periods of § 9.6 or the mediation requirements of § 9.7, and the County may issue an immediate stop-work order."

II. Sound and Vibration (New Article V-A)

The draft Agreement contains no sound or vibration terms at all. It relies entirely on the Map Amendment conditions. Those conditions use flat 60/50 dB(A) limits, an undefined "emergency" exemption, and no vibration standard. Rural nighttime background levels near Walnut Cove are commonly 30 to 35 dB(A). A 50 dB(A) ceiling would therefore permit night noise 15 to 20 decibels above the setting it enters, which people perceive as roughly three to four times as loud. Data centers also produce steady low-frequency and tonal hum from chillers, fans, and transformers. A-weighted limits largely miss that sound, yet it travels farthest and does the most to disturb sleep. Section 3.2 would freeze these terms for fifteen years, so they need to be right in this document.

Requested revisions (where the Map Amendment is less protective, these control):

1. **Limits tied to the actual setting.** "Sound from the Project, measured at any residential property line, shall not exceed the lower of (a) the Map Amendment limits, or (b) the pre-construction ambient L90 baseline plus 5 dB(A) during daytime (7:00 a.m.–10:00 p.m.) and plus 3 dB(A) at night (10:00 p.m.–7:00 a.m.). The baseline shall be established by an independent acoustical consultant selected by the County and paid for by the Developer. It shall cover at least 14 consecutive days in each of two seasons, follow ANSI S12.9 and S12.18, and be made public with its raw data."
2. **Low-frequency and tonal limits.** "At night, C-weighted sound at any residential property line shall not exceed 60 dB(C) and shall not exceed the A-weighted level by more than 20 dB. Any prominent discrete tone, as defined in ANSI S12.9 Part 4, shall incur a 5 dB penalty when compliance is determined."
3. **Cumulative compliance.** "These limits apply to the Project as a whole, including all buildings, owners, and end users, and not to each building separately." Without this, every new building added to the campus could legally add its own noise on top of the last.
4. **Narrow emergency and commissioning terms.** Adopt the definition from my August 25 letter: "Emergency means an unplanned interruption of utility-supplied electric service to the Project, verified in writing by the serving utility. It does not include demand response, peak-shaving, economic curtailment, or any planned or compensated reduction in grid draw." Also add: "Initial start-up, commissioning, load-bank, and acceptance testing of all generation, cooling, and battery equipment are subject to all sound limits, may occur only between 9:00 a.m. and 5:00 p.m. on weekdays, and require 72 hours' public notice."

5. **Design certification before building permits.** “With each building permit application, the Developer shall submit acoustical modeling under ISO 9613-2, certified by an INCE board-certified engineer, showing that the whole Project, as built and as proposed, will comply.”
6. **Equipment setbacks.** “No generator, chiller, cooling tower, substation, or other major mechanical equipment shall be located within 1,000 feet of any occupied dwelling existing on the Effective Date.”
7. **Continuous public monitoring.** “The Developer shall fund at least four permanent sound monitoring stations at residential locations the County selects. The stations shall be operated by an independent firm reporting to the County. They shall record one-minute Leq, L90, C-weighted, and one-third-octave data and post it to a public County website within 24 hours.”
8. **Vibration.** “Vibration-isolating mounts or inertia bases are required under all generators and major rotating equipment. Ground vibration from operations, measured at the foundation of any residence, shall not exceed 0.02 inches per second peak particle velocity. Construction vibration shall not exceed 0.2 inches per second. Pre-construction and post-construction foundation surveys of every residence within 1,000 feet shall be offered at the Developer’s expense.”
9. **Construction hours.** “Construction, deliveries, and staging are permitted only from 7:00 a.m. to 7:00 p.m., Monday through Saturday, and not on Sundays or federal holidays. Pile driving and blasting are permitted only from 8:00 a.m. to 5:00 p.m. on weekdays.”
10. **Consequences that matter.** “Each hour in which a monitoring station records a verified exceedance is a separate violation, with stipulated damages of $2,500 per hour payable to the County, doubling at night. If exceedances occur in three or more hours within any 30-day period, the County may require the offending equipment to be curtailed until compliance is shown.” Residents within one mile should also be able to draw on a Developer-funded sound mitigation fund for windows, insulation, or other home treatment after any verified exceedance.

III. Air Quality (§ 7.3 and New Article V-B)

Section 7.3 lists “power generation,” “natural gas infrastructure,” “backup generators,” and “fuel storage” as permitted accessory uses, with no limit on size, fuel, or hours. Read literally, that wording would allow a gas-fired power plant to run continuously on this campus as an “accessory” to the data center. Large data center campuses elsewhere have installed hundreds of diesel generators. Those generators are significant sources of fine particulate matter (PM2.5) and nitrogen oxides (NOx). This site also shares an airshed with Duke Energy’s Belews Creek Steam Station, and Walnut Cove residents have lived with that plant’s emissions and coal ash for decades. The draft Agreement contains no air quality terms of any kind.

Requested revisions:

1. **Backup power only.** Amend § 7.3: “On-site combustion generation is permitted only for emergency backup, as defined in Article V-A. No on-site generation shall be used for continuous or prime power, peak-shaving, demand response, or sale of electricity to the grid without a major modification of this Agreement under § 9.1.”

2. **No diesel.** “Diesel-fueled generators are prohibited. Any combustion backup generation shall use natural gas or a lower-emitting technology and shall be equipped with selective catalytic reduction or equivalent controls meeting EPA Tier 4 Final emission rates. Battery storage, fuel cells, and other non-combustion backup are preferred.”
3. **Stay a minor source, as one source.** “The Developer and Landowner shall seek air permitting for the entire Property as a single stationary source and shall not divide permit applications among buildings, owners, or end users to avoid aggregation. The Project’s federally enforceable potential to emit shall remain below 100 tons per year of any criteria pollutant, 10 tons per year of any single hazardous air pollutant, and 25 tons per year of combined hazardous air pollutants. That status shall be secured through a synthetic minor permit under 15A NCAC 02Q .0315 before any land disturbance.” The Developer shall give the County a copy of each air permit application and draft permit when it is filed.
4. **Cumulative modeling.** “Before the air permit application is filed, the Developer shall provide the County with AERMOD dispersion modeling of the Project’s full generator fleet operating at once. The modeling shall include background concentrations from the Belews Creek Steam Station and show compliance with all National Ambient Air Quality Standards at every residence and school within three miles.”
5. **Testing limits.** “Maintenance and readiness testing is limited to 50 hours per unit per year, between 9:00 a.m. and 5:00 p.m. on weekdays, with no more than 10 percent of units tested at once. No testing shall occur on any day NC DEQ forecasts Code Orange or worse air quality for the Triad region.”
6. **Independent fenceline monitoring.** “The Developer shall fund at least three continuous fenceline monitoring stations measuring PM2.5, PM10, and NO2, using federal reference or equivalent methods. The stations shall be operated by an independent party the County selects, begin at least 12 months before any generator is operated to set a baseline, and stream data to a public County website.”
7. **Penalties.** “Any hour in which a fenceline station records a concentration above the applicable National Ambient Air Quality Standard, and the Project is a contributing source, shall incur stipulated damages of $10,000 per hour payable to the County. This applies in addition to any state enforcement and includes testing, maintenance, and start-up events.”
8. **Fuel and cooling tower controls.** “All fuel storage shall have 110 percent secondary containment, shall sit outside the floodplain and at least 500 feet from the Dan River and any private well, and shall be covered by a Spill Prevention, Control, and Countermeasure plan filed with the County. Any evaporative cooling tower shall use high-efficiency drift eliminators rated at 0.0005 percent or better.”

IV. Water Supply, Wastewater, and the Dan River (Articles V and VIII)

Article VIII says water and wastewater “may” come from the Stokes County Water and Sewer Authority, another provider, or “onsite” systems, with every detail left “as development occurs.” It sets no volume limit and no discharge destination, and it does not say who pays for extensions. Section 8.2’s reference to “onsite water supply systems” also appears to conflict with ELS’s public commitment not to draw from the Dan River, groundwater, or aquifers. The Property borders the Dan River for miles and includes the mouths of Town Fork Creek and Widow’s

Creek. Communities downstream draw their drinking water from the Dan. Article V mostly repeats existing permit law, and its floodplain monitoring in § 5.4 stops when construction stops.

Requested revisions:

1. **No river or groundwater withdrawal.** Replace § 8.2's "onsite water supply systems" with: "The Project shall not withdraw water from the Dan River, any tributary, any pond, or any well or groundwater source on or near the Property."
2. **A hard cap.** "Total water use from all sources shall not exceed 100,000 gallons per day, measured as a 30-day rolling average and reported monthly to the County and SCWSA. Cooling shall use closed-loop or non-evaporative systems. Any increase in the cap is a major modification under § 9.1, requiring a new public hearing."
3. **Residents first in a drought.** "When the NC Drought Management Advisory Council designates Stokes County in Severe Drought (D2) or worse, the Project shall cut its water use by at least 25 percent, or more if SCWSA directs. Residential and existing customers shall have priority of service at all times."
4. **Developer pays for infrastructure.** "The Developer shall bear the full cost of all water, sewer, and treatment extensions, capacity increases, and plant upgrades needed to serve the Project. Neither the County nor SCWSA shall incur debt or raise rates to existing customers to serve the Project."
5. **No direct discharge; zero liquid discharge for cooling water.** "No process or cooling wastewater shall be discharged directly to the Dan River or any tributary. Cooling system blowdown shall be managed through a zero liquid discharge system, with residual solids disposed of off-site at a permitted facility. Before the first building permit, the Developer shall identify in writing the destination and maximum daily volume of all other wastewater."
6. **No PFAS fire-fighting foam.** "Fire suppression systems and stored foams on the Property shall be free of PFAS. Aqueous film-forming foam (AFFF) is prohibited."
7. **River monitoring.** "The Developer shall fund independent upstream and downstream water quality monitoring on the Dan River, Town Fork Creek, and Widow's Creek. Monitoring shall begin 12 months before land disturbance and continue quarterly for the life of the Project, covering turbidity, temperature, pH, conductivity, total dissolved solids, metals, biocides, and PFAS. Results shall be posted publicly."
8. **Stream buffers and runoff.** "An undisturbed, vegetated buffer of at least 150 feet shall be kept along the Dan River and all perennial and intermittent streams. Post-development peak runoff shall not exceed pre-development rates for the 1-, 10-, and 25-year storms. No more than 100 acres of the Property shall be disturbed and unstabilized at any one time."
9. **Protect private wells.** "The Developer shall pay for independent baseline testing of any private well within one mile of the Property, at the owner's request, before construction and once a year after that. If testing shows a change consistent with Project activity, the Developer shall provide replacement water within 48 hours while the cause is investigated."
10. **Monitoring for the life of the Project.** Amend § 5.4 so floodplain monitoring continues every year for the term of the Agreement, not only during construction. Amend § 5.2 so

monitoring reports are filed with the County and posted publicly on receipt, not only "upon request," and so the monitoring engineer is chosen by the County.

11. **Environmental impairment bond.** "Before the first land disturbance permit, the Developer shall post a bond or letter of credit of not less than $10,000,000, separate from any decommissioning security, to pay for the cleanup of any spill, leak, or contamination of soil, surface water, or groundwater."

V. Public Health and General Welfare (§ 7.7 and New Article VII-A)

Section 7.7 states that the Agreement "does not provide conditions for public health or safety." For a 1,848-acre industrial campus with on-site power generation, battery storage, and fuel tanks, that sentence should be replaced, not adopted. The protections in Sections II through IV only work if the Agreement also provides health tracking, emergency capacity, financial security, and enforcement that can act quickly.

A. Community health

1. **Replace § 7.7** with: "The Parties agree that protection of the health, safety, and welfare of residents of Stokes County and neighboring communities is a primary purpose of this Agreement, and Articles V-A, V-B, VII-A, and § 7.8 shall be construed to that end."
2. **Health baseline and follow-up.** "The Developer shall fund an independent community health study within two miles of the Property. It shall be conducted by an accredited school of public health or a similar institution the Stokes County Health Director selects. It shall set a baseline before any generator operates and be repeated in years 3, 7, and 12, covering at least asthma and respiratory emergency visits, sleep disturbance, hypertension, and well-water quality. Results shall be presented at a public Board meeting."
3. **Respiratory incident review.** "When a verified fenceline exceedance coincides with a resident's emergency or urgent care visit for acute respiratory illness within two miles, the resident may submit a claim to an independent reviewer the County appoints. The Developer shall pay reasonable documented medical costs unless it shows the Project did not contribute."
4. **Lighting.** "All exterior lighting shall be fully shielded, at 3,000 Kelvin or warmer, and certified as dark-sky friendly. Light trespass at any residential property line shall not exceed 0.0 foot-candles measured at grade. An independent lighting consultant shall verify compliance at least twice a year without notice."
5. **School-bus safety.** "Project vehicles over 10,000 pounds gross vehicle weight shall not enter or leave public roads between 6:00 and 8:00 a.m. or between 2:00 and 4:00 p.m. on days Stokes County Schools are in session." Article IV should also require the Developer to pay for repair of County-maintained or NCDOT secondary roads damaged by construction traffic.

B. Fire, emergency, and utility costs

6. **Scale fire and EMS support to the Project.** Keep the $200,000 in § 7.6. Add an annual contribution, indexed to inflation and set per building or per megawatt of installed load, for fire, EMS, and hazardous materials capacity. The Developer should also reimburse the cost of every Project-specific emergency response.

7. **Battery and fire safety.** “All energy storage systems shall comply with NFPA 855, including thermal runaway detection and 100-foot separation from other structures. Before occupancy, an emergency response plan and pre-incident plan shall be approved by the Stokes County Fire Marshal, with Developer-funded training for every responding department.”
8. **No cost-shifting to household power bills.** “The Developer and every end user shall pay the full cost of transmission, substation, and interconnection upgrades needed to serve the Project. They shall not oppose tariff terms before the NC Utilities Commission designed to keep those costs off residential and small-business customers.”

C. Financial security

9. **Decommissioning bond.** “Before each certificate of occupancy, the Developer shall post security equal to 100 percent of the engineer-certified cost to remove that building’s equipment and restore the site, recertified every five years. If data center use ceases for 24 consecutive months, removal and restoration shall be completed within 12 months after that.”
10. **Parent guarantee and assignment.** “Engineered Land Solutions, LLC shall guarantee ELSDCSP2, LLC’s obligations. No portion of the Property shall be transferred to a new owner or end user until that party files with the County a written assumption of this Agreement and posts its share of all required security.”
11. **Property value protection.** Owners within one mile should be offered a binding program that pays any decline in value found by an independent, County-approved appraiser to result from the Project within five years of operation.

D. Enforcement and drafting

12. **Faster cure for health and safety violations.** Amend § 9.6 so that violations of sound, air, water, cultural resource, or safety terms have a 10-day cure period, may be ordered stopped immediately, and are not subject to the mediation steps of § 9.7. Other violations should have a 30-day cure period instead of a 90-day minimum with an open-ended extension.
13. **Public annual review.** Amend § 9.5 so that the annual review takes place at a public Board meeting, based on a written compliance report from a named corporate officer who certifies its accuracy.
14. **Remove the moratorium shield.** Strike the last sentence of § 3.2. Add: “Vested rights under this Agreement shall lapse as to any portion of the Property on which no building permit has been issued within five years of the Effective Date.”
15. **Remove findings that favor the Developer.** Strike from § 1.3 the County’s finding that the $40 million revenue projection is “reasonable and reliable,” or replace it with a guaranteed minimum annual tax payment. Strike § 5.5 and the final sentence of § 3.9.
16. **Do not enlist the County against its residents.** Strike § 9.15’s duty to cooperate in defending third-party challenges. Replace it with full repayment by the Developer of the County’s reasonable legal costs in any such action, with no cap.
17. **Finish the document.** Complete Exhibit C, which currently lists no dates for the Water and Sewer Policy, and define “Existing Laws” and “Laws” in §§ 3.8–3.9.

Closing Requests

At the September 8 hearing, the Developer presented commitments on noise, energy, water, archaeological review, and land preservation. These revisions ask that those promises be written down in the one document that will bind the Project, its buyers, and its end users for the next fifteen years. A developer confident in its plans should have no objection to putting them in writing.

I respectfully ask the Board to:

1. Continue or decline any vote on the Development Agreement on November 9 until the revisions above have been negotiated and a revised draft has been made public for at least 14 days before a new hearing.
2. Direct the County Attorney to review each revision and report publicly which ones the Developer and Landowner accept and which they refuse.
3. Obtain NC SHPO's written status on the work it requested under ER 22-2071 and ER 26-1083 before any vote.
4. Enter this letter, my August 25, 2026 letter, and the SHPO correspondence into the record of the November 9 hearing.

Thank you for your service to Stokes County and for considering these requests.

Respectfully,

Patrick Minges
1045 Evans Rd.
King, NC 27021

EXHIBIT

08

Sarvasri Ananda — "November Comments Regarding ELS Document" (Development Agreement Deficiencies)

Source / Description

Written statement with screening-level emissions and infrasound analysis, presented by Sarvasri Ananda, 1060 Tyler Rd., Walnut Cove. Document dated by file metadata November 5, 2026; includes an analysis marked "Prepared: November 4, 2026."

Pages

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Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026

Project Delta Development Agreement — Board of Commissioners

INTRODUCTION

After a thorough review of the DEVELOPMENT AGREEMENT BETWEEN ELSDCSP2, LLC, DFC STOKES, LLC, AND DFC STOKES 2, LLC AND STOKES COUNTY, NORTH CAROLINA…

DEVELOPMENT AGREEMENT DEFICIENCIES

Please retain this statement and its attachments as part of the record for the 11/9/26 Commissioners' meeting.

1. WE FOUND numerous deficiencies which need to be addressed. Essentially, the agreement provides no protection of the life and property of the people of Stokes County. For instance, the energy infrastructure of turbines and diesel generators is highly toxic. There is NO PROVISION in the agreement to safeguard the health and welfare of the people of Stokes County. Let's address these issues one by one.
    1.1. The initial development calls for energy utilization of 2 GW which may increase with additional data facilities. This is an incredible amount of energy, comparable to the total electrical generation capacity of the Belews Creek Power Plant which produces enough power to support several cities with the population of close to 2 million people.
    1.2. 2GW = 2000 MW = 2,000,000 KW
    1.3. Let's compare these values with something familiar – A long haul tractor trailer running at capacity produces about 350 KW or .35 MW under maximum load. But a truck doesn't maintain maximum power all the time. At highway speeds it produces 160 kW or .16 MW. 2GW of power equals the combined power of 12,500 diesel trucks at highway speeds. **Can you imagine living in a neighborhood surrounded by 12,500 diesel trucks?** The noise and pollution would be unbearable, lethal actually, as all useable oxygen would be consumed at ground level. This pollution is what must be prevented by a data center, which often operates near maximum capacity. At maximum capacity that would equal 5,714 trucks running at full throttle at full capacity. Cummins QSX15 generator sets, for example at 350-500 KW would require approximately 5000 generators to provide backup power. The pollution from such a volume of generators would equal approximately 13.5 metric tonnes per hour of combined nitrogen oxides and non-methane hydrocarbons, 7.4 tonnes/hour of carbon monoxide, and 0.42 tonnes/hour of particulate matter. Estimated carbon dioxide emissions would be about 1,460 tonnes/hour. These are per hour figures, but back up must be able to produce three days of continuous power in the case of a ice storm. Per day, the figures are shown below in the chart.
    That would be absolutely intolerable, also lethal, in any neighborhood. Yet this is what is proposed for the data center without any pollution controls or protection for the people living nearby. This is unconscionable and must be addressed in specifications to minimize pollution for all energy generating equipment. All quantities below are metric tonnes; one metric tonne equals 1,000 kg, or approximately 2,205 pounds.

Pollutant	Per hour, entire site	Over 24 hours at full output	Basis
Nitrogen oxides + nonmethane hydrocarbons, combined	13.5 tonnes	323 tonnes	Tier 2 limit-based calculation
Carbon monoxide, CO	7.4 tonnes	177 tonnes	Tier 2 limit-based calculation
Particulate matter, PM—particles, not gas	0.42 tonnes, or 421 kg	10.1 tonnes	Tier 2 limit-based calculation
Carbon dioxide, CO_2	1,460 tonnes	35,041 tonnes	Estimated fuel consumption

1.4. A short summary. What I have tried to do is to show you how disastrous 2GW of power is on roughly 1800 acres. In essence, it's lethal using the parameters that the County has already agreed to. That means we must find a way to do better. It means the agreement must be modified to provide safety for everyone nearby. We cannot go about killing people. I did rough computer modeling using standard parameters for engine type, fuel type, stack height, for different scenarios of generator size, number of generators, etc. These trials are described below and I think we may have a solution that only dispersion modeling using EPA software can resolve. That will be presented after the modeling.

1.5. What these pollutants mean

- Nitrogen oxides, or NOx: Include nitric oxide and nitrogen dioxide. They contribute to ground-level ozone and secondary particulate pollution. The table cannot tell us the amount of nitrogen dioxide specifically. cleanairnortheast.epa

- Nonmethane hydrocarbons: Unburned or partially burned fuel compounds. Diesel exhaust also contains air toxics, but their individual quantities cannot be determined from the combined Tier 2 limit. epa+1

- Carbon monoxide: A combustion pollutant regulated separately under the Tier 2 standards. Everyone knows that carbon monoxide is lethal. dieselnet

- Particulate matter: Soot and other particles. Fine and ultrafine diesel particles can penetrate deeply into the lungs; diesel exhaust exposure can worsen respiratory and cardiovascular disease. The table's PM figure should not automatically be labeled entirely PM2.5 without model-specific data. cleanairnortheast.epa +1

- Carbon dioxide: The principal greenhouse-gas quantity estimated here, calculated from fuel burned rather than the Tier 2 pollutant limits. epa

Ozone is an important potential downwind consequence, not an exhaust quantity that can simply be added to this table: it forms when NOx reacts with volatile organic compounds in sunlight. cleanairnortheast.epa

AI **Query:** Build a comprehensive emissions and air-quality impact report for 5,000 Tier 2 diesel generators spread across 1,800 acres. Calculate total daily fuel consumption, CO2, NOx, carbon monoxide, particulate matter (PM2.5/PM10), and VOC emission rates using EPA Tier 2 non-road diesel standards. Model the localized ground-level pollutant concentrations across the 1,800-acre footprint, factoring in standard dispersion models, meteorological assumptions, and comparison thresholds against EPA National Ambient Air Quality Standards (NAAQS)

Emissions and Air-Quality Impact Report

5,000 Tier 2 Diesel Generators on 1,800 Acres (2 GW Backup Power)

Prepared: November 4, 2026 · Screening-level analysis
Scenario: 5,000 × 400 kW diesel generator sets (Cummins QSX15-class), 2,000 MW total electrical output, distributed across a 1,800-acre (7.29 km²) site assumed square (2.7 km × 2.7 km), operating simultaneously at full load for 24 hours.

1. Executive Summary

If all 5,000 Tier 2 diesel generators run together at full load, the site burns **3.43 million gallons of diesel per day** and emits roughly **291 tonnes of NOx, 177 tonnes of carbon monoxide, 9–10 tonnes of particulate**

matter, and 32 tonnes of VOC per day, plus **35,041 tonnes of CO2 per day** (12.8 million tonnes per year if run continuously). These totals follow directly from the EPA Tier 2 non-road diesel certification limits and standard fuel-use figures — they are not measured emissions from any specific engine.

A screening-level Gaussian dispersion model of the 1,800-acre footprint shows:

- **1-hour NO2 (worst-case meteorology): ~19,000 μg/m³ — about 100× the NAAQS.** The 1-hour NO2 standard (188 μg/m³) is **exceeded** across the entire modeled domain (radius >11 km, extending beyond the model boundary).
- **Annual NO2: ~4,400 μg/m³ upper-bound estimate — about 44× the annual standard**, and the 100 μg/m³ annual standard is **exceeded** beyond 11 km downwind.
- **24-hour PM2.5: ~138 μg/m³ under typical meteorology — about 4× the 35 μg/m³ standard** (up to ~6× with a fixed wind direction), exceeded within roughly 2.6 km of the site; the annual PM2.5 standard (9 μg/m³) is **exceeded** by 5–15× even before adding regional background.
- **PM10 24-hour: ~146 μg/m³ — essentially at the 150 μg/m³ standard** before adding background, so effectively an **exceedance**.
- **CO and SO2 remain below their standards** (12.6 ppm vs. 35 ppm 1-hr CO; ~27 μg/m³ vs. 196 μg/m³ 1-hr SO2) because ULSD sulfur is near zero and CO emission limits are comparatively lenient.
- **Ozone is a major unmodeled secondary impact:** 291 t/day of NOx plus 32 t/day of VOC in sunlight would drive regional 8-hour ozone well above the 70 ppb NAAQS during warm-season stagnation events.

Bottom line: Full-site simultaneous operation of this Tier 2 fleet *for even a single day* **would produce criteria-pollutant concentrations tens of times above federal health standards** over a multi-county area. NOx is the binding pollutant by roughly an order of magnitude. Any realistic permitting strategy (non-attainment NSR, PSD, or North Carolina DAQ review) would treat this as a major source requiring the most stringent controls available — Tier 4 engines, diesel particulate filters, SCR, or non-diesel alternatives.

2. Scenario Definition and Assumptions

Parameter	Value	Basis / Note
Number of generator sets	5,000	Site plan
Electrical rating per genset	400 kW	Cummins QSX15-class standby genset
Total electrical capacity	2,000 MW	5,000 × 400 kW
Alternator efficiency	95%	Engine mechanical power ≈ 421 kW per unit
Emission standard tier	EPA Tier 2, nonroad CI	40 CFR Part 1039 App. I (formerly Part 89)
Fuel consumption per genset	28.6 gal/hr at full load	0.0715 gal/kWh; ≈35% HHV efficiency
Operating scenario	24 hr/day continuous, 100% load	Worst case; backup duty scales linearly
Fuel sulfur	15 ppm (ULSD)	Highway/nonroad diesel standard

Site geometry	1,800 acres = 7.287 km²	Modeled as 2.7 km × 2.7 km square
Generator spacing	~38 m × 38 m grid	5,000 units on the square
Stack (exhaust) height	5 m	Typical containerized/enclosed genset
Stack diameter / exit velocity	0.25 m / 20 m/s	Typical 15-L high-speed diesel
Exhaust temperature	450 °C (723 K)	Typical diesel genset
Receptor height	1.5 m	Breathing zone

Key modeling caveats: Tier 2 standards are certification limits measured on the ISO 8178 test cycle — actual full-load emissions from a given engine family may be above or below these values. The combined NOx+NMHC standard is split 90/10 NOx/VOC, a typical Tier 2 non-road split. Diesel exhaust PM is nearly all fine particles; PM2.5 is taken as 90% and PM10 as 95% of certification PM.

3. Regulatory Basis

3.1 EPA Tier 2 nonroad diesel emission standards

Applicable Tier 2 limits for the 421 kW-mechanical engine class (225 ≤ kW < 450), per 40 CFR Part 1039, Appendix I (eCFR):

Rated power (kW)	Model year	NOx+NMHC (g/kWh)	CO (g/kWh)	PM (g/kWh)
75 ≤ kW < 130	2003	6.6	5.0	0.30
130 ≤ kW < 225	2003	6.6	3.5	0.20
225 ≤ kW < 450	**2001**	**6.4**	**3.5**	**0.20**
450 ≤ kW ≤ 560	2002	6.4	3.5	0.20
kW > 560	2006	6.4	3.5	0.20

Standards apply per kWh of **mechanical** work, hence the 421 kW mechanical rating is used for emission calculations. These Tier 2 requirements were adopted in EPA's 1998 non-road diesel rule (EPA regulations).

3.2 EPA National Ambient Air Quality Standards

Current NAAQS (EPA NAAQS table), converted to $\mu g/m^3$ at 25 °C, 1 atm:

Pollutant	Averaging time	Level	Form
CO	1 hour	40,000 $\mu g/m^3$ (35 ppm)	Not exceeded more than once/year
CO	8 hours	10,000 $\mu g/m^3$ (9 ppm)	Not exceeded more than once/year
NO2	1 hour	188 $\mu g/m^3$ (100 ppb)	98th percentile of daily max, 3-yr avg
NO2	1 year	100 $\mu g/m^3$ (53 ppb)	Annual mean
PM2.5	24 hours	35 $\mu g/m^3$	98th percentile, 3-yr avg

PM2.5	1 year	9.0 μg/m³	Annual mean, 3-yr avg (2024 revision)
PM10	24 hours	150 μg/m³	Not exceeded more than once/year
SO2	1 hour	196 μg/m³ (75 ppb)	99th percentile of daily max, 3-yr avg
Ozone	8 hours	70 ppb	4th-highest daily max, 3-yr avg

4. Fuel Consumption and CO2

Quantity	Per genset	Site-wide (5,000)
Fuel — hourly	28.6 gal/hr	143,000 gal/hr
Fuel — daily	686.4 gal	**3,432,000 gal/day** (81,700 bbl/day)
Electricity	9.6 MWh/day	48,000 MWh/day
CO2	7.0 t/day	**35,041 t/day** (1,460 t/hr)
Fuel energy input	3.93 MMBtu/hr	19.7 MMBtu/s ≈ 5.8 GW thermal

Fuel heat content 137,381 Btu/gal and 10.21 kg CO2/gallon per EPA's GHG Emission Factors Hub (EPA). Annualized continuous operation would emit roughly 12.8 million tonnes of CO2 per year — comparable to a 2 GW coal or gas plant — and consume about 1.25 billion gallons of diesel per year.

5. Emission Inventory (Tier 2 certification limits)

Per-genset factors (421 kW mechanical): NOx+NMHC 2.69 kg/hr, CO 1.47 kg/hr, PM 0.084 kg/hr.

Pollutant	Per genset (kg/hr)	Site (tonnes/hr)	Site (tonnes/day)	Site (g/s)
NOx	2.43	12.13	**291.0**	3,368
VOC (NMHC)	0.27	1.35	**32.3**	374
Carbon monoxide (CO)	1.47	7.37	**176.8**	2,047
PM (certification total)	0.084	0.42	**10.1**	117
PM2.5 (90% of PM)	0.076	0.38	**9.1**	105
PM10 (95% of PM)	0.080	0.40	**9.6**	111
SO2 (ULSD, 15 ppm S)	0.0028	0.014	**0.33**	3.8
CO2	292	1,460	**35,041**	—

For context: 291 t/day of NOx exceeds the combined NOx of roughly 60–100 average U.S. coal-fired power plant units, and **by itself is over 1,000× the 250 t/yr** major-source threshold that triggers Prevention of Significant Deterioration / nonattainment NSR review if sustained. Even the EPA's minor-source general permits for generator fleets typically cap NOx at 5–250 t/yr (EPA background document).

Runtime sensitivity (linear scaling):

Operating profile	Fuel	NOx	CO	PM2.5	CO2
1 hour (full site)	143,000 gal	12.1 t	7.4 t	0.38 t	1,460 t
8 hours	1.14 M gal	97 t	59 t	3.0 t	11,680 t
24 hours	3.43 M gal	291 t	177 t	9.1 t	35,041 t
100 hr/yr (testing + outages)	14.3 M gal/yr	1,213 t/yr	737 t/yr	38 t/yr	146,000 t/yr
Continuous (8,760 hr/yr)	1.25 B gal/yr	106,200 t/yr	64,600 t/yr	3,270 t/yr	12.8 Mt/yr

6. Dispersion Modeling Methodology

6.1 Approach

A screening-level Gaussian plume model was constructed for the full 5,000-source array:

- The 1,800-acre site was modeled as a 2.7 km square with 5,000 sources on a 71×71 grid (38 m spacing).
- Each source uses the steady-state Gaussian point-source equation with ground reflection, evaluated at 1.5 m receptor height: $C(x, y) = Q / (\pi \cdot u \cdot \sigma y \cdot \sigma z) \cdot \exp(-y^2/2\sigma y^2) \cdot \exp(-H^2/2\sigma z^2)$
- Dispersion coefficients: Briggs rural formulas for Pasquill stability classes D (neutral) and F (stable).
- Plume rise: Briggs buoyant/momentum rise from the stack parameters (5 m height, 0.25 m diameter, 20 m/s exit velocity, 450 °C). Computed rise ≈ 8.3 m (class F) and 10.5 m (class D), giving effective release heights of ~13–15 m.
- Wind speed adjusted to plume height with stability-dependent power-law exponents.
- Concentrations computed over a receptor grid extending 8 km from the site center (fine 100 m spacing near the site, 250 m spacing to 8 km), for 16 wind directions.

6.2 Meteorological scenarios

Scenario	Stability	Wind speed (10 m)	Use
Worst-case 1-hr	Class F (stable, night)	1.5 m/s	1-hr NO2, CO, SO2 NAAQS; max over 16 directions
Typical	Class D (neutral)	3.0 m/s	24-hr PM, 8-hr CO; average over 16 rotating directions
Annual (upper bound)	Class D, 3 m/s steady	3.0 m/s	Annual NO2, PM2.5; a realistic annual average would be roughly 2–4× lower once wind-speed and stability variability are included

6.3 Pollutant conversions

- **NOx → NO2:** results are reported as NOx (conservative), with the 1-hr NO2 comparison using an 80% ambient ratio (ARM-style screening conversion).
- **PM2.5/PM10:** primary (directly emitted) particles only. Secondary formation — nitrates from 291 t/day of NOx and sulfates — would add substantially to PM2.5 downwind and is not included.
- Background concentrations (rural North Carolina: NO2 ~2–4 ppb, PM2.5 ~7–8 $\mu g/m^3$ annual) are additive and are not included in modeled values.

6.4 Model limitations

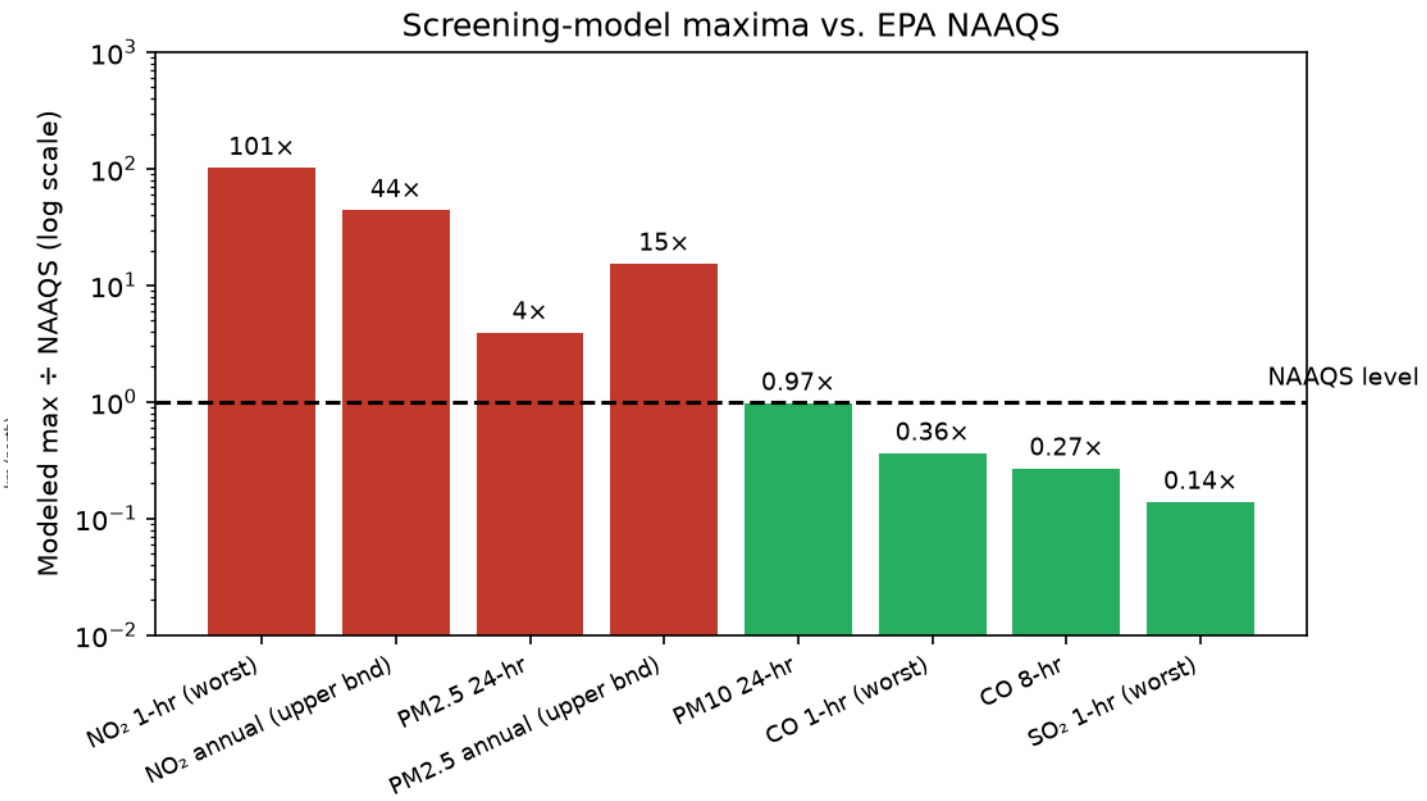
This is a screening analysis, not an EPA-refined study. It does not replace AERMOD modeling with 5 years of representative meteorology, terrain, building downwash, and actual stack parameters. Aggregate plume merging and heat-island effects over a 2.7 km source field would tend to enhance vertical mixing (lowering peaks by perhaps 2–5×), while night-time stagnation episodes with calm winds, low mixing heights, or sea-breeze-type recirculation could sustain or worsen the modeled worst-case values. The concentration results should be read as order-of-magnitude estimates: NOx exceedances are so large (10–100×) that no plausible refinement changes the compliance conclusion.

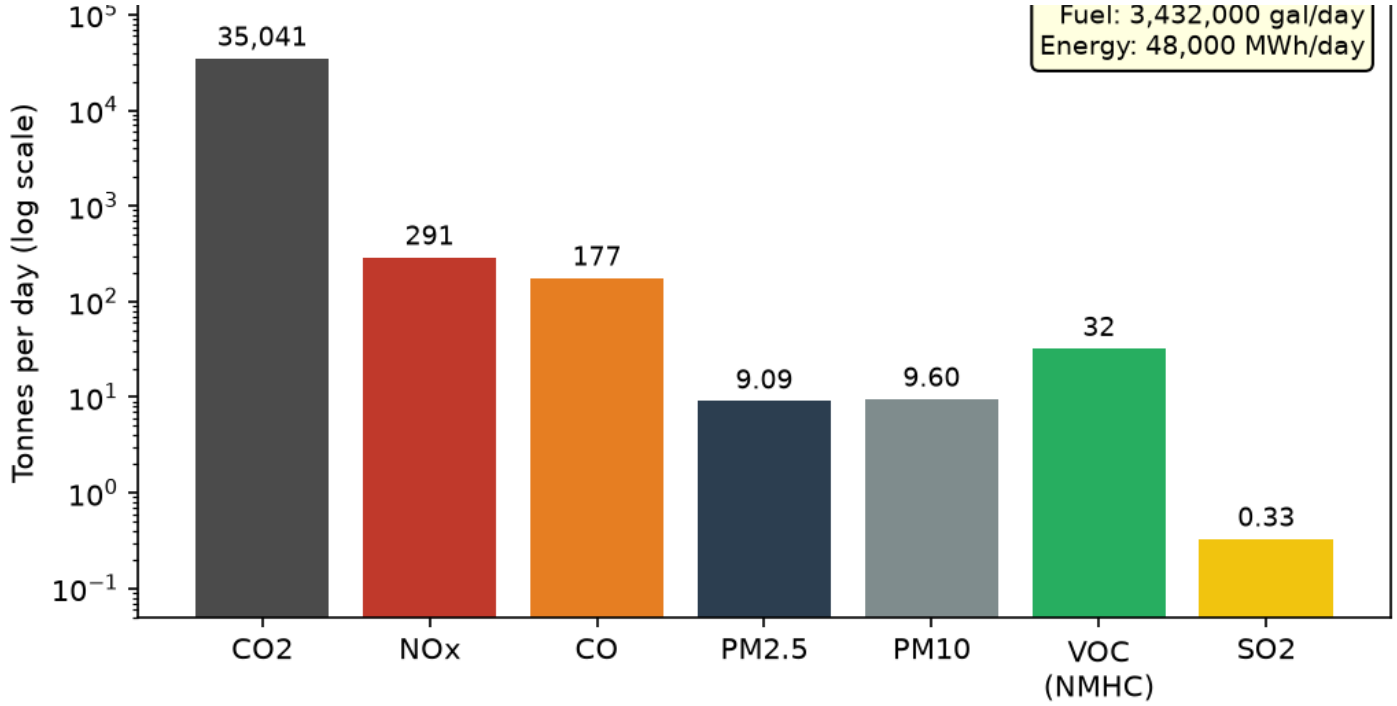
7. Modeled Ground-Level Concentrations

7.1 Maximum concentrations vs. NAAQS

Pollutant / averaging	Met scenario	Modeled max	NAAQS	Ratio	Verdict
NO2 1-hr (NOx × 0.8)	Worst (F, 1.5 m/s)	19,063 $\mu g/m^3$	188 $\mu g/m^3$	**101×**	Gross exceedance
NOx 1-hr (as NOx)	Worst (F)	23,829 $\mu g/m^3$	—	127×	—
NO2 annual (upper bound)	Typical (D)	4,414 $\mu g/m^3$	100 $\mu g/m^3$	**44×**	Gross exceedance
PM2.5 24-hr	Typical (D)	138 $\mu g/m^3$	35 $\mu g/m^3$	**3.9×**	Exceedance
PM2.5 24-hr (fixed wind dir.)	Typical (D)	214 $\mu g/m^3$	35 $\mu g/m^3$	6.1×	Exceedance
PM2.5 1-hr peak	Worst (F)	745 $\mu g/m^3$	—	—	Context only
PM2.5 annual (upper bound)	Typical (D)	138 $\mu g/m^3$	9.0 $\mu g/m^3$	**15×**	Gross exceedance
PM10 24-hr	Typical (D)	146 $\mu g/m^3$	150 $\mu g/m^3$	0.97×	At standard; exceeds with background
CO 1-hr	Worst (F)	14,479 $\mu g/m^3$ (12.6 ppm)	40,000 $\mu g/m^3$	0.36×	Compliant
CO 8-hr	Typical (D)	2,682 $\mu g/m^3$ (2.3 ppm)	10,000 $\mu g/m^3$	0.27×	Compliant
SO2 1-hr	Worst (F)	27 $\mu g/m^3$	196 $\mu g/m^3$	0.14×	Compliant

CO 8-hr	Typical (D)	2,682 $\mu g/m^3$ (2.3	10,000 $\mu g/m^3$	0.27×	Compliant
SO2 1-hr	Worst (F)	27 $\mu g/m^3$	196 $\mu g/m^3$	0.14×	Compliant





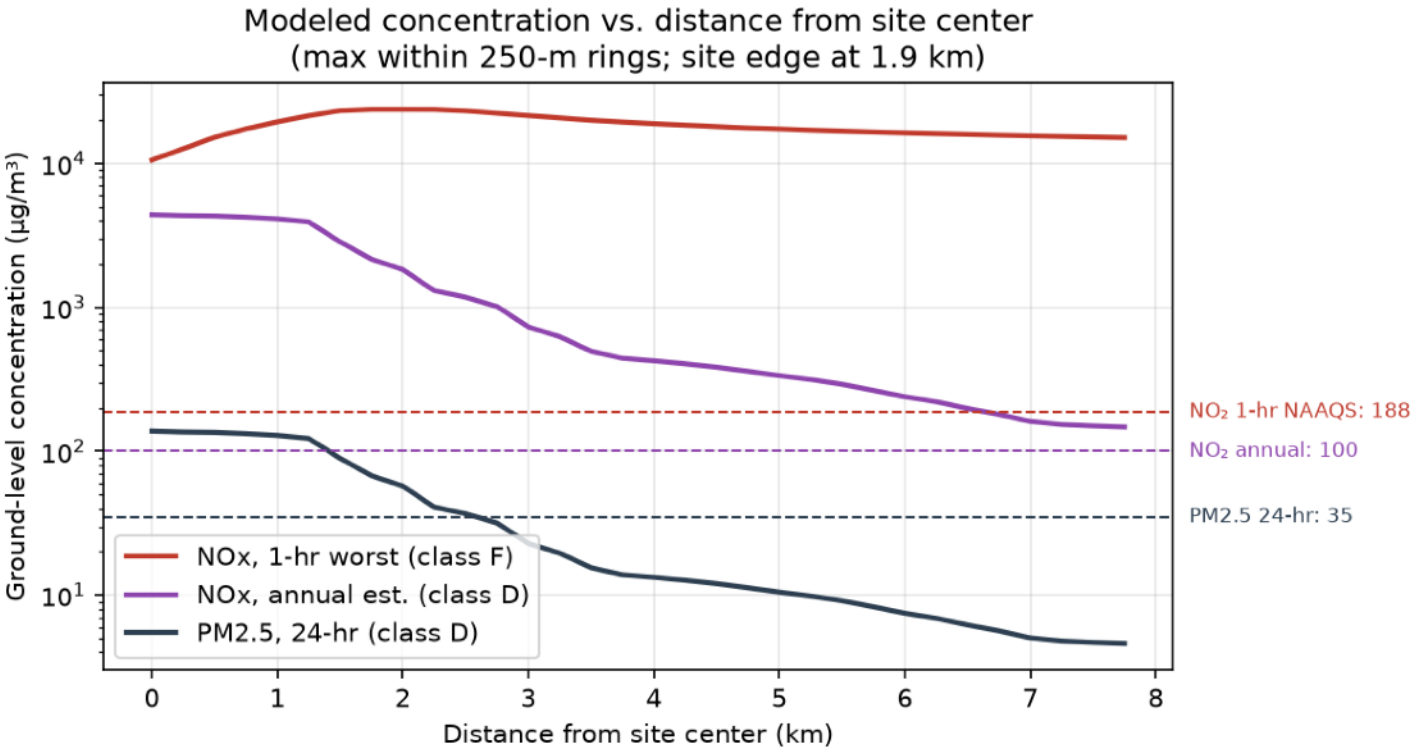
7.1

Spatial footprint of exceedances

- **1-hour NO2:** the 188 μg/m³ contour encloses the entire modeled domain — every receptor out to the domain edge and beyond (model corner receptors at 11.3 km still exceed). Under class-F stagnation, the exceedance plume would extend tens of kilometers downwind.
- **24-hour PM2.5:** the 35 μg/m³ contour extends ~2.6 km from the site center (about 0.7 km beyond the property line in the prevailing direction).
- **Annual NO2:** the 100 μg/m³ contour also extends beyond the modeled domain (>11 km).

7.2 Concentration vs. distance

Within the site itself (first 1.9 km from center), worst-case 1-hr NOx runs 10,000–24,000 μg/m³ — a level at which NO2 is acutely irritating and, per the NAAQS framework, grossly injurious to sensitive populations. Concentrations decline roughly with 1/distance but remain above the 1-hr and annual NO2 standards at every distance modeled.



8. Secondary Pollutants: Ozone and Secondary PM

The NAAQS comparison above covers only directly emitted pollutants. Two secondary effects would be substantial:

1. **Ozone.** 291 t/day of NOx plus 32 t/day of VOC is a very large ozone precursor load — comparable to the NOx inventory of an entire mid-sized metropolitan area. During warm, sunny stagnation episodes, 8-hour ozone downwind would plausibly exceed the 70 ppb NAAQS across a multi-county region. Ozone is the pollutant most likely to drive regional nonattainment findings.

2. **Secondary PM2.5.** NOx converts to ammonium nitrate particulate downwind; the 291 t/day NOx load could add several μg/m³ of regional PM2.5 on top of the modeled 138 μg/m³ primary 24-hr maximum, worsening the PM exceedances.

Diesel exhaust PM is classified as carcinogenic to humans (IARC Group 1), and the modeled PM2.5 levels are 4–15× the health-based standards.

9. Uncertainty and Sensitivity

Factor	Direction / magnitude
Tier 2 limits are certification-cycle values	Actual full-load emissions may differ ±30% per engine family
NOx:VOC split (90/10 assumed)	Affects VOC by ±5% of combined; NOx conclusions unchanged
Aggregate plume rise / heat island over 2.7 km source field	Modeled peaks could be 2–5× high
Stagnation with winds < 1.5 m/s or recirculation	Modeled worst case could be low
Building downwash, terrain	Not modeled; site-specific
Annual estimates	Class-D steady is an upper bound; realistic annual 2–4× lower — still 10–20× the NO2 annual standard
Genset rating	All results scale linearly with kW; e.g., 350 kW units → 12.5% lower; 500 kW units → 25% higher

The compliance conclusions are robust to all of these: NOx exceedances span more than two orders of magnitude in the worst case and 1.5–2 orders annually.

10. Mitigation and Regulatory Context

1. **Engine tier.** Tier 4 final nonroad diesel standards (NOx ≈ 0.2–0.4 g/kWh, PM ≈ 0.02–0.04 g/kWh, per 40 CFR 1039) would cut NOx by ~95% and PM by ~90% versus Tier 2 — the single most effective control.

2. **Aftertreatment retrofits.** Diesel particulate filters (PM ~85–90% reduction) and selective catalytic reduction (NOx ~80–90%) on Tier 2 engines.

3. **Fuel.** ULSD is already assumed; renewable diesel cuts PM and CO2 modestly.

4. **Duty-cycle management.** Limiting simultaneous full-site operation (staggered run testing), annual hour caps, and load-sharing reduce peak and annual totals linearly.

5. **Stack height / siting.** Taller stacks help 1-hr ground-level maxima somewhat but do not change totals; dispersion cannot bring a 291 t/day NOx source into compliance with NAAQS.

6. **Alternatives.** Natural gas gensets (with SCR), grid interconnection, or fuel cells eliminate most of the diesel inventory.

7. **Permitting.** In North Carolina, a 2 GW diesel installation is a major source under PSD/nonattainment NSR (NOx, CO, PM2.5/PM10, VOC, SO2 all far above 250 t/yr thresholds if operated at this duty), requiring best available control technology, modeling, and offsets in nonattainment areas — and emergency engines run under the RICE rules have hour limits incompatible with sustained prime-power operation.

11. Summary of Key Numbers

Metric	Value
Diesel fuel	**3.43 million gal/day**
CO2	**35,041 t/day** (12.8 Mt/yr if continuous)
NOx	**291 t/day** (3,368 g/s)
CO	**177 t/day**
PM2.5 / PM10	**9.1 / 9.6 t/day**
VOC (NMHC)	**32 t/day**
SO2	0.33 t/day
Max 1-hr NO2 (modeled, worst case)	**~19,000 $\mu g/m^3$ ≈ 100× NAAQS**
Max annual NO2 (upper bound)	**~4,400 $\mu g/m^3$ ≈ 44× NAAQS**
Max 24-hr PM2.5 (typical met)	**~138 $\mu g/m^3$ ≈ 4× NAAQS**
1-hr NO2 exceedance radius	>11 km (beyond model domain)
PM2.5 24-hr exceedance radius	~2.6 km
CO, SO2	Below standards

Sources

- Tier 2 nonroad diesel standards: 40 CFR Part 1039, Appendix I — eCFR
- Nonroad diesel regulations overview — EPA
- NAAQS levels and forms — EPA NAAQS table; PM2.5 annual standard revision — EPA
- CO2 emission factor (10.21 kg/gal diesel) — EPA GHG Emission Factors Hub 2025; EPA GHG equivalencies
- Diesel heat content (137,381 Btu/gal) — EIA, via EPA references
- Minor-source generator permit NOx limits (5–250 tpy) — EPA engines background document
- Genset fuel consumption (28.6 gal/hr at 400 kW; ~0.25 L/kWh class) — diesel generator fuel guides; Cat C175-16 2,600 kW @ 168.5 gal/hr as efficiency cross-check — dieselfuelhq.com
- Tier 4 standards for comparison — eCFR 40 CFR 1039 Subpart B

Prepared as a screening-level engineering estimate. Regulatory or permit submissions require refined AERMOD modeling with site-specific meteorology, engine-family certification data, and stack parameters.

What would be the health effects of this much pollution emitted at ground level over 1800 acres?

Short answer

The pollutant levels modeled for this scenario are not subtle "statistical" health effects — **they're the kind of concentrations that make people visibly sick**. A 24-hour full-site run would put the surrounding area into the **worst air-quality category the EPA uses**, and sustained operation **would produce measurable increases in deaths, heart attacks, strokes, asthma, and cancer across a multi-county region**.

Acute effects during a full-load event

Nitrogen dioxide (the binding pollutant). The modeled 1-hour peak of ~19,000–24,000 $\mu g/m^3$ (about 10–12 ppm) is roughly 100× the federal standard and far above the ~900 $\mu g/m^3$ level at which short-term adverse effects are documented in sensitive people. At these concentrations NO2 is a direct airway irritant: burning eyes, nose, and throat, cough, chest tightness, and wheezing; controlled studies find symptoms and lung-function loss in asthmatics beginning around 0.5–1.6 ppm. Per ATSDR, high-level exposure can cause fluid buildup in the lungs (pulmonary edema) 1–2 days afterward — a real risk for anyone outdoors or near the property line during a stable, low-wind night.hero.epa+1

Particulate matter. A 24-hour PM2.5 average of ~138 $\mu g/m^3$ (peaks near 745 $\mu g/m^3$) is about 4–21× the health standard — deep in "Very Unhealthy" to "Hazardous" AQI territory. Short-term PM2.5 increases daily deaths from heart and lung disease by roughly 0.4–1% per 10 $\mu g/m^3$, with hospital admissions, asthma attacks, and medication use rising in lockstep. Within days of an event you'd expect measurable jumps in emergency-department visits for asthma and COPD, plus a small but real bump in heart attacks and strokes. ahajournals

Diesel exhaust as a mixture. Acute symptoms of diesel exhaust exposure include headache, dizziness, nausea, cough, and chest tightness (ATSDR); it also directly induces airway inflammation and airway hyperresponsiveness in controlled human exposure studies. pmc.ncbi.nlm.nih

Effects if exposure persisted (days to years)

Mortality from PM2.5. The most recent meta-analyses find roughly an 11% increase in all-cause mortality per 10 $\mu g/m^3$ of long-term PM2.5 exposure, with 13% increases in cardiovascular and stroke deaths. To put that in scale: if ~100,000 people lived within the affected zone and the annual PM2.5 increment averaged ~40 $\mu g/m^3$ (a realistic annualized value from my model, on top of existing background), the implied long-term mortality increase is on the order of **several hundred excess deaths per year** — using the same concentration-response functions EPA uses for regulatory benefits analysis. WHO considers 5 $\mu g/m^3$ annual PM2.5 the guideline level and finds no safe threshold — this scenario is 10–30× above it.pmc.ncbi.nlm.nih+2

New asthma in children. NO2 is causally linked to asthma exacerbation and, at elevated long-term levels, to asthma development and reduced lung-function growth in children. Long-term NO2 at modeled levels (annual NO2 tens of times above the 53 ppb standard) would make the surrounding area effectively an asthma-epidemic zone for kids. epa

Cancer. Diesel engine exhaust is classified as a Group 1 human carcinogen by WHO's IARC — "sufficient evidence" that it causes lung cancer, with limited evidence for bladder cancer. IARC's exposure-response work estimates ~6% of annual lung cancer deaths are already attributable to diesel exhaust at ordinary ambient levels; a 9-tonne-per-day diesel PM source at ground level in a populated area would drive that risk far above baseline.iarc.who+1

Ozone episodes. The NOx + VOC load would generate warm-season ozone well above the 70 ppb standard downwind. Ozone causes airway inflammation, reduced lung function, asthma attacks, hospital admissions, and premature respiratory deaths even at levels below the current standard.epa+1

Who would be hit hardest

Children (asthma development, reduced lung growth), people with existing asthma or COPD, the elderly (cardiovascular mortality), pregnant women (diesel exhaust is linked to adverse birth outcomes), and outdoor workers — including anyone on the 1,800-acre site itself, where concentrations would be highest.

Important caveats

These projections extrapolate concentration-response relationships that were derived at much lower ambient concentrations; at levels this extreme, effects almost certainly saturate somewhat nonlinearly. The screening dispersion model carries 2–5× uncertainty in peak values. But the margin here is enormous: the modeled NO2 and PM2.5 exceed health-based standards by factors of 4–100, so the qualitative conclusion — mass acute respiratory illness, a large jump in hospitalizations, and hundreds of excess long-term deaths per 100,000 exposed residents — is robust to any plausible refinement.

1.6. It is clear that backup generators using small diesel generators in large numbers produces a devastating health consequence. Although these smaller diesel generators are cheap. It may be that a larger generator is more practical and could perhaps produce less pollution so I will run the numbers.

Typically, a generator in the 2 MW - 3 MW range would be more appropriate. 2.5 MW Diesel generators are available. They are about the size of a locomotive engine. For backup power on a 2GW facility a larger size of generators would “only” require 800 to a thousand.
the tonnage stays identical, but what people breathe gets substantially worse. I re-ran the dispersion model with the exhaust released at ground level instead of through a 5 m stack:

Scenario	1-hr NOx max	Annual NOx	24-hr PM2.5
5 m stack (original model)	23,800 μg/m^3	4,400 μg/m^3	138 μg/m^3
Ground-level discharge, hot exhaust still rising	**41,400 μg/m^3 (+74%)**	**9,800 μg/m^3 (+122%)**	**306 μg/m^3 (+122%)**
Ground-level, exhaust trapped (no rise)	**314,000 μg/m^3 (13×)**	**23,500 μg/m^3 (5×)**	**734 μg/m^3 (5×)**

The total amount of pollution is the same but without the 30 meter stack the ground level discharge and concentration would be greater. No improvement. Still toxic for anyone on or near the property.

The physics behind the difference:
Stack height mainly protects the near field. The exp(-H^2/2σz^2) term in the plume equation means a release at 13–15 m effective height barely touches ground level until the plume spreads downwind; a release at ~1 m puts essentially undiluted exhaust at breathing height immediately. The peak concentration moves onto the site itself — workers or anyone at the fence line would be exposed to near-source levels, not diluted plume.

Hot exhaust still rises on its own (~4–6 m of buoyant rise at 450 °C), which is why the realistic ground-discharge case is "only" about twice as bad rather than ten times. The pessimistic bound — rain caps, horizontal discharge under canopies, building downwash trapping the plume — is the 5–13× case.

The exceedance footprint barely changes (the >188 μg/m^3 NO2 contour already extends past the model domain either way), because far downwind the plume "forgets" its release height. What changes is severity on and near the site.

The health framing from before strengthens accordingly: ground-level discharge pushes the site itself from "gross NAAQS exceedance" toward levels where NO2 causes acute respiratory injury (the ~900 μg/m^3 short-

term effect threshold is exceeded by a factor of 40–300), and it eliminates the modest near-field benefit that taller stacks would have provided. In permitting terms, it also removes any dispersion credit — a ground-level release is the worst-case assumption regulators would apply.

If you're evaluating the 800 × 2.5 MW configuration, the same conclusion holds: same emissions, and I'd recommend assuming ground-level release in any impact screening since that's how they're actually deployed.

I heard that a taller stack might help, but my hopes were dashed. Here's the result.
Yes — an 80-ft (24 m) stack buys real near-field reductions, but not compliance. Here are the corrected results for the 800 × 2.5 MW fleet (my previous run had a units-scaling error — these numbers are the corrected values):

Scenario	1-hr NOx peak	1-hr NOx at fence line	Annual NOx	24-hr PM2.5
Ground-level discharge	22,700 μg/m^3	20,800 μg/m^3	2,100 μg/m^3	66 μg/m^3
5 m stack	16,500 μg/m^3	13,600 μg/m^3	1,800 μg/m^3	56 μg/m^3
80-ft stack	**6,900 μg/m^3**	**2,300 μg/m^3**	**960 μg/m^3**	**30 μg/m^3**
80 m stack	630 μg/m^3	~1 μg/m^3	216 μg/m^3	7 μg/m^3

What the 80-ft stack actually buys you

- **Fence-line exposure drops ~9×** (20,800 → 2,300 μg/m^3) — the biggest safety gain is for workers and anyone on the site itself.
- **Peak 1-hr NOx drops ~3×** (still ~37× the 188 μg/m^3 NO2 standard).
- **24-hr PM2.5 falls to ~30 μg/m^3** — right at the edge of the 35 μg/m^3 standard before adding regional background, so roughly compliant on that one pollutant under typical meteorology.
- **Annual NO2 stays ~10× the standard**, and the 1-hr and annual NO2 exceedance zones still extend past 11 km downwind — the footprint doesn't shrink.

Why the gain is limited

1. **The 2.5 MW exhaust is hot and rises on its own** — I modeled ~14 m of buoyant rise even with no stack, so an 80-ft stack raises the effective release height from ~15 m to ~38 m. Helpful, but the plume still comes down well above health standards.
2. **Stacks dilute; they don't reduce pollution.** The 291 t/day of NOx, the regional ozone formation, secondary PM downwind, and 35,000 t/day of CO2 are unchanged. You're spreading the same dose over more distance and more people.
3. **EPA's Good Engineering Practice rules** cap the stack height credit you're allowed to claim in a NAAQS compliance demonstration (roughly building height plus 1.5× the building's width dimension). A 24 m stack is generally creditable, but the "dilution as control" strategy has a regulatory ceiling — and it can't close a 10–100× gap anyway.
4. **800 × 80-ft stacks is a major cost/structural proposition** — campuses often manifold several gensets into shared risers to get the same effective height.

Bottom line: An 80-ft stack is worth doing for on-site and fence-line safety, and roughly fixes the 24-hr PM2.5 problem — but NOx remains the binding pollutant by an order of magnitude, and only cleaner engines (Tier 4, DPF + SCR) or fewer diesel hours actually change the compliance verdict.

So the bottom line with a taller stack does not help much with Tier 2 gensets. The whole area is still toxic and dangerous. The only improvement possible is with pollution controls at the source. So let's see what that buys us.

Using Tier 4 Gensets with 80 ft stack

Tier 4 final standards for large generator sets are NOx 0.67, PM 0.03, NMHC 0.19 g/kWh (CO stays 3.5). Here's what that buys the 800 × 2.5 MW fleet:ecfr+1

New inventory (per day, 2 GW)

Pollutant	Tier 2	Tier 4 final	Change
NOx	291 t	**34 t**	-88%
PM2.5	9.1 t	**1.4 t**	-85%
VOC (NMHC)	32 t	**9.6 t**	-70%
CO	177 t	**177 t**	unchanged (CO limit is the same)
CO2 / fuel	35,041 t / 3.43M gal	**same**	zero change

Modeled concentrations vs. NAAQS

	1-hr NO2 (peak)	1-hr NO2 (fence)	Annual NO2	24-hr PM2.5
Tier 2, ground-level	18,200 μg/m^3 (97×)	16,600 (89×)	1,690 (17×)	53 (1.5×)
Tier 4, ground-level	**2,116 μg/m^3 (11×)**	1,937 (10×)	**246 (2.5×)**	**9.9 (0.3×) ✓**
Tier 4 + 80-ft stacks	**641 μg/m^3 (3.4×)**	**211 (1.1×)**	**111 (1.1×)**	**4.5 (0.1×) ✓**

(First row restated with the corrected scaling from my 80-ft answer.)

What Tier 4 buys you

- **PM2.5 problem fully solved** — even with ground-level discharge, 24-hr PM2.5 drops to ~10 μg/m^3, well below the 35 μg/m^3 standard even after adding background.
- **Ozone and regional smog largely resolved** — an 88% NOx cut plus 70% VOC cut moves the site from "metropolitan-area-scale precursor load" to something a region can absorb.

- **The annual NO2 exceedance zone shrinks from beyond 11 km to a 2.7 km radius** (ground-level) or **essentially just the site itself** (with 80-ft stacks).

- **Combined with 80-ft stacks, you land on the compliance boundary**: fence-line 1-hr NO2 at ~1.1× and annual at ~1.1× the standards — versus 100× for Tier 2. A refined AERMOD run with actual site meteorology (the 1.5 m/s class-F worst case is a rare screening construct) would plausibly show compliance or near-compliance; conversely, adding regional background NO2 (~4–8 $\mu g/m^3$) pushes the annual number back over the line. This is genuinely "needs real modeling" territory, not "gross violation" territory.

What it doesn't buy you

- **CO2 and fuel are untouched** — 35,000 t CO2/day, 3.43M gal/day. Tier 4 is an aftertreatment standard; the greenhouse-gas and diesel-logistics footprint is identical.

- **CO is unchanged** (177 t/day) — though it was already compliant, so no action needed.

- **Cold starts and low load**: the 0.67 g/kWh rating is steady-state with warm SCR (Selective Catalytic Reduction). In the first minutes after a black-start event, SCR systems haven't reached temperature, and NOx briefly reverts toward uncontrolled levels — a real consideration for emergency duty, which is exactly when all 800 would fire at once.

- **New logistics**: Tier 4 at this scale means diesel exhaust fluid (urea) at roughly 2–3% of fuel volume — on the order of 3,000–4,000 gallons of DEF per hour of full-site operation.

Bottom line: Tier 4 plus elevated stacks converts an unpermittable, 100× NAAQS violation into a borderline case that refined modeling might clear — and definitively fixes PM and ozone. The remaining issues are the marginal annual NO2, cold-start transients, and the fact that CO2, fuel consumption, and the diesel supply chain are unchanged.

Can we get away without such high stacks?

Actually, the stack helps enormously, it just looked weak in the Tier 2 runs because a 5–15× improvement doesn't matter when you're 100× over the standard. Against Tier 4 numbers, the 80-ft stack is the difference between violation and near-compliance:

Tier 4 fleet	Ground-level	80-ft stacks
1-hr NO2 at fence line	1,937 $\mu g/m^3$ (10×)	211 $\mu g/m^3$ (1.1×)
1-hr NO2 peak	2,116 $\mu g/m^3$ (11×)	641 $\mu g/m^3$ (3.4×)
Annual NO2	246 $\mu g/m^3$ (2.5×)	111 $\mu g/m^3$ (1.1×)

A useful way to see it: ask how many of the 800 gensets could run before hitting each standard.

- **Ground-level discharge:** the 1-hour standard caps you around **70 gensets (~175 MW)** during stable, calm nights; the annual standard caps you around **325 gensets (~810 MW)** run continuously.

- **With 80-ft stacks:** the fence-line numbers support roughly **700–720 gensets (1.75–1.8 GW)** — essentially the full fleet, within the noise of a screening model.

Can you do without it?

Not with all 800 running at once — ground-level Tier 4 still puts the fence line at ~10× the 1-hour NO2 standard on stable nights, and North Carolina piedmont stagnation events (calm, clear nights) are regular occurrences, so the NAAQS's 98th-percentile form wouldn't save you. To close a 10× gap at ground level you'd need one of:

1. **~8× more NOx reduction than Tier 4** — roughly 0.08 g/kWh, beyond current diesel technology.

2. **Capping simultaneous operation** — staggered testing, phased loading, or a rule like "no more than ~70–100 units at once during calm nights, ~325 on average." Workable for a backup fleet that rarely runs everything, unworkable if you actually need full 2 GW during an outage.

3. **A refined AERMOD study with real meteorology** — my worst case (class F, 1.5 m/s wind, max over all directions) is deliberately conservative, and the annual number is an upper bound. Real met data might soften the ground-level picture somewhat, but a 10× fence-line margin is too large to expect modeling to erase it. The annual 2.5× might drop to near 1×; the 1-hr 10× won't.

Practical middle ground

If 800 individual 80-ft stacks are unattractive (cost, structure, backpressure), the standard compromise is **manifolding several gensets into shared exhaust risers** — e.g., groups of 8–16 units tied into one tall stack — which gets you the same effective release height for a fraction of the steel. You can also treat stacks as partial credit: even 25–40 ft risers capture most of the near-field benefit, since the hot 2.5 MW exhaust adds 14–35 m of plume rise on its own.

Bottom line: with Tier 4, the stack isn't decoration, it's the piece that lets the full 2 GW fleet run. Without it, you're limited to roughly 8–40% of the fleet depending on the standard and averaging period. This should be tested to ensure that it meets specs. The manufacturer will be able to suggest a manifold solution. This is the only practical solution. Tier 4 plus a tall stack with manifolds comes closest to solving the pollution problem.

There is still a problem with start up levels of NOx so I asked if there is a solution for that problem.

Is there any additional pollution control that could help, especially with start up levels?

Yes — several proven controls target exactly this gap. The startup problem is real: SCR doesn't begin dosing until exhaust hits roughly 200–300 °C, so a cold genset emits essentially uncontrolled NOx for its first minutes, and low-load monthly exercise runs may never activate the SCR at all. For your fleet, a simultaneous 800-unit cold start emits roughly a tonne of NOx in the first five minutes — and a 30-minute low-load exercise with inactive SCR emits unregulated NOx the entire time.

Hardware controls for startup

Electrically heated catalysts (EHC). A resistively heated catalyst brick ahead of the SCR brings it to light-off in seconds; already in production, with no secondary emissions. Your fleet's standby duty is the ideal use case: grid power is available 99.9% of the time, so the catalyst can be pre-heated before the engine ever fires.

Passive NOx adsorbers (PNA). A small adsorber brick upstream of the SCR captures NOx while everything is cold, then releases it for reduction once the SCR is hot — purpose-built for the cold-start window (CARB, Politecnico di Milano review).

Twin/light-off SCR with dual urea dosing. A small close-coupled SCR near the engine warms fast; engine testing shows roughly 90% cold-start NOx reduction from adding an SCR brick ahead of the standard chain.

Engine-side warmup calibration. Elevated idle speed, EGR, and cylinder deactivation can raise exhaust temperature by ~100–150 °C and cut engine-out NOx ~40% during warmup.

Heated DEF tanks and urea lines — now standard in cold-climate standby packages.

Ammonia-slip catalyst if aggressive dosing is used to squeeze extra NOx conversion.

PM needs less attention here: the DPF is a mechanical filter and captures particles even when cold.

Operational controls (often bigger wins)

Load-bank exercising. Monthly exercise at ≥30% of nameplate keeps exhaust temperature in the SCR's operating window — Caterpillar recommends 30% load for 30 minutes per 4 hours of light-load running. Counterintuitively, loaded testing burns more fuel but cuts total annual pollutants by ~80% versus no-load exercise, because the SCR actually functions.

Staggered starts. Black-start the fleet in waves — each wave's SCR lights off while the next starts — instead of 800 simultaneous cold engines. This also caps the transient NOx pulse.

Battery ride-through. Your UPS already carries the first seconds; sizing it for 2–5 minutes of ride-through lets gensets warm up under controlled loading rather than slamming to full load cold.

Testing budget awareness. EPA's RICE rules cap stationary emergency engines at ~100 non-emergency hours per year, and load-bank testing counts against it — so fewer, longer, hotter tests beat frequent short cold ones.

The Honest Bottom Line

Startup NOx is a solvable engineering problem — EHC or PNA plus staged starts would take your cold-start pulse from "1 tonne in 5 minutes" to near-Tier 4 levels, and load-bank exercising fixes the routine-testing case entirely. What none of this touches: CO2 and fuel use (unchanged, ~35,000 t/day at full run), DEF logistics at ~2–3% of fuel volume, and the annual NO2 borderline (~1.1× with 80-ft stacks) that still needs a refined AERMOD study with real meteorology to confirm.

Definitions - Heated DEF (Diesel Exhaust Fluid) tanks are a critical component of Selective Catalytic Reduction (SCR) pollution control systems used in modern diesel engines. Because DEF is an aqueous urea solution that freezes at 12ºF, these tanks use built-in heaters to thaw the fluid quickly after a cold start. This ensures the SCR system can immediately inject the liquid DEF into the exhaust stream to convert harmful nitrogen oxides (NOx) into harmless nitrogen and water vapor.

THE SCR SYSTEM AND DEF

DEF is a mixture of 32.5% urea and 67.5% deionized water. It is stored in a dedicated tank and sprayed into the hot exhaust gas before it reaches the catalytic converter. The heat causes the DEF to decompose into ammonia and carbon dioxide. Inside the catalyst, the ammonia reacts with the engine's NOx emissions, converting them into non-polluting nitrogen gas and water vapor. This process allows diesel engines to meet strict environmental regulations, such as the EPA's 2010 heavy-duty emissions standards.

These solutions will add costs, but are absolutely necessary to prevent disastrous toxic levels of pollution. Tier 2 diesel is totally out. They cannot be used. Still, a refined AERMOD study with real meteorology is needed to confirm these controls will work. An AERMOD study is an atmospheric dispersion modeling analysis that uses the U.S. Environmental Protection Agency's (EPA) preferred regulatory model to simulate how air pollutants travel and disperse in the atmosphere. These studies are conducted by federal, state, and local air quality

agencies, as well as industries, to prepare new source permits, evaluate permit modifications, and assess air quality impacts.

1.7. Primary Power Turbines

With Diesel Backup Problems mostly solved we need to address primary power pollution. Primary power comes from huge natural gas turbines.

AI Query: Primary power to meet 2GW of power will require 8 250MW natural gas turbines or equivalent. What will the pollution levels and how can they be mitigated?

Here's the natural-gas picture. With standard controls, 8 × 250 MW turbines are a categorically different situation from the diesel fleets — mostly because of tall, hot, buoyant stacks and cleaner combustion.

Emissions Inventory (2 GW continuous, simple cycle)

Basis: heat rate ~9,000 Btu/kWh (432,000 MMBtu/day ≈ 424 MMscf of gas), modern DLN combustors per EPA's combustion turbine NOx memo, AP-42 Section 3.1 factors.

Pollutant	Base (DLN only)	With SCR + CO catalyst	Tier 4 diesel (800 × 2.5 MW)
NOx	2.0–3.5 t/day	**0.4 t/day** (2 ppm)	34 t/day
CO	2.9 t/day	**0.3 t/day**	177 t/day
PM10	~1.3 t/day	~1.3 t/day	9.6 t/day
VOC	~0.6 t/day	**~0.07 t/day**	32 t/day
Formaldehyde (HAP)	~0.14 t/day	~0.02 t/day	—
SO2	~0.09 t/day	~0.09 t/day	0.33 t/day
CO2	~23,000 t/day	~23,000 t/day	35,041 t/day

The 2 ppm NOx + CO catalyst package is proven commercial practice — SCR systems routinely hold 2–2.5 ppm with 2–5 ppm ammonia slip, and EPA has proposed 2–5 ppm as the standard for new gas turbines. Oxidation catalysts deliver 90%+ CO control and 85–90% formaldehyde control.

Modeled ground-level concentrations

I ran the same screening model with 8 stacks (30 m, hot high-velocity exhaust — effective plume heights of 56–500 m):

Configuration	1-hr NO2 (worst case)	Annual NO2	Verdict
DLN + SCR	**~6 μg/m³ (0.03× NAAQS)**	~0	Compliant everywhere
DLN only, no SCR	~30 μg/m³ (0.16×)	~0	Compliant
Uncontrolled diffusion flame	~930 μg/m³ (5×)	~0	Would violate 1-hr

Every regulated pollutant — NO2, CO, PM, SO2 — lands one to two orders of magnitude below the standards with the standard control package. The 1,800 acres could host this plant with room to spare, and the NAAQS question that dogged every diesel configuration effectively disappears. Even the annual NOx total (0.4 t/day = ~145 t/yr) sits below the 250 t/yr PSD major-source threshold — a permitting position the diesel fleets could never reach.

Mitigation stack

1. **Built-in:** DLN/DLE combustors (9–15 ppm NOx baseline) — standard on every new turbine.
2. **SCR to 2 ppm NOx** with ammonia-slip catalyst — this is the one essential add-on; note ammonia slip (2–5 ppm) becomes your new (minor) PM2.5 precursor.
3. **CO oxidation catalyst** — kills CO, VOC, and most formaldehyde in one brick.
4. **Go combined cycle if it's baseload:** 2 GW at ~6,500 Btu/kWh cuts CO2 to ~17,000–19,000 t/day and drops every pollutant per MWh by ~30%.
5. **Deeper decarbonization:** post-combustion carbon capture reaches ~95% (40–60 kg CO2/MWh — comparable to renewables' lifecycle), or hydrogen-ready turbines with blended/green H2.
6. **Operations:** keep turbines above ~50% load where possible — DLN combustors fall back to dirtier diffusion-flame mode below that, and formaldehyde emissions rise sharply at low load.

What remains unsolved

- **CO2 is the headline impact, not health criteria pollutants:** ~23,000 t/day simple cycle (8.4 Mt/yr) — a third less than diesel, but still a major greenhouse source; upstream methane leakage adds to its lifecycle footprint. New EPA GHG rules for stationary turbines will push baseload units toward CCS or combined-cycle efficiency.
- **Formaldehyde** is the HAP to watch at part-load operation.
- **Startup is a non-issue:** gas turbines at load reach SCR temperature almost immediately — no diesel-style cold-start problem, no DEF, no DPF regeneration, no wet stacking, no monthly load-bank testing burden.

Bottom line: 8 gas turbines with SCR + CO catalyst emit about **1/85th the NOx, 1/600th the CO, and 1/14th the PM** of the Tier 4 diesel fleet per day, with ground-level concentrations 30× below health standards instead of at them — and the remaining problem shifts entirely from air quality to carbon, where combined cycle, capture, or hydrogen are the levers.

1.8. Infrasound Pollution

Infrasound is audio pressure waves hitting a 20 Hz or less. These pressure waves impact the human body severely. Infrasound from power generation is like banging the human brain with a hammer 10 times a second. It causes severe headaches, dizziness, sleep disturbances, nausea, vertigo, stroke, and cardiovascular issues. It cannot be shielded; it must be stopped at the source. Every generator must be mounted on an energy-absorbing isolation platform so zero measurable infrasound leaves the property. If children in our schools have their "brains turned to mush," parents will sue for tens of millions. Lawsuits will bankrupt ELS and Stokes County, forcing the County to either shut down the schools and Walnut Cove, or shut down the entire AI plant. Infrasound travels through the Earth for up to 3 miles through geological structures so there's no way to shield it. Only special shock absorbing platforms will work. This requirement is non negotiable.

I have presented numerous documents to the commissioners for weeks prior to providing this document. All those documents should be considered as attached to this one because they are all relevant.

Presented by Sarvasri Ananda, 1060 Tyler Rd. Walnut Cove, NC 27052, 336-644-1111

EXHIBIT

09

Sadaajit Ananda — "Public Comment Regarding Development Agreement"

Source / Description

Written public comment by Sadaajit Ananda, 1060 Tyler Rd., Walnut Cove, reviewing sections of the proposed agreement. Document dated by file name and metadata November 5, 2026.

Pages

28

Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026

Project Delta Development Agreement — Board of Commissioners

Public Comment Regarding Development Agreement Between
ELSDCSP2, LLC, DFC Stokes, LLC, AND DFC Stokes 2, LLC
and Stokes County, NC

Dear Commissioners,

I have spent a considerable amount of time reading and understanding ELSDCSP2, LLC, et al, Project Delta Development Agreement document. To me, as an ordinary citizen, there were at least a dozen items that were alarming. I researched those sections of the proposal using AI, as time is of the essence, in order to validate and more deeply understand what I was reading. What I learned was that I have every right to be alarmed by the document and that my initial understanding that there were so many red flags within the document was well founded. The depth of my findings also alarmed me, as I further understood the implications and scope of what the document legally binds Stokes County to and the freedom it gives ELSDCSP2, LLC, et al to do whatever it wants to without recourse for 15 years.

This document is written for the safety and glorification of ELSDCSP2, LLC, et al and Project Delta. It does not, in any way, protect the rights of Stokes County or its citizens. Signing this document would be tantamount to giving ELSDCSP2, LLC, et al control over the County. You are bound by your office to do what is right for the citizens of this County. You feel the data center will bring in massive amounts of tax revenue. The least you can do is make sure that they do it safely, so that the citizens living in and around Walnut Cove and the children attending the three schools located there can have the best shot at a happy, healthy life. Without the suggested changes, there is little chance that will be a possibility and every chance it will create a ghost town, or nearly so, out of Walnut Cove. If the glaring omissions in this document are not resolved for the County and its citizens before approval the County and possibly the individual commissioners that approved the document could be held liable for property damages, loss of property value, and suits against the County for illness, learning disabilities and even death of the citizens living, working, and attending school nearby.

This document is divided into three sections as listed below:

Section 1: Project Delta's Development Agreement

Section 2: AI Full Document Review
Section 3: Recommended Amendments to Ensure Public and County Safety
Section 4: Conclusion

Section 1: Project Delta's Development Agreement

The very first thing that rang an alarm is the sentence that includes "…for a project that **may** substantially increase the tax base and provide numerous high paying jobs." (I added the bold.) Notice that it doesn't say "will," but "may."

Below is a list of the areas that were red flags to me and my concern. I will then give the response I received from AI. After the initial query I also ran the entire document by AI and asked if there were any further text that I should be concerned about. I will give you AIs response to that, as well. I acknowledge that AI is not a lawyer, but that its ability to review documents rapidly and its knowledge of legal terms is useful for understanding the implications and obvious attempt of ELSDCSP2, LLC, et al to protect itself from any governance of their proposed project.

1) My very first question was regarding whether this document was the one that needed to have all the amendments to it regarding health and safety for the citizens of Stokes County and specifically Walnut Cove area. The reply was that this is indeed the document that any restrictions of use has to include. If it is not included in this document it will be nearly impossible to make any further changes for the next 15 years. I specifically asked about a decommissioning bond, because it is my belief that with the world of AI changing so rapidly there is a very good chance that the entire development will become obsolete within the next 10 years if not sooner.

AI response - "If a provision like a decommissioning bond is completely missing from a finalized contract, it cannot be automatically added or enforced later without the developer's consent. Contract law generally operates on the principle that if it isn't in the written agreement, it doesn't exist.

However, you are not completely out of options. A missing contract clause does not mean the issue can never be addressed. It can still be handled in a few ways:

Contract Amendments: Both parties (the County and the developer) can mutually agree to alter the contract or add an addendum at a later date. However, the developer will likely demand something in return for agreeing to a new financial burden.
Local Zoning Ordinances: Even if the contract is silent, the County may have—or can pass—broad local zoning laws or land-use ordinances that require all heavy industrial or data center projects to post decommissioning bonds. A contract usually cannot exempt a developer from complying with general local laws unless the contract explicitly "vests" their rights against future legal changes.
The Special Use Permit (SUP) Process: If this contract is just a preliminary development agreement, the County can often make a decommissioning bond a mandatory condition for approving the actual building permits or Special Use Permits later on."

AI also commented that there are certain items that are usually in a Development Agreement and some that should be, but are often omitted. Below are those that appear to be omitted from Project Deltas proposal.

1. "**Future Technological Shifts:** No guarantees on what happens if the data center becomes obsolete or transitions to a higher-pollution use. (What is going to happen if Delta Project becomes obsolete in 5 or 10 years? What if they can't get the cleaner turbines they promised or if they need additional fuel powered equipment that is not listed and pollutes more than the turbines?)
2. **Grid Protections:** Often fails to protect local residents from rising electricity bills caused by the massive new power demand.
3. **County Obligations:** What roads, water lines, or sewer connections the County is legally forcing itself to build for the developer. (We don't even have a plan outlining anything about the facility itself, so there is no way for us to know what the County is going to have to be responsible for.)
4. **Strict Water Limits:** May grant broad access to water without hard caps during severe local droughts or shortages. (We are in a severe drought right now. Greensboro just put in place mandatory water conservation measures. What protections do we have should our County find itself in a similar situation with wells collapsing, etc.)
5. **Phasing Timelines:** When the project must start and finish to keep its special legal status. (Currently there is no timeline at all. How long before the first facility is operational. Tax revenue will not start until

they are operating. They could continue working on this for decades, disrupting life in Walnut Cove continuously.)

6. **Third-Party Liability:** What happens if a subcontractor ruins local roads or causes environmental damage during building." (Do we know? There will be massive numbers of large trucks and equipment using our small country highways with accelerated road wear and tear a given. Who's going to keep the roads passable, especially before the facility is operational.)

2) My second question was if a state mandated moratorium was enacted would Project Delta be able to continue operations. The answer was no. Even if the County has given them what they want, the state can still take it away, as state law usurps County law.

3) What does this mean - "Consent Required. Except as expressly provided in N.C. Gen. Stat. §§ 160D-108(c) or 160D-108.1(f), no changes, amendments, alterations, expansions, enhancements, or application of newly County-enacted laws, policies, or regulations shall apply to the Project without the written consent of the Developer and Landowner as provided in N.C. Gen. Stat. § 143-755."

AI response - "Stokes County is legally locking itself out from changing the rules on this project unless the developer gives written permission.

Even if the County passes stricter environmental, noise, or building laws in the future, those new rules cannot be applied to this data center campus unless the developer explicitly agrees to them in writing.

The two mentioned statutes (N.C. Gen. Stat. §§ 160D-108 and 143-755) are the specific North Carolina laws that allow a local government to grant these long-term "vested rights" to a developer."

Why would Stokes County want to make it so they have no legal jurisdiction over this facility at all for the next 15 years? This clause needs to be removed or amended.

4) Next question - "Change in State or Federal Law. As provided in N.C. Gen. Stat. § 160D-1007(c), in the event State or federal law is changed after this Agreement has been entered into and the change prevents or

precludes compliance with one or more provisions of this Agreement, the Parties may modify the affected provisions, upon a finding that the change in State or federal law has a fundamental effect on the Agreement. To the extent that a change in State or federal law has a fundamental effect on the Agreement to the detriment of Developer and Landowner and amendment of this Agreement is not prohibited by law, the County agrees that its consent to amendment shall not be unreasonably or capriciously withheld."

I wanted to understand to what extent the County would have to work to make the state law that was affecting Project Delta's operation easy on ELSDCSP2, LLC, et al .

AIs response - "The "Fundamental Effect" Requirement: The contract cannot be changed for just any minor legislative update. The higher law must have a fundamental effect—meaning it completely disrupts a core piece of the agreement (such as a total ban on a specific type of cooling system or battery storage).

(Regarding the final sentence about the wording "unreasonably or capriciously.") The County is walking into a legal trap if it tries to be difficult. If the County rejects the developer's proposed amendment, the developer can sue Stokes County in court, claiming the County is acting "capriciously" (meaning impulsively, unpredictably, or in bad faith). A judge would then look at whether the County's refusal was rational or just obstructionist."

5) Next question - "Nonconformities. No nonconformities have been or will be created by the adoption of this Agreement."

I wanted to know what this applied to.

AI response - "Stokes County is legally promising that this data center project perfectly complies with all current local rules, and that signing this contract will not accidentally turn the developer's land or buildings into an illegal "nonconforming use."

By stating that no nonconformities have been or will be created, the County is certifying that everything proposed in this 1,848-acre project is 100% legal and compliant under the County's current development laws.

For Stokes County: The County is backing itself into a corner regarding zoning enforcement. By signing this, the County loses the right to later claim, "Hey, wait a minute, your high-voltage substation or battery backup yard violates our local buffer requirements." The County has explicitly agreed up front that no violations exist."

This could be catastrophic further down the line. We don't know what they plan to do or if anything they actually do will be against current zoning laws. We have no plans that I know of only a couple of drawings, one of the buffer zones, the other of a possible entry to the area, but nothing about the actual facilities and infrastructure needed for them. At the very least require that the words "or will be" struck from the document.

6) Another question - "All Laws shall be interpreted as though the Parties intended consistent interpretation and application and shall be read for consistent interpretation and application. To the extent allowed under North Carolina law, the terms and conditions of this Agreement shall control. Where there is a discrepancy in interpretation or application, the Zoning Ordinance that existed on the date of this Agreement's adoption shall be considered the controlling ordinance. If a provision in the Zoning Ordinance that existed on the date of this Agreement's adoption is ambiguous as to how it is applied to this Project, then this Agreement shall be considered first as the County's official interpretation of that provision and secondarily as an expression of the County's intent. To the extent there is an ambiguity in terms or meaning not resolved by the above- listed canons of construction, then the ambiguity shall follow the rule at common law that ambiguities shall be interpreted to favor the free use of land."

Again, wanted deeper understanding of what this clause actually does.

AI response - "If there is ever a disagreement over what the rules mean, the contract defaults to a pro-developer stance that favors building.

This clause lays out a strict hierarchy for how Stokes County must resolve any contradictions, typos, or unclear language in its zoning laws or this contract over the next 15 years:
1. The contract wins first: If there is a clash between local laws and this agreement, this agreement overrides County rules.

2. The laws are frozen in time: If the contract doesn't explicitly cover an issue, the County must look at the exact version of the Zoning Ordinance that existed the day the contract was signed—not any updated version.
3. The contract acts as the official tie-breaker: If the frozen zoning law is vague or ambiguous, the wording in this agreement is treated as the County's final, official interpretation.
4. The ultimate tie-breaker favors the developer: If an ambiguity still cannot be resolved, the contract mandates using an old legal rule that says the law must be interpreted to allow the owner to use and develop their land freely, rather than restricting them.

This is one of the most powerful sections in the entire document for the developer's legal team. It strips the County of its traditional "home rule" power to interpret its own local zoning laws when a dispute arises.

For Stokes County: The County is signing away its benefit of the doubt. Normally, if a local law is ambiguous, courts give significant weight to how the local government (the planning director or zoning board) chooses to interpret its own code. This clause completely reverses that dynamic, forcing the interpretation to favor the "free use of land" (the developer).”

AI further explains:
1. “**The "Free Use of Land" Trap:** This is the most dangerous line for surrounding property owners. The common law rule favoring the "free use of land" is an old property law concept meant to prevent arbitrary restrictions on private property. By hardcoding this rule into the contract, if a judge or arbitrator ever has to decide what a vague clause means regarding environmental impacts, traffic, or layout, they are contractually obligated to rule in favor of letting the developer build.
2. **Contract Trumps Ordinance:** The line stating "this Agreement shall be considered first as the County’s official interpretation" means that if the text of this contract subtly redefines a term in a way that bypasses strict County protections, the contract wins. It essentially allows this individual document to rewrite the County's broader zoning code for this specific 1,848-acre project.”

7) Next question - “The County agrees that the Developer and Landowner have offered environmental protection measures that exceed the requirements set forth under the County.

This clause fulfills a very specific requirement under North Carolina development agreement law [160D-1007(c)]. regulations and reflect a commitment to environmental stewardship and the preservation of the County's natural resources."

Do the measures in the zoning document really exceed ALL environmental requirements of the County?

AI response - "Stokes County is officially declaring on the record that the developer has gone above and beyond what local County laws require to protect the environment.

This clause fulfills a very specific requirement under North Carolina development agreement law [160D-1007(c)].

For Stokes County: This provides the legal justification the Board of Commissioners needs to approve a massive 1,848-acre project. Under NC General Statute § 160D-1006(d), any impact-mitigation or environmental protection measures offered by a developer that go beyond normal local rules must be explicitly noted in the agreement."

Are you certain every detail of the project exceeds current County regulations? We don't even have most of the details, no building plans, no infrastructure plans, no ingress and egress plans, etc.

AI further explains:
1. "**The "Flattery" Loophole:** While the County is praising the developer for "exceeding" local rules, notice that this clause is completely generic. It does not name a single concrete commitment. If the agreement doesn't list the exact, legally binding environmental metrics (such as precise noise decibel caps, hard daily water consumption limits, or specific groundwater testing schedules) elsewhere in the text, this clause amounts to a blank check of environmental clearance.
2. **The Problem with "Exceeding" Vague Standards:** If Stokes County's current local rules for heavy industrial zoning are weak or silent on data center specific issues (like the intense noise of thousands of HVAC cooling fans or multi-million-gallon water use), then doing anything slightly better than zero technically "exceeds" County regulations. The developer can use the County's signature on this praise to block the County from

implementing stricter, specific data center environmental metrics for the next 15 years.”

8) This next text is referring to a section that is in a floodplain and also houses indigenous people’s living areas and burial sites. “…shall be limited to infrastructure improvements and recreational, agricultural, conservation, preservation, and open space uses. Except as expressly provided above, no other development shall be permitted within the designated floodplain areas.”

I specifically asked if the infrastructure could disrupt the indigenous people’s sites.

AI response - “Notice the phrase "shall be limited to infrastructure improvements..." This is critical. Hyperscale data centers require massive high-voltage power lines, fiber-optic conduits, and water intake pipes. Because rivers and floodplains are often where utilities run, the developer is explicitly reserving the right to cut trenches or build utility corridors directly through this area.

While this clause keeps buildings out, it does not explicitly protect the Indigenous burial sites from utility construction. If the developer needs to run a massive water pipeline or a fiber-optic loop across the property, they can legally trench right through this zone under the guise of an "infrastructure improvement.”

To truly protect Indigenous living and burial areas, a general zoning clause like this is usually not enough. If the contract does not contain a separate, specific section mandating archeological monitors, ground-penetrating radar surveys, and strict "stop-work" protocols if human remains or artifacts are uncovered, the developer's contractors can accidentally bulldoze sensitive historic areas while clearing land for utility lines or access roads.

The inclusion of "recreational" uses means the developer could technically clear trees or build gravel walking paths, parking lots, or clearings in this zone later, which could still disrupt the sanctity of a historic living or burial area.

In hyperscale data center development, "infrastructure" is not a minor footprint. It means burying massive 36-inch water mains, trenching high-density fiber bundles, clearing 100-foot-wide rights-of-way for high-voltage transmission lines, or building gravel access roads for heavy utility vehicles.

The clause treats the entire floodplain as one big bucket. It says everything in that bucket is limited to infrastructure, recreation, or preservation. It completely fails to say: "provided, however, that no infrastructure improvements shall be placed within X feet of identified cultural or burial sites." Without that specific boundary, the developer's engineers can choose the cheapest, straightest path for their pipelines—even if it cuts straight through a historic living or burial area.

What Is Missing

In a standard North Carolina development agreement, if a County genuinely wants to protect an Indigenous historical site or burial ground, a general land-use restriction is completely inadequate. The agreement needs an explicit Cultural Resources Management Plan or a dedicated section containing three specific requirements:

1. Delineation and Buffers: A mandate that the developer hire a licensed archaeologist to map the exact boundaries of the living and burial areas using ground-penetrating radar (GPR) before any clearing begins, establishing a strict, fenced-off buffer zone (e.g., a 100-foot radius) where zero infrastructure or clearing is allowed.
2. Inadvertent Discovery Protocol: A legally binding "stop-work" clause. This states that if a construction crew uncovers any artifact, bone, or historic foundation anywhere on the 1,848 acres, all work within 200 feet must instantly freeze, the County and State archaeologist must be notified, and work cannot resume until the site is fully evaluated.
3. Compliance with State Law: While North Carolina has a strict law protecting gravesites (NC General Statute Chapter 70, Article 3 - Unmarked Human Burial and Human Skeletal Remains Protection Act), hardcoding a reference to it in the contract forces the developer to acknowledge it and creates local contract penalties if they violate it."

AI further suggests a clause that could be added to the existing document. "*...provided that no infrastructure improvements, clearing, or grading of any kind shall be permitted within any designated or discovered indigenous living areas, cultural sites, or burial grounds, which shall remain entirely*

undisturbed as permanent conservation space." Of course AI is not a lawyer, so this is just a suggested verbiage.

9) I'm wondering if $200,000 is enough to equip and train Stokes County emergency services to deal with catastrophic events should they happen.

"Fire and Emergency Services Contribution. The Developer voluntarily agrees to provide a one-time contribution of Two Hundred Thousand Dollars ($200,000) to Stokes County, due and payable upon issuance of the first Land Disturbance Permit for the Project. The County shall use the contribution to support fire service training, emergency response equipment, and 8 related emergency management/emergency preparedness and operational readiness needs that enhance the capacity of local fire and emergency services to serve the Project and surrounding community. The Parties acknowledge that the contribution is a mutually negotiated commitment, expressly identified in this Agreement, to support the fire protection."

AI response - "From an industry and municipal budgeting standpoint, $200,000 is significantly short of what is required to prepare for catastrophic industrial events at a complex of this size.

Rural departments require specialized chemical/foam suppression trailers or specialized trucks, which typically cost between $150,000 to over $600,000 for a single unit.

Tracking "thermal runaway" (self-heating battery failures) before they explode requires advanced industrial thermal cameras and multi-gas meters. Outfitting just a few regional teams with this gear easily exceeds $30,000 to $50,000.

Standard volunteer fire department training does not cover high-voltage electrical substations or toxic chemical off-gassing from lithium-ion battery failures. Bringing in specialized structural and industrial fire instructors to certify local volunteer personnel can require $10,000 to $20,000 annually just to maintain operational readiness.

While the developer pays once, the wear and tear on local roads, the training of new volunteer fire recruits, and the expiration of emergency equipment are ongoing, annual costs that Stokes County taxpayers will

have to absorb. An economic evaluation of Project Delta highlights that host counties typically see a notable increase in public safety employment and uncompensated operational costs following facility openings.

The text states the funds will "enhance the capacity of local fire and emergency services to serve the Project and surrounding community." However, a catastrophic incident at Project Delta would likely require a massive, multi-agency response drawing in mutual aid from surrounding areas. A single $200,000 check does not scale regional disaster preparedness.

By framing this check as a voluntary, mutually negotiated commitment, the developer is legally signaling that this is their final, total offer for public safety. If the County signs this, they are agreeing that $200,000 is legally sufficient. They cannot demand more public safety funding from the developer later if the department discovers it needs a multi-million-dollar station upgrade to handle the industrial zone."

Further down I have information on what is required for a 2GW facility. It is far more than what is stated here. Also, what happens if they decide to grow beyond 2GW? The County would be totally responsible for all necessary improvements in the emergency response system.

10) On this one the only thing the map does is have a buffer zone on it. This means that there wouldn't be any requirement for infrasound protection, water contamination, etc. Correct?

"Other protections for health, safety, and welfare. This Agreement does not provide conditions for public health or safety, which provisions have been thoroughly addressed in the Map Amendment conditions. Additional provisions related to general welfare are described in Articles IV and V." (I realize there were a few other protections listed, but not nearly enough.)

AI response - "Yes, your interpretation is exactly correct.

By including this clause, the development agreement explicitly washes its hands of any specific operational regulations regarding public health, safety, or environmental nuances like infrasound, sound frequency, and water contamination.

Instead, the contract legally passes the buck by declaring that those issues "have been thoroughly addressed" in a completely separate document: the Zoning Map Amendment (and its attached Conditional Zoning rules).

Because this contract claims these issues were "thoroughly addressed" in the Map Amendment, the Map Amendment and its associated conditional zoning documents are the only places where those protections would exist. If the Map Amendment conditions only mention a physical buffer zone (like a line of trees or a setback fence) and do not list hard, measurable metrics for water monitoring, decibel maximums, or infrasound frequencies, then those protections do not exist at all.

In data center litigation, a major point of contention is low-frequency hums (infrasound) generated by hundreds of industrial cooling fans and massive electrical transformers. Standard local zoning ordinances usually only regulate audible noise (measured in dBA). Infrasound operates on low-frequency levels (dBC). If the Map Amendment conditions do not explicitly establish an enforceable dBC limit or strict groundwater sampling protocols, the developer has zero obligation to self-regulate or mitigate those impacts." (Please note that ground infrasound HAS TO BE MITIGATED WHILE BUILDING, IT CANNOT BE RETROFITTED!)

I acknowledge that a few health, safety, and environmental issues were addressed in the original zoning application, however, there are MANY more issues that if left unaddressed could have dire consequences for the community and many lawsuits for the County.

11) I'm wondering if this reestablishes the "without limits," we worked so hard to get out of the original zoning.

"The location, capacity, routing, configuration, and responsibility for such facilities shall be determined as development occurs and in accordance with applicable provider requirements and subsequent development approvals." (This wording was in several sections of the document dealing with various utilities including power and water, as well other utilities.)

AI response - "When you fought to remove "without limits" from the original zoning, your goal was likely to force the developer to state exactly

how many megawatts of power, how many substations, and what routing paths they were restricted to.
This new clause completely bypasses that victory in three distinct ways:
1. **Capacity Deferral** ("Capacity... shall be determined as development occurs"): By signing this, the County is agreeing that the capacity (the sheer size, voltage, and volume of the electrical substations, gas pipelines, and water connections) doesn't need to be capped right now. It can expand automatically to match whatever the developer's tech demands dictate later.
2. **Routing Flexibility** ("Location, routing... shall be determined"): This allows the developer and utility companies (like Duke Energy or a gas provider) to map out transmission lines, high-voltage corridors, or heavy pipelines across the 1,848 acres at a later date. It provides a contractual mechanism to bypass strict public map layouts, heavily tying back into your concern about utility infrastructure cutting across sensitive floodplain or burial areas.
3. **The "Provider Requirements" Trap:** The text mandates that these facilities will be built "in accordance with applicable provider requirements." This legally prioritizes the technical and operational demands of the utility provider (e.g., "we need a 100-foot right-of-way for this power line") over local County preferences.

Instead of having to show the public a massive, overwhelming infrastructure map at the upcoming hearing on November 9 at the Reagan Building, the developer gets to present a "clean" looking map. Once the agreement is signed, they can roll out the heavy infrastructure piece by piece ("as development occurs") without needing to come back for a full public hearing or a new vote by the Board of Commissioners.

The clause ends by saying changes must follow "subsequent development approvals". In North Carolina under Chapter 160D, "subsequent approvals" are often administrative. This means the decisions are made privately by County staff or a planning director signing off on a zoning permit at a desk, completely removing the public hearing and public comment process from the loop.”

AI suggests the following amendment:
“*The maximum capacity, precise locations, and routing of all utility facilities, substations, and infrastructure are strictly capped and limited to those explicitly identified and drawn in Exhibit X of this Agreement, and*

shall not be expanded or altered without a formal amendment and a full public hearing before the Board of Commissioners."

Of course they would have to provide an "Exhibit X" which I'm sure they cannot and don't want to provide. They don't want us to have a clue as to what they are going to do to the land in order to get what they need to run the facility.

12) Using the same clause - This is about the water supply. Does this mean they could drill their own well?

AI response - "Yes, as currently written, the phrase "routing, configuration, and responsibility... in accordance with applicable provider requirements" leaves the door wide open for the developer to drill private industrial wells.

Hyperscale data centers require enormous amounts of water. Even with a "closed-loop" cooling system like the one advertised by the developer, the site is projected to require 50,000 to 100,000 gallons of water per day for cooling, humidity control, and fuel/maintenance yards. If they draw that volume from private wells, they can rapidly lower the local water table, potentially running nearby residential and agricultural wells completely dry.

In North Carolina, groundwater belongs to the landowner under the "reasonable use" doctrine. Because the County has legally agreed in this contract that the configuration and location of water infrastructure will be sorted out later via private utility rules, the County is effectively giving up its right to block private well construction on the property.

Without a strict, written ban on private industrial wells inside this Development Agreement, the developer can bypass local municipal water caps completely by tapping directly into the shared aquifer beneath Stokes County."

AI suggested amendment:
"*The Project shall be strictly prohibited from drilling, constructing, or utilizing any private groundwater wells for industrial or data center cooling purposes, and all water infrastructure must be supplied exclusively through public municipal connections with hard, enforceable daily caps.*"

My understanding is that this document usurps any earlier document, so any promises they made in the earlier documents would now be null and void.

12) What about tapping into the Dan River (which is something they said they wouldn't do.)

AI response - “Yes, you are completely right to be skeptical. If it is not explicitly written into the contract, their verbal promises mean absolutely nothing.

Under standard contract law, what developers say in community meetings or public presentations is classified as "parol evidence" (verbal testimony). The "Integration Clause" (which is standard at the end of these agreements) states that the written contract represents the entire agreement, completely wiping away any outside verbal promises.

Because the utility clause defers the routing and configuration of facilities to be determined later "as development occurs," the developer has left a massive legal loophole allowing them to tap the Dan River if they choose.

If groundwater wells or municipal hookups fail to supply the 50,000 to 100,000 gallons per day they need, they can apply to state regulators to run a water intake pipeline straight into the Dan River.

If you look back at the floodplain clause we just unpacked, it allowed "infrastructure improvements" in the floodplain zone. A massive river pump station and raw water intake line fit perfectly under the definition of an "infrastructure improvement." They can legally cut through the burial grounds to reach the riverbank to build it.

Closed-loop systems recirculate water, but eventually, that water becomes heavily concentrated with chemicals and mineral scaling. When they flush the system (called "cooling tower blowdown"), they have to put that wastewater somewhere. If the text is silent, they could build routing infrastructure to discharge treated or untreated runoff back toward the Dan River. (I don’t know if the wording in the Zoning documents is usurped by this document.)

AI suggested amendment:

“*The Developer, Landowner, and all subsequent utility providers are strictly prohibited from constructing, installing, or utilizing any surface water intake structures, pumps, or conduits within the Dan River watershed, and shall have no legal right to draw water directly from the Dan River for any project operations, cooling, or maintenance.*”

13) So, this also means they can have as much natural gas to the property as they want, without limit. “The location, capacity, routing, configuration, and responsibility for such facilities shall be determined as development occurs and in accordance with applicable provider requirements and subsequent development approvals.”

AI response - “Yes, you are 100% correct. This clause grants the developer completely unlimited natural gas capacity.

By using the exact same "as development occurs" language for natural gas infrastructure, the contract ensures that no hard limits exist on the volume of gas flowing to the property, the size of the pipelines, or the number of gas-fired backup generators they can install on the 1,848 acres.

AI data centers require flawless 24/7 power. If the local Duke Energy electric grid cannot supply enough megawatts, data centers frequently build their own on-site natural gas power plants or massive natural gas turbine generators. Because this clause leaves gas capacity undefined, they can build a major, polluting fossil-fuel generation plant right on site "as development occurs" without needing to ask the County for a new contract.

To feed that much gas, providers (like Piedmont Natural Gas) will have to route high-pressure transmission pipelines through the County. Since the routing and configuration are deferred to "applicable provider requirements," the utility company—not the County—gets to decide which properties and neighborhoods those pipelines cut through.

Massive gas turbines and generators create extreme noise and heavy air emissions. Because the agreement claims health and safety are "thoroughly addressed" elsewhere, the County loses its leverage to force the developer to add special air scrubbers or advanced noise cancellation for these gas facilities.

This (clause) is the most brilliant piece of drafting in the entire document for the developer. By grouping Power, Water, and Gas under this one flexible clause, they successfully defeated every single limit the community fought to put into the original zoning rules.

They don't have to show you the massive gas lines, the groundwater wells, or the river intakes right now. They get the County to sign a blank check on November 9, and then they design the heavy industrial infrastructure privately behind closed doors over the next 15 years.

AI suggested amendment:
"*The maximum capacity and volume of natural gas infrastructure and pipelines serving the Project shall be strictly capped at the minimum requirements needed for emergency backup systems only. On-site natural gas-fired power plants, continuous-use gas turbines, or primary fossil-fuel generation facilities are strictly prohibited.*"

14) Please explain - "Amendment. This Agreement may be amended by the mutual consent of the Parties or their successors in interest. As required by N.C. Gen. Stat. § 160D-1006(e), consideration of a proposed major modification of the agreement shall follow the same procedures as required for initial approval of the Agreement."

AI response - "This agreement can only be changed if both the County and the developer fully agree to it. If they want to make a big change, they have to run it through the exact same public notice and public hearing process required for initial approval.

This clause sets up a two-tiered system for how the 1,848-acre project can be altered down the road:

1. **Mutual Consent Lock-In:** Because it requires "mutual consent," Stokes County cannot unilaterally pass an amendment to add a decommissioning bond or restrict water use later. The developer has to say yes.
2. T**he "Major" vs. "Minor" Battleground:** The clause states that major modifications must follow the full public procedure (public notices, mailings to neighbors, and a formal hearing before the Board of Commissioners). However, it leaves a massive question mark: What counts as a "minor" modification?

3. **Administrative Creep:** In practice, if the definition of a "minor" modification isn't strictly defined elsewhere in the contract, developers frequently argue that shifting utility routes, increasing natural gas usage, or expanding battery storage yards are just "minor adjustments." The County planning staff can then quietly sign off on those changes at a desk without anyone in Walnut Cove ever knowing a change happened.

Section 2: AI Full Document Review
AI also suggested several other problems that are inherent in documents of this type, that can cause problems down the road.

1. **The Corporate Structure** (Article II, Section 2.2): The contract names ELSDCSP2, LLC as the developer, which is a wholly owned subsidiary of Engineered Land Solutions, LLC. This is an isolated "shell" corporate structure. If the data center fails or causes an issue, liability is often limited strictly to that individual LLC, making an explicit decommissioning bond in the contract even more critical to protect County taxpayers from cleanup costs.
2. **Water Allocation:** Hyperscale data centers require millions of gallons of water for cooling. Check whether the agreement gives the developer unlimited water hookup priority over local agricultural or residential systems during seasonal droughts.
3. **Power and Grid Burden:** Look closely at whether the County is agreeing to accelerate or assist with zoning for major electrical substations or high-voltage lines, and ensure there are clauses protecting residential ratepayers from utility cost shifts.

Section 2: AI Full Document Review

When I gave AI full access to the document there were several other red flags that I missed, as I expected there would be, since I'm not a lawyer. Here is what it found.

AI response

1. "**The "shell company" liability loop**
Section 2.2 states that the developer, ELSDCSP2, LLC, is a wholly owned subsidiary of Engineered Land Solutions, LLC.

Section 9.8 (Partial Termination) protects the overarching project, stating that if multiple owners or developers exist later, a default by one party "shall not be treated as a default by any other Party".
The Red Flag: If the project encounters a catastrophic failure, causes severe groundwater depletion, or goes bankrupt, all legal liability is trapped inside an isolated, undercapitalized single-project LLC. Because there is no parent company guarantee or decommissioning bond written into the text, the main corporation can walk away entirely, leaving Stokes County with an abandoned 1,848-acre industrial site and zero financial recourse.

2. **An extraordinary 90-day "minimum" cure period**
Section 9.6 (Notice and Opportunity to Cure) contains a highly unusual provision: if the County catches the developer violating the contract, the developer has a minimum of 90 days to fix it. It further notes that if the violation cannot reasonably be cured in 90 days, they get unlimited additional time as long as they started working on it.
The Red Flag: Standard industrial agreements typically grant a 15- to 30-day cure window. If the developer illegally drains a local aquifer, bypasses a noise restriction, or trenches through a historical burial site, the County cannot legally declare a default or halt the project for at least three full months. This locks the County into a state of regulatory paralysis while an ongoing violation continues.

3. **Contractual gridlock via mandatory mediation**
Section 9.7 (Default) mandates that if a material contract violation remains uncured, the County cannot go to court. Instead, the County is contractually forced to enter into informal negotiations, followed by an additional 30-day mandatory private mediation process.
The Red Flag: If a crisis occurs, the County's legal hands are tied by a multi-layered barrier of bureaucratic delays. Between the 90-day minimum cure window and the mandatory mediation protocol, the developer can successfully delay any enforcement lawsuit or stop-work order for four to five months. Meanwhile, the contract binds the County to pay 50% of the private mediator's fees.

4. **Blank fields in the governing regulations**
Exhibit C (Ordinances, Policies, and Rules) explicitly lists the exact legal baseline frozen for the next 15 years. Item #3 reads: "Stokes County Water and Sewer Policy, effective _____, and as amended _____".

The Red Flag: The agreement is scheduled for a vote, yet the contract contains blank placeholder lines for the exact water and sewer policies that are supposed to govern this multi-million-gallon project. Signing a development agreement with blank fields means the County is legally freezing an unidentified, unverified document, creating immediate ambiguity that common law dictates "shall be interpreted to favor the free use of land" (the developer).

5. **Blatant inflation of the "$40 Million" tax revenue claim**
Section 1.3 (Benefits to County) boasts that the developer presented a projection claiming property tax income at full buildout could equal $40 million annually, potentially "doubling" the County's tax income. The text admits this was loosely "extrapolated" from three unnamed data centers in other areas, and notes: "The County found this study to be reasonable and reliable."
The Red Flag: This number is heavily misleading because it relies on standard property and equipment value, which depreciates rapidly in the tech sector. Servers and AI stacks lose up to 80% of their taxable value within 3 to 5 years. By embedding the phrase "The County found this study to be reasonable" directly into the contract text, the developer is tricking the County into signing a statement that legally prevents them from complaining later when the actual tax revenues come in significantly lower than advertised."

Section 3: Recommended Amendments to Ensure Public and County Safety

During the past several months I have prepared and presented some of the concerns that I have regarding the development of a hyperscale data center in Walnut Cove. Between my husband and myself we covered a wide range of critical infrastructure that needs to be written into the agreement in order to insure the health and safety of all citizens of Stokes County and especially those living, working, or going to school within the 9 mile impacted zone. Below, I will outline the restrictions and guidelines that we feel are imperative to add to Project Delta's Development Agreement, before anything is signed.

Infrasound

Below are the remediations needed to protect everyone from infrasound, both ground-borne and airborne:

Ground-borne

- Elastomeric and Lead-Rubber Isolation Bearings: Engineers place massive, heavy-duty rubber and steel sandwich pads beneath the turbine's internal machinery beds and foundation caps. These pads absorb the physical micro-shocks, converting the mechanical kinetic energy into harmless heat before it can enter the concrete piles.
- Slurry Trench Deflection Barriers: Workers dig deep, vertical trenches into the earth between the turbine facility and nearby properties. These trenches are filled with bentonite slurry or soft, compressible materials. When seismic waves traveling through the ground hit this sudden change in density, the vibration waves are scattered and deflected away from the surface.
- Mass-Spring-Damper Systems: Giant tuned mass dampers—heavy counterweights suspended by springs and oil shock absorbers—are installed inside the turbine structure. When the machine vibrates at a specific low frequency, the damper moves in the exact opposite direction, actively canceling out the structural kinetic force.
- Inertial Foundation Blocks: Pouring immensely heavy, independent concrete blocks beneath the equipment acts as an "inertial anchor." The sheer weight of the concrete block resists the engine's movement, drastically reducing the physical amplitude of the vibration.

Airborne

Airborne infrasound cannot be blocked easily, so it must be stopped from forming at the blade/exhaust level, or absorbed using massive physical tuning structures.

- Helmholtz Resonators and Reactive Silencers: For jet or diesel turbines, industrial exhaust stacks are outfitted with massive Helmholtz resonators. These are hollow, carefully tuned chambers built inside the exhaust stack. When the infrasound wave enters the chamber, the air bounces inside it out-of-phase, destructively canceling the low-frequency noise.
- Earthen Berms and Deflection Topography: Traditional walls cannot stop infrasound; the waves simply roll over them. Instead, facility designers build massive, sloped earthen hills (berms) covered in heavy vegetation around the site. The dense, sloped earth forces the airborne sound waves to bend upward into the sky, steering them completely over surrounding neighborhoods.

- Dynamic Low-Speed Pitch Control: Modern smart turbines use real-time software to alter the pitch angle of the blades as they pass the structural tower. By briefly reducing air pressure at the exact microsecond the blade crosses the column that holds the turbine hub and blades in the air, the machine prevents the low-frequency air pocket compression from happening.

Despite advanced engineering, the only way to guarantee absolutely zero effect on living organisms is distance. Because infrasound decays predictably over long distances, strict zoning laws requiring a 1.5 to 2-mile buffer zone between high-capacity turbines and residential, business, schools, or agricultural areas remain the most reliable safeguard.

Emergency and Disaster Preparedness and Response

Rough estimates on how much the equipment and training would cost for a 2GW facility range from $5-$12 million dollars. Project Delta is offering just $200,000 to completely outfit our rural department, which has, as far as I know, little if any of the specialized equipment needed to attend to lithium ion battery failure, fuel tank farm failure, and/or large industrial electrical failure.

Therefore, the pittance that ELSDCSP2, LLC, et al is offering to get our department fully prepared for any serious failure is not even going to cover one special foam vehicle.

Just special equipment is only part of the picture. You will need special medical supplies to help with those injured in the crisis. Below is a rudimentary list of equipment and costs that would be needed for patient care and survival, as well as containment of the disaster.

Complete portable patient-decontamination system	$35,000–$70,000
Additional decontamination consumables	$5,000–$15,000
Respiratory protection for assigned decontamination tasks	$15,000–$35,000
Chemical-protective clothing	$8,000–$20,000
Atmospheric monitoring	$8,000–$20,000
Supplemental specialized gas detection	$10,000–$30,000

Mass-casualty medical cache	$15,000–$35,000
Patient movement and holding	$8,000–$20,000
Supplemental oxygen and delivery equipment	$5,000–$15,000
Medical/rehabilitation shelter	$15,000–$40,000
Portable power and lighting	$8,000–$20,000
Additional communications	$12,000–$30,000
Command and patient tracking	$5,000–$15,000
Equipment trailer and storage fit-out	$20,000–$45,000
Tow/support vehicle	$55,000–$90,000
Scene separation and contamination control	$5,000-$15,000
Initial training, exercises, medical oversight setup and staffing backfill	$40,000–$100,000
Contingency, integration and specification changes	Approximately 20%–25%
Approximately eight complete SCBA sets	$65,000–$105,000
Spare cylinders, additional fitted facepieces and accessories	$15,000–$30,000
Air replenishment arrangements	Shared fire-department service, or approximately $40,000–$100,000 for a dedicated system
Additional protective clothing, testing and support equipment	$15,000–$35,000
Industrial foam-capable pumper	$1.2 million–$1.8 million
Foam-concentrate tender	$400,000–$800,000
Initial bulk foam-concentrate stock	$75,000–$250,000
High-volume pump and hose package	$250,000–$750,000
Large portable/remote-controlled monitors	$75,000–$250,000
Water tenders	$800,000–$1.4 million total
Hazardous-materials response vehicle	$600,000–$1.2 million
Specialized hazmat equipment package	$150,000–$400,000
Battery-incident monitoring package	$75,000–$200,000
Breathing-air support unit	$250,000–$600,000

Spill/runoff containment package	$100,000–$300,000
Command/communications unit	$150,000–$400,000

Beyond that is the need to replace and repair equipment from time to time, training needed to keep certification, and equipment that needs to be specially ordered for the particular configuration of the project, especially in regards to fuel tank and high voltage electrical issues. Since Stokes County would not need this equipment or training if it wasn't for ELSDCSP2, LLC, et al and Project Delta, it should be on them to provide all necessary training and equipment initially, as well as, a routine payment of at least half of all necessary training and upgrades on an annual basis.

Physical Buffers, Earth Berms & Setbacks

- Minimum Setback: A minimum physical setback of 2,500 feet from any property line, residential lot line, school, church, public park, or public right-of-way.
- Engineered Earth Berms: Construction of continuous earth berms with a minimum height of 25 to 30 feet surrounding the perimeter of power generation and cooling units to deflect horizontal sound waves upward.
- Thick Evergreen Tree Buffer: A dense, multi-row evergreen tree buffer strip with a minimum depth of 150 feet planted along the entire perimeter, utilizing native high-density evergreen trees and shrubs (e.g., Eastern Red Cedar, Loblolly Pine) to trap sound and screen visual structures.

Electromagnetic Field (EMF) Shielding & Underground

- Mandatory Underground Cabling: All high-voltage electrical distribution cables on or leading to the site must be fully insulated, shielded, and buried underground in subterranean concrete vaults. Overhead high-voltage lines traversing the property are prohibited in order to suppress EMF emissions and eliminate visual pollution.
- Faraday Cage Enclosures: All above-ground transformers, switchyards, sub-stations, power conditioning units, and high-voltage distribution networks must be fully enclosed within certified industrial Faraday cages and acoustic/EMF shielding structures to eliminate external EMF and RFI emissions. This prevents stray electrical radiation, mitigates high-frequency transformer hum, and protects local electronics and agricultural equipment from electromagnetic interference.

Thermal Dissipation, Heat Island Effect & Waste Heat Recovery

- High-Elevation Atmospheric Dispersion Stacks: Thermal discharge must be routed through engineered high-elevation stacks to elevate heat plumes far above the crop canopy and local boundary layer.
- Secondary Heat Loop Utilization: Require facility architecture to feature heat exchangers and secondary fluid loops capable of capturing waste heat for productive community/agricultural applications, such as commercial greenhouse heating, district heating, or agricultural drying.

Water Conservation & Coolant Containment Standards

- Air Cooling Prioritization: Mandate direct dry air-cooling systems as the primary heat exchange mechanism.
- Strict Prohibition on Open Cooling Towers: Open evaporative cooling towers consume millions of gallons of potable groundwater daily and discharge aerosolized drift containing toxic biocides, anti-scalants, and chemical additives into the ambient air.
- Open cooling towers, evaporative cooling, and surface discharge are strictly prohibited.
- Closed-Loop Liquid Systems: If liquid cooling is technically required, it must utilize a 100% sealed, closed-loop liquid system.
- Zero Liquid Discharge (ZLD): If secondary liquid cooling is integrated into server cold-plates, it must operate as a completely sealed, non-evaporative closed loop. Zero chemical coolant wastewater, glycol additives, or treated cooling fluid may be discharged into municipal sewers, iakes, streams, farm ditches, groundwater aquifers, or the Dan River is strictly illegal. Facility operators must maintain certified chemical handling and off-site disposal transport logs.

Fuel Storage

- Double-Walled Containment & Impervious Liners: All fuel storage must utilize double-walled tanks within concrete secondary containment basins capable of holding 110% of total fuel capacity, resting above synthetic clay subterranean liners.
- Real-Time Environmental Monitoring: Subsurface monitoring wells and automated electronic leak detection systems must be installed around all fuel storage and transport lines, with automated shutoff valves tied directly to County emergency services monitoring.

Community Remuneration & Host Agreement Framework

- Host Community Fee / Revenue Share: Mandate a binding Host Community Agreement establishing an annual fee structured per Megawatt of operational capacity or a percentage fee on compute inference revenue.
- Public Benefit Guarantee: Direct proceeds into a County trust dedicated to local school funding, public health facilities, agricultural land preservation, and emergency service infrastructure.

Decommissioning Bond & Full Land Restoration Guarantee

- Performance & Decommissioning Bond: Developer must post an Irrevocable Decommissioning & Restoration Bond that is cash-backed or surety bond equal to 125% of estimated total decommissioning costs prior to groundbreaking in the event of facility abandonment or bankruptcy. Re-evaluations must occur every 3 years.
- Full Land Restoration: The bond must guarantee total structure removal, concrete foundation grinding, hazardous material remediation, removal of all subterranean vaults, foundations, turbine pads, and wiring, along with full soil remediation and re-vegetation back to prime agricultural
- status.

Section 4: Conclusion

The document that has been presented to you by ELSDCSP2, LLC, et al and its subsidiaries for Project Delta has been carefully crafted to ensure ELSDCSP2, LLC, et al has every right and Stokes County has none. It cannot in any way be construed as a collaboration between company and County. It is, very obviously, an attempt to bind and gag Stokes County so that ELSDCSP2, LLC, et al will have the freedom to do whatever it wants, whenever it wants, and however it wants, without regard to the safety, wellbeing, or continuation of citizens, businesses, schools, and the County itself. It shows complete disregard to every person living in Stokes County, especially those within 9 miles of the proposed facility. It blatantly believes the members of the Commissioners Board are unable to understand the implications of the document, because if they did believe you understood they would certainly not have presented such a one-sided, self-aggrandizing document for your approval.

Above I have listed at least some of the amendments that should be incorporated into the document, before it is even considered for approval. Others will have information on other amendments they feel are imperative. It is your responsibility to consider each possible amendment and to make sure the document protects the citizens, businesses, children attending affected schools, and Stokes County itself from dangerous and life threatening consequences that this facility could impose. If you don't do it now, it cannot be done in the future and you know that the County will be sued many times over should there be any negative effects of this project. What you might not know is that since you now know all these glaring omissions exist and you know what amendments should be required, if you approve this document as presented you could be held personally liable and have criminal and punitive cases brought against you personally. So, just because you won't be a commissioner when the disaster strikes, you could still be liable, because you were a commissioner when it was approved.

This is not an all or nothing situation. It is time for the County to put forth their requirements and to negotiate a contract that will safeguard the County and its citizens. You do not have to bend your knee to everything that is in the Agreement. Amendments are needed and probably expected.

Now is not the time to rush. You only have one chance to do this right, one chance. Every citizen of Stokes County is counting on you to do the right thing. We have to endure this horrendous facility in our backyard, but we shouldn't have to have our property, our mental, and/or our physical health destroyed by it. What good is $40 million in tax revenues if countless people and their properties are destroyed in the process.

Please do not accept the Agreement without making necessary changes.

Sadaajit Ananda
1060 Tyler Rd.
Walnut Cove, NC 27052
336-644-1111

EXHIBIT

10

Southern Environmental Law Center and Southern Coalition for Social Justice — Comments on the Proposed Development Agreement

Source / Description

Letter dated November 5, 2026 from Megan Kimball (SELC) and Anne Harvey David (SCSJ), submitted via email to PublicComments@co.stokes.nc.us and the Clerk to the Board. Twelve-page letter with Attachments 1 through 7.

Pages

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Custodian of Record

Stokes County Clerk to the Board

Legislative Public Hearing: November 9, 2026

Project Delta Development Agreement — Board of Commissioners

SOUTHERN ENVIRONMENTAL LAW CENTER

Southern Coalition for Social Justice

November 5, 2026

Via e-mail
PublicComments@co.stokes.nc.us

Stokes County Board of County Commissioners
c/o Olivia Jessup, County Clerk
ojessup@co.stokes.nc.us

Re: Comments on the proposed Development Agreement for Project Delta, public hearing November 9, 2026

Dear Chair Barneycastle and Commissioners:

We urge the Board to reject the proposed development agreement for Project Delta.[1] If the Board does not reject it, it should table the Proposed Agreement until it is substantially rewritten.

The Board rezoned the property to M-2-CZ on September 14, 2026 and the conditions adopted that night already govern what can be built there and how it can be built.[2] This Proposed Agreement comes separately after the fact of the rezoning. It does not add meaningful protections or benefits for the County or its residents. Instead, it gives the developer a 15-year shield from County regulation, including future moratoria on data center development. In return, the County receives a single, contingent $200,000 payment from the developer and promises to follow laws that already apply.

That is not a mutual bargain or an acceptable agreement. It is an abdication of the County's authority to protect public health, safety, and welfare.[3]

The County gets almost nothing it doesn't already have.

The Proposed Agreement adds almost nothing to the September rezoning conditions. The conditions attached to Project Delta's rezoning already establish noise limits, generator testing hours and setbacks, the closed-loop cooling requirement, the prohibition on withdrawing water from streams and wells, floodplain restrictions, lighting

[1] ELSDCSP2 et al. & Stokes County, NC, Development Agreement (Nov. 2026), https://cms9files.revize.com/stokescountync/10.28.2026%20ELSDCSP2_%20DFC_Stokes%20-Development%20Agreement.pdf?t=202610291002130 (the "Proposed Agreement"), Attachment 1.
[2] Zoning Conditions (Sept. 11, 2026), Attachment 2.
[3] N.C. Gen. Stat. § 160D-1006(a)(6).

standards, an 80-foot building height limit, buffers, the sharing of state environmental filings, and school bus coordination.

The Proposed Agreement's environmental provisions largely restate the obligation to comply with applicable law and are repetitive of the project's rezoning conditions. Section 5.3 on permitting duplicates rezoning Condition 9 almost word for word. Section 7.7 openly concedes that the Proposed Agreement contains no health or safety provisions of its own and defers entirely to the rezoning conditions.

What is new for the County is a one-time $200,000 contribution for emergency preparedness, payable by the Developer only if and when a Land Disturbance Permit is issued (§ 7.6), and up to $60,000 toward the County's legal costs—$10,000 for negotiating this Proposed Agreement (§ 9.3) and $50,000 to help defend the Developer's interests in court (§ 9.15).

The Developer sold the County on a $7 billion investment that would produce $40 million a year in property taxes. Against that promise, a single $200,000 payment, which may never come due, is one-half of one percent of a single year's projected tax revenue. This is not meaningful consideration for granting the developer 15 years of vested rights. And the $60,000 in legal fees is not a benefit to the County at all: most of it is compensation for defending the Developer, which—as we explain below—is wholly inappropriate.

Section 1.3 of the Proposed Agreement lists the tax base and high-paying jobs as benefits of the Proposed Agreement to the County. But those benefits, if they ever materialize, flow from the rezoning and from actual construction of the data center, not from this document. The Proposed Agreement contains no commitment to invest, to build, to hire, or to meet any timetable for construction or operation. The County would receive the same tax and employment benefits with or without the Proposed Agreement.

The Proposed Agreement does nothing to protect historic resources or the environment.

A development agreement may be the County's last opportunity to get binding commitments that the rezoning did not secure. Article 10 of N.C. Gen. Stat. Chapter 160D lets the County bargain for protections that go beyond its ordinances, in exchange for the vested rights the developer wants. Section 160D-1006 also requires every

agreement to address protection of environmentally sensitive property and preservation of historic structures. This Proposed Agreement wastes that chance. On historic and natural resources, it says less than the County's own record already shows.

Section 7.8 says only that the Property "may contain structures of potential historic significance." It promises the Developer will follow historic preservation laws, "including coordination with the North Carolina State Historic Preservation Office (SHPO), as required."

But the County already knows much more than that:

- The County's August staff report on the rezoning found the Hairston Sauratown Plantation House, which is on SHPO's Study List for the National Register. The report also identified two other surveyed Hairston sites and a mapped cemetery with 65 grave points.[4]
- The applicant's own archaeologist told the Board his firm had found 15 archaeological sites. One of them is eligible for the National Register and lies in the uplands, outside the floodplain.[5]
- Historians and archaeologists documented three Saura villages in the floodplain, including Upper Sauratown, which has been found eligible for the National Register. Archaeologists recovered the remains of more than 150 people from these sites. The County was warned during the rezoning that "numerous human remains are still in the ground."[6]

The Proposed Agreement mentions none of this. The promise to coordinate with SHPO "as required" is empty—the Developer is already obligated to comply with the law. Moreover, in its August report, County staff concluded that SHPO coordination on this privately funded project "is not independently mandated by state law" and "would be

[4] Stokes County Planning & Inspections Dep't, Staff Report: Conditional Zoning District Application "Project Delta", at 40 (Aug. 2026), https://cms9files.revize.com/stokescountync/Project_Delta_Staff_Report_PB.pdf?t=202608041704390, Attachment 3 [hereinafter Project Delta Staff Report].
[5] Stokes County Board of Commissioners, YouTube, *BOCC Meeting Sept. 8, 2026, 2:00 PM*, at 35:59–40:36, https://www.youtube.com/watch?v=7q5in8QUmzY.
[6] Letter from C. Bailey, S. Davis, M. Hartley, M. Hartley, to Stokes County Board of County Commissioners (September 4, 2026), Attachment 4 [hereinafter "Bailey Letter"].

voluntary."[7] Promising to meet requirements that do not apply is both misleading and not a commitment.

Section 7.8's cemetery provision is just as hollow. It applies only "[t]o the extent that there is a known cemetery." There is one: the County's GIS layer maps it, and a 1991 state cemetery survey recorded about 65 graves there, only about 15 percent of them marked.[8] The Proposed Agreement mentions but does not define a "reasonable buffer" or require a survey to find the cemetery's boundaries. Yet staff previously warned the burial ground "may extend beyond the single mapped point" and must be "confirmed by a ground survey prior to any ground-disturbing activity."[9] The Proposed Agreement also says nothing about the Saura burials in the floodplain, unmarked graves elsewhere on the site, or what happens if remains are found during construction.

Section 7.5 says the protected areas for "environmental, historic, or culturally significant resources" "generally include the area designated as floodplain." Floodplain limits do not protect the Plantation House or the upland site that the applicant's archaeologist identified as eligible for the National Register. Nothing in the Proposed Agreement does.

The environmental provisions in Article V also add nothing new:

- Stormwater measures must be built "in accordance with all applicable laws" (§ 5.1).
- The Developer will hire an engineer to monitor its compliance with permits it must obtain anyway, with reports "upon request" (§ 5.2).
- Floodplain monitoring happens only while a phase is under construction (§ 5.4).

The rezoning and Proposed Agreement allow on-site power generation, natural gas infrastructure, and fuel storage. But the Proposed Agreement sets no cap on power generating capacity and no limit on the number or fuel type of on-site generators. It requires no emissions controls, air monitoring, discharge limits for the Dan River, or

[7] Project Delta Staff Report, at 41.
[8] Stokes County, NC, *Stokes County Geographic Information* (last visited Nov. 3, 2026), https://www.stokescountygis.com/maps/ (viewing "Cemetery Points" operational layer which shows a cemetery with 65 graves on the property rezoned for Project Delta); Bailey letter at 9.
[9] Project Delta Staff Report, at 41.

testing of neighbors' wells. It does nothing to protect the adjoining Dan River Educational State Forest.

The Planning Board already gave the County a ready-made list of these protections in conditions T-1 through T-14.[10] The list includes discharge limits, generator disclosure, air monitoring at the property line, an environmental-impairment bond with well testing, and a memorial developed with the Catawba Indian Nation and the National Hairston Clan. The Proposed Agreement includes none of these protections.

Section 5.5 has the County declare that the developer's environmental measures exceed County requirements. They do not. They are the rezoning conditions and existing laws the developer is already obligated to meet.

The $40 million revenue projection is speculative and should not become a County finding.

Section 1.3 recites the Developer's projection of $40 million a year in property tax revenue at full build-out, and states the County "found this study to be reasonable and reliable."

The rezoning record contains strong evidence against this finding. Dr. Michael Hicks of Shenandoah University analyzed the project and concluded that the County is more likely to collect between $24 million and $41 million in total over a full decade, not each year.[11] His estimate rests on the property tax revenue comparable North Carolina data centers have actually generated. The gap comes down to scale. Dr. Hicks assumed a more realistic $1 billion investment, while the developer has suggested, without any basis, that the project could exceed $7 billion at full build-out.

Section 1.3 itself admits the annual $40 million figure was produced by extrapolating tax revenue collected from three other data centers and scaling to the enormous and unsubstantiated size and acreage proposed by Project Delta. But there is no identified end user for the project, no defined building program, and no investment commitment behind the number. It is a speculative proposal. The County should not

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[10] Stokes County, Executive Brief to the Board of Commissioners, at 2–3 (Aug. 13, 2026), https://d3n9y02raazwpg.cloudfront.net/stokescountync/5d39730a-9d52-457a-af54-7adec37c5d3d-e42a4b83-f2dd-48d1-8b86-b1653ca95a1f-1789159728.pdf, Attachment 5.

[11] Michael J. Hicks, PhD, Executive Summary: Economic, Spatial, and Fiscal Evaluation of Project Delta in Stokes County, North Carolina, at 7–9 (Sept. 2, 2026), https://www.selc.org/wp-content/uploads/2026/09/Executive-Summary-Stokes-County-Economics-Report.pdf, Attachment 6.

adopt it as fact in a recorded legal document the developer can later rely on, and the "reasonable and reliable" language should be removed.

There is no clearer path forward.

The Proposed Agreement claims to create "a clearer path forward" for the project as a benefit to the County, but it adds no detail beyond what the rezoning already provides.

The permitted uses are copied directly from the zoning conditions (§ 7.3). Building placement is deferred until "buyers and end users are selected" (§ 7.3). Exhibit A is the same conceptual site plan offered for the rezoning, and it describes itself as conceptual. Water, sewer, power, and gas service "may be provided" by one entity or another, with location and capacity to be "determined as development occurs" (Article VIII).

The only thing this Proposed Agreement makes clearer is the developer's protection from future County rules.

This project is not ready for a development agreement, and the Proposed Agreement does not meet the requirements of Article 10.

Professor David Owens of the University of North Carolina School of Government has explained that development agreements are meant for projects that have "moved beyond the conceptual stage to a relatively detailed plan." That more detailed plan sets out the specific land uses, where buildings will be sited, how they will be designed, and how the public facilities serving the development will be timed and financed. A development agreement requires substantially more detail than a rezoning petition.[12]

Project Delta is nowhere near that point, and the Proposed Agreement reflects it. G.S. 160D-1006(a)(3) requires the Proposed Agreement to describe the permitted uses, including building types, intensities, placement on the site, and design. This Proposed Agreement identifies no building locations, no number or size of buildings, no power

[12] David W. Owens, *Land Use Law in North Carolina*, Fourth Edition, at 333–43 (2023); *see also* David W. Owens, *The Use of Development Agreements to Manage Large-Scale Development: The Law and Practice in North Carolina* (2009), https://www.sog.unc.edu/sites/default/files/full_text_books/978-1-56011-633-2_PDF.pdf.

capacity, and no design standards. It does not state buffer widths or even attach the Buffer Zone Exhibit from the rezoning.[13]

North Carolina General Statutes 160D-1006(a)(4) requires a description of the public facilities that will serve the development, who will provide them, when any new facilities will be built, and a schedule to ensure they are available as the development's impacts arrive. Article VIII provides none of this, even though water and power supplies are defining issues for any data center.

The Proposed Agreement also fails to identify the local, state, and federal permits the project will need, including site plan, land disturbance, air quality, stormwater and wastewater discharge, wetlands, and water supply approvals. It says nothing of how they will be sequenced.

An agreement this thin is not a development agreement under Chapter 160D. It is a vesting instrument for the benefit of the Developer and Landowners.

The Proposed Agreement surrenders the County's police power.

The vesting statute, G.S. 160D-1007, freezes the laws applicable to the *development* of the property, meaning the County's development regulations such as zoning and subdivision rules. This Proposed Agreement reaches much further. Sections 3.2 and 3.5 bar the application of any newly enacted County "ordinances," "development policies," or "laws, policies, or regulations" without the Developer's written consent.

Read together, these provisions could prevent the County from applying future generally-applicable water conservation measures, drought restrictions, public health ordinances, fire prevention rules, security requirements, or other general police-power regulations to one of the largest industrial sites in the County for 15 years. At a minimum, the Proposed Agreement must state plainly that vesting applies only to development regulations adopted under Chapter 160D. It must also state that vesting does not limit the County's general ordinances, emergency powers, or public health authority.

Section 3.2 goes further still. It declares any future moratorium on data centers will not affect this property, with no exception of any kind. The County should not agree to this. The moratorium statute, G.S. 160D-107, deliberately preserves the County's

[13] Thomas & Hutton, Buffer Zone Exhibit Project Delta (July 16, 2026), https://cms9files.revize.com/stokescountync/(3)%20Buffer%20Zone%20Exhibit.pdf?t=20260722084836 0, Attachment 7.

ability to act when there is an imminent threat to public health or safety, even for projects that would otherwise be exempt. It is not hard to imagine when that authority might be needed: a regional water shortage or an emergency in electric grid capacity.

The General Assembly also provided that in entering a development agreement, a local government may not make any commitment that general or local law does not authorize.[14] Commitments that go beyond what the vesting statute provides fall outside that authority. The Board cannot sign away its power to protect residents in an emergency.

The water and wastewater provisions conflict with the rezoning conditions.

Condition 4(c) of the rezoning prohibits the project from withdrawing water directly from streams, rivers, ponds, groundwater wells, aquifers, or other private sources. Section 8.2 of the Proposed Agreement nonetheless authorizes water service from "onsite water supply systems." Those two provisions cannot be reconciled.

The conflict is more dangerous than it might appear. Section 3.1 says the rezoning conditions are not altered. But Section 3.9 says the Proposed Agreement controls "to the extent allowed under North Carolina law" and that any unresolved ambiguity is to be interpreted "to favor the free use of land." The Developer will argue the Proposed Agreement's onsite-water language prevails.

Onsite water supply systems should be struck from the Proposed Agreement. Further, the Proposed Agreement should state expressly that the rezoning conditions control over any conflicting term.

Accepting funding for litigation expenses is improper.

Section 9.15 commits the County to cooperate in defending any lawsuit brought by third parties against the rezoning or the Proposed Agreement. As a practical matter, those third parties would be the County's own constituents.

The section then has the Developer pay up to $50,000 of the County's attorney fees to participate in litigation that "defends Developer's interests," leaving taxpayers to pay anything above that.

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[14] *See* N.C. Gen. Stat. § 160D-1006(d) ("The development agreement also may cover any other matter, including defined standards, *not inconsistent with this chapter*" (emphasis added)).

No statute authorizes a county to contractually bind itself to defend a private developer's or landowner's financial interests. Spending public funds and staff time to advance a private party's position raises serious concerns under the public-purpose requirement of Article V, Section 2 of the North Carolina Constitution. Accepting the Developer's money to fund the County's side of a case against its own residents creates an obvious conflict of interest. It also undermines public confidence that the Board's legislative decisions are its own. The County must be able to act independently in responding to legal challenges.

Section 9.15 should be deleted in its entirety.

It is unclear who will be bound once ELS is gone.

Engineered Land Solutions is, as we understand it, a land-entitlement company. Founded just two years ago, its business has been limited so far to obtaining land-use approvals and then selling the property. It is not a developer in the sense that it builds anything, nor is it a data center operator. The Proposed Agreement itself acknowledges that no end user has been identified.

Section 9.12 says the Proposed Agreement runs with the land, but most obligations themselves are written for "the Developer," ELSDCSP2, LLC, which Section 2.2 describes as holding only a "contractual financial interest" in the Project. The vested rights pass automatically to every successor (§ 3.2). Nothing apparently requires a buyer to assume the Developer's obligations in writing, gives the County notice of a transfer, or keeps ELS responsible until a successor steps in. Section 9.8 then confines any default to the party and parcel involved. A buyer of one parcel could claim the vested rights without ever accepting the obligations.

The Proposed Agreement should require every future owner and developer of any portion of the property to be bound by the Developer's obligations. Any transfer should require a written assumption and notice to the County. The original Developer and Landowners should remain responsible until a qualified successor has assumed those obligations.

The Proposed Agreement makes it nearly impossible to enforce.

Under G.S. 160D-1008, if the County finds a material breach after its annual review, it may notify the developer and, after a reasonable time to cure, terminate or modify a development agreement. This Proposed Agreement buries that power.

Section 9.6 guarantees a cure period of at least 90 days, extendable indefinitely so long as the developer "diligently pursues" corrective action. Section 9.7 then requires negotiation and mediation before the County may take any action. Even the annual review asks only for "good faith compliance" (§ 9.5).

The County should keep the enforcement process North Carolina law provides.

The remaining terms tilt against the County.

The rest of the Proposed Agreement follows the same pattern of almost entirely benefitting the developer at the expense of the County and its residents. The 15-year term includes no commencement or completion deadlines, so the developer can hold vested rights while it shops the property to buyers. By comparison, statutory vesting for a multi-phase project would last seven years.[15]

Section 3.9 makes the Proposed Agreement the County's "official interpretation" of its own zoning ordinance and resolves remaining ambiguities in the developer's favor.

Section 9.11 waives the ordinary rule that ambiguities are read against the drafter, even though the developer's counsel prepared the document.

Recommendations.

For these reasons, **we respectfully ask the Board to decline to adopt this Proposed Agreement**. If the Board is inclined to proceed, it should first require substantial revisions:

- Strike the litigation-funding provision and the moratorium exemption.
- Limit vesting to development regulations under Chapter 160D and expressly preserve the County's general police powers.
- Require a full archaeological survey, SHPO review, and the New South Associates reports submitted to SHPO before any land disturbance.
- Require avoidance of the Plantation House and all sites eligible for the National Register.
- Require a ground survey to find the cemetery's boundaries and establish a fixed setback, guaranteed access for descendants, and a stop-work and

[15] N.C. Gen. Stat. § 160D-108(f) ("A right which has been vested as provided for in this subsection remains vested for a period of seven years from the time a site plan approval is granted for the initial phase of the multi-phased development.")

notice procedure if human remains are found. Notice should go to the Office of State Archaeology, Catawba Indian Nation, and National Hairston Clan.

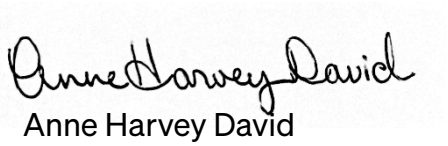
- Add enforceable environmental terms drawn from Planning Board conditions T-1 through T-14: generation and emissions limits, air and well monitoring, Dan River discharge limits, and an environmental-impairment bond.
- Remove "onsite water supply systems" and confirm that the rezoning conditions control.
- Delete the "reasonable and reliable" finding in Section 1.3 and all of Section 5.5.
- Add a specific development program, defined buffer widths, a list of required permits, phasing, and a schedule for public facilities.
- Bind all successors to the Developer's obligations.
- Shorten the term or add performance deadlines.
- Restore the County's statutory enforcement rights.

The County should not trade away 15 years of regulatory authority and agree to all the other limiting provisions in the Proposed Agreement for so little in return.

Respectfully submitted,



Megan Kimball
Senior Attorney
Southern Environmental Law Center
(919) 967-1450
mkimball@selc.org



Anne Harvey David
Chief Counsel for Environmental Justice
Southern Coalition for Social Justice
(919) 323-3380
anne@scsj.org

Cc: Jeff Sanborn, County Manager
Bryan Miller, Assistant County Manager
Jennifer Michaud, County Attorney

ATTACHMENT 1

DEVELOPMENT AGREEMENT

BETWEEN

ELSDCSP2, LLC, DFC STOKES, LLC, AND DFC STOKES 2, LLC

AND

STOKES COUNTY, NORTH CAROLINA

Prepared by and Return to:
Thomas E. Terrell, Jr.
Fox Rothschild LLP
230 N. Elm Street, Suite 1200
Greensboro, N.C. 27401

STATE OF NORTH CAROLINA)
) **DEVELOPMENT AGREEMENT**
COUNTY OF STOKES)

This Development Agreement ("Agreement") is entered into and considered executed on this _____ day of November, 2026 (the "Effective Date") pursuant to North Carolina General Statutes § 160D Article 10 between the Stokes County ("County"), and developer ELSDCSP2, LLC ("Developer") and landowners DFC Stokes, LLC and DFC Stokes 2, LLC ("Landowner") (collectively, the "Parties") for the development of data centers (the "Project") on four tax parcels (the "Property"), in consideration of the mutual promises made herein and upon the following terms:

ARTICLE I.
LEGAL FRAMEWORK, BACKGROUND, AND PURPOSE

1.1 North Carolina General Statutes § 160D-1001 through § 160D-1012 (the "Act"), enables local governments to enter into binding development agreements with entities intending to develop real property under certain conditions set forth in the Act. Among other things, the Act provides

assurance to private parties that the laws in effect at the time of Agreement adoption are not changed while projects are in development and financing phases; enable private parties to risk greater capital investment; and create frameworks for cooperation among local governments and developers for effective management of large-scale, multi-year projects.

1.2 Adoption. This Agreement is entered into and adopted, making this Agreement legally binding and enforceable by its terms and by powers vested in the County by statute. In addition to the force of law conferred upon this Agreement by its adoption and N.C. Gen Stat. Chapter 160D, the terms of this Agreement also are contractual in nature and a significant inducement and consideration for both Parties to enter into this Agreement and may be enforced as contractual terms. The approval of this Agreement constitutes a legislative act of the County.

1.3 Benefits to County. This Agreement, among other things, furthers the County's goals as expressed in the Comprehensive Plan. For purposes of this Agreement, the consistency statement adopted by the Board for the underlying zoning map amendment for the Property is incorporated by reference and constitutes the County's consideration of this Agreement's consistency with the County's comprehensive plan. The County will also benefit from this Agreement because, among other things, this Agreement will create a clearer path forward for a project that may substantially increase the tax base and provide numerous high paying jobs. Regarding enhancement to the County's tax base, the Developer presented the County with a projection of property tax income at full buildout equal to $40 million at the current tax rate, which may result in annual payments that may double the county's annual property tax income. The projection was based upon the taxes annually paid by three comparable data centers that have existed for several years, with that information extrapolated to account for the size and acreage of this project. The county found this study to be reasonable and reliable.

1.4 Benefits to Landowner and Developer. Developer and Landowner will benefit from this Agreement because, among other things, this Agreement provides for certainty and clarity as to the regulations to be applied to the Property (as defined below) through the term of this Agreement. As appropriate to context, Developer may be named in certain provisions of this Agreement relating strictly to development. To the extent the Agreement provision implicates the owner of the land, Landowner, shall be named as the relevant party. Both Developer and Landowner shall be named where the distinction between landowner and developer is not relevant to context.

1.5 Public Notice and Public Hearing. Pursuant to N.C. Gen. Stat. § 160D-1005, the Board of Commissioners conducted a public hearing regarding this Agreement on November _____, 2026. The notice of public hearing specified, among other things, the location of the Property subject to this Agreement, the development uses proposed for the Property, and a place where a copy of the proposed Agreement could be obtained. The initial draft of this Agreement was available for public inspection at County offices.

1.6 Terms. Terms not otherwise defined in this Agreement shall have the meanings set forth in the Stokes County Zoning Ordinance.

ARTICLE II.
LAND GOVERNED BY AGREEMENT

2.1 The Property encompasses approximately 1,848 acres over four tax parcels owned by DFC Stokes, LLC and DFC Stokes 2, LLC. The tax parcel PINs, approximate acreage, and ownership of each parcel are listed below and are shown on a map attached as Exhibit A. A metes and bounds description of the Property is attached as Exhibit B.

PIN 6964-91-8321 1,062.602 acres
PIN 6973-49-0574 3.831 acres
PIN 6973-76-7124 248.084 acres
PIN 6973-73-4188 534.224 acres

2.2 ELSDCSP2, LLC, the Developer, is a wholly owned subsidiary of Engineered Land Solutions, LLC, that has a contractual financial interest in the Project and is authorized by the Landowner to undertake development of the Property.

ARTICLE III.
ZONING APPROVALS, VESTING,
LAWS GOVERNING DEVELOPMENT OF THE PROJECT

3.1 Map Amendment and Zoning Conditions. On September 14, 2026, the County enacted an ordinance approving a zoning map amendment for the Properties (the "Map Amendment"), rezoning each tract from R-A to M-2-CZ. The zoning conditions adopted with the Map Amendment are affirmed by this agreement and are not altered, diminished, or otherwise affected.

3.2 Vested Rights. Pursuant to N.C. Gen. Stat. § 160D-1007, Developer and Landowner, and their assigns, successors in interest, and successors in title shall be vested under the laws that exist on the date of the adoption of this Agreement and the County may not enact subsequently adopted ordinances or development policies to the Property while the Property is protected during the vesting period described in this Agreement. In the event that a moratorium is enacted at a future date related to data centers, the Property and the Project shall not be affected and shall be deemed to be vested under current laws.

3.3 Zoning Ordinance, Policies, and Other Laws. The County's current zoning ordinance and all County standards and policies are listed by title and date of adoption on Exhibit C attached. Other laws applicable to the Project include the adopted Map Amendment and its conditions. Any covenants and restrictions enacted as part of a Property Owners' Association are not part of or affected by this Agreement.

3.4 Permits. Permits issued by the County, the State of North Carolina or the United States exist as to term and validity pursuant to the terms of the permit and underlying general statutes and federal codes. Permits referenced in this paragraph do not establish vested rights except as to common law application. Nothing in this Section limits or waives any vested right arising under G.S. 160D-108, 160D-108.1, or 143-755, which are in addition to the vested rights established by this Agreement.

3.5 Consent Required. Except as expressly provided in N.C. Gen. Stat. §§ 160D-108(c) or 160D-108.1(f), no changes, amendments, alterations, expansions, enhancements, or application of newly County-enacted laws, policies, or regulations shall apply to the Project without the written consent of the Developer and Landowner as provided in N.C. Gen. Stat. § 143-755.

3.6 Change in State or Federal Law. As provided in N.C. Gen. Stat. § 160D-1007(c), in the event State or federal law is changed after this Agreement has been entered into and the change prevents or precludes compliance with one or more provisions of this Agreement, the Parties may modify the affected provisions, upon a finding that the change in State or federal law has a fundamental effect on the Agreement. To the extent that a change in State or federal law has a fundamental effect on the Agreement to the detriment of Developer and Landowner and amendment of this Agreement is not prohibited by law, the County agrees that its consent to amendment shall not be unreasonably or capriciously withheld.

3.7 Nonconformities. No nonconformities have been or will be created by the adoption of this Agreement.

3.8 Existing Laws Retained. The Existing Laws shall be kept in a permanent file in the Stokes County Planning Department clearly marked "PERMANENT COUNTY RECORDS – DO NOT DISCARD OR AMEND." These documents govern the development of Project Delta (Data Center).

3.9 Interpretation. All Laws shall be interpreted as though the Parties intended consistent interpretation and application and shall be read for consistent interpretation and application. To the extent allowed under North Carolina law, the terms and conditions of this Agreement shall control. Where there is a discrepancy in interpretation or application, the Zoning Ordinance that existed on the date of this Agreement's adoption shall be considered the controlling ordinance. If a provision in the Zoning Ordinance that existed on the date of this Agreement's adoption is ambiguous as to how it is applied to this Project, then this Agreement shall be considered first as the County's official interpretation of that provision and secondarily as an expression of the County's intent. To the extent there is an ambiguity in terms or meaning not resolved by the above-listed canons of construction, then the ambiguity shall follow the rule at common law that ambiguities shall be interpreted to favor the free use of land.

ARTICLE IV.
TRANSPORTATION

4.1 Road Upgrades. The Developer shall make all upgrades to adjoining roads as required by NCDOT as part of NCDOT's driveway permit review process.

ARTICLE V.
ENVIRONMENTAL PROTECTIONS

5.1 Stormwater Management. Stormwater control measures shall be designed and constructed in accordance with all applicable laws and regulatory requirements based on site-specific engineering plans for each building site.

5.2 Compliance with permits. The Developer shall hire a qualified engineering firm to monitor compliance with all environmental permits, including stormwater control devices, and to oversee the implementation of best practices in stormwater management and control. Monitoring reports prepared shall be provided to the County upon request.

5.3 Permitting. The Developer shall timely provide or make accessible to the County copies of all state and federal permits, including stormwater, wetlands, sedimentation and erosion control, stream permitting, air quality, or other environmental permitting required by law.

5.4 Floodplain. For each phase of development, the floodplain area as depicted in Exhibit A and described in the conditions of the Map Amendment, shall be monitored quarterly beginning upon the first land-disturbing activity and continuing until final stabilization of that phase. Monitoring shall be performed by a qualified engineer to ensure compliance with all protections required by the Map Amendment for such area. Quarterly monitoring shall be required only during active development of a phase and shall not be required before commencement of a phase or between phases, except as otherwise required by applicable law, permits, or regulatory approvals.

5.5 Effect. The County agrees that the Developer and Landowner have offered environmental protection measures that exceed the requirements set forth under the County's regulations and reflect a commitment to environmental stewardship and the preservation of the County's natural resources.

ARTICLE VI.
TERM

6.1. Term. Unless and until modified by the Parties, the term of this Agreement shall be 15 years from the date of execution of this agreement.

ARTICLE VII.
ARTICLE 160D-1006 CERTIFICATIONS

7.1 Description. A description of the property subject to the agreement and the names of its legal and equitable property owners is found in Article II and on Exhibit B.

7.2 Duration of the Agreement. The duration of this Agreement shall be 15 years from the date of execution by all Parties.

7.3 Permitted uses, densities, placement on the site, and design. The Property shall be limited to the development of data centers and accessory and ancillary uses as defined in the Map Amendment. Placement of buildings on the site shall be determined as buyers and end users are selected. In no circumstance shall a data center building be located within the protected area of the floodplain, as shown and described in the Map Amendment. For consistency between documents, the use allowances and restrictions in the Map Amendment are incorporated by reference into this Agreement, and the definition of the use (data center and accessory uses) is below:

Data Center: A facility, campus of facilities, or array of interconnected facilities used for the primary purpose of storing, retrieving, managing, and/or processing digital data, including associated infrastructure such as servers, data storage equipment, network equipment, power supply systems, backup generators, cooling systems, and related accessory structures. A data center does not include electronic equipment incidental to a business whose primary activity is other than storing, retrieving, managing, and processing digital data (e.g., a retail store, office building, or school).

Accessory uses, facilities, structures, infrastructure, equipment, and technologies associated with the development or operation of the Data Center, including power generation; substations; electrical infrastructure; natural gas infrastructure; fiber optic infrastructure; battery backup and generation equipment; equipment yards; batteries; security facilities; on-site maintenance facilities; container storage; and fuel and water storage.

7.4 Public facilities, responsibility for construction, dates and schedules of delivery. All provisions in the Agreement related to public facilities, who shall develop and provide the services, the sequences of delivery and who is responsible are described in Article VIII (Public Services) and Article IV (Transportation). The specific construction date for any such facility may be established through subsequent construction plans or other applicable development approvals, provided the facility is available concurrently with the impacts of the development it serves. To the extent that the County has incurred obligations for public services as described in this Agreement, such obligations shall be tied to successful performance of the Project and meeting its obligations as described in this Agreement.

7.5 Land reserved, dedicated or sold for public purposes and provisions for the protection of environmentally sensitive property. There is no land designated for public use, but the Parties may discuss the public use of floodplain areas as the Project matures. Areas for the protection of environmental, historic, or culturally significant resources are described in the Map Amendment and generally include the area designated as floodplain. For consistency between the Agreement and the Map Amendment, the floodplain area that has legal and use restrictions imposed is described below:

Within the floodplain areas designated on the Federal Emergency Management Agency ("FEMA") Flood Insurance Rate Maps ("FIRMs") for Stokes County, North Carolina, Map Nos. 3710696200K and 3710696400K, effective June 10, 2026, development and uses shall be limited to infrastructure improvements and recreational, agricultural, conservation, preservation, and open space uses. Except as expressly provided above, no other development shall be permitted within the designated floodplain areas.

7.6 Fire and Emergency Services Contribution. The Developer voluntarily agrees to provide a one-time contribution of Two Hundred Thousand Dollars ($200,000) to Stokes County, due and payable upon issuance of the first Land Disturbance Permit for the Project. The County shall use the contribution to support fire service training, emergency response equipment, and

related emergency management~~emergency~~ preparedness and operational readiness needs that enhance the capacity of local fire and emergency services to serve the Project and surrounding community. The Parties acknowledge that the contribution is a mutually negotiated commitment, expressly identified in this Agreement, to support the fire protection and emergency response needs associated with the development and surrounding community.

7.7 Other protections for health, safety, and welfare. This Agreement does not provide conditions for public health or safety, which provisions have been thoroughly addressed in the Map Amendment conditions. Additional provisions related to general welfare are described in Articles IV and V.

7.8 Descriptions of provisions for preservation and restoration of historic structures. The Parties acknowledge that the Property may contain structures of potential historic significance. The Developer shall comply with all applicable historic preservation laws and review procedures, including coordination with the North Carolina State Historic Preservation Office (SHPO), as required. Any resulting preservation requirements shall be addressed in accordance with applicable law. To the extent that there is a known cemetery on the Property, the known cemetery shall be provided with a reasonable buffer, not be developed, and reasonable access shall be provided as required by applicable North Carolina law.

ARTICLE VIII.
PUBLIC SERVICES

8.1 Electricity. Electricity service to the Property may be provided by Duke Energy, or such other provider authorized to serve the Property. Any extensions, upgrades, or other improvements necessary to serve development on the Property shall be provided in accordance with the applicable provider's policies, standards, service requirements, and agreements. The location, capacity, routing, configuration, and responsibility for such facilities shall be determined as development occurs and in accordance with applicable provider requirements and subsequent development approvals.

8.2 Water. Water service to the Property may be provided by the Stokes County Water and Sewer Authority, other water service provider lawfully authorized to serve the Property, onsite water supply systems, or any combination thereof, as permitted by applicable law. Any extensions, upgrades, or other improvements necessary to serve development on the Property shall be provided in accordance with the applicable provider's policies, standards, service requirements, and agreements. The location, capacity, routing, and configuration of related facilities shall be determined as development occurs and in connection with applicable regulatory requirements, provider requirements, and subsequent development approvals.

8.3 Natural Gas. Natural gas services may be provided by Piedmont Natural Gas, or other provider authorized to serve the Property. Any extensions, upgrades, or other improvements necessary to serve development on the Property shall be provided in accordance with the applicable provider's policies, standards, service requirements, and agreements. The location, capacity, routing, configuration, and responsibility for such facilities shall be determined as development

occurs and in accordance with applicable provider requirements and subsequent development approvals.

8.4 Wastewater and Sewer. Wastewater services may be provided by the Stokes County Water and Sewer Authority, another lawfully authorized public or private wastewater service provider, onsite wastewater treatment systems, or any combination thereof, as permitted by applicable law. Any extensions, upgrades, or other improvements necessary to provide public wastewater service shall be provided in accordance with the applicable provider's policies, standards, service requirements, and agreements. The location, capacity, routing, and configuration of related facilities shall be determined as development occurs and in connection with applicable regulatory requirements, provider requirements, and subsequent development approvals.

ARTICLE IX.
MISCELLANEOUS

9.1 Amendment. This Agreement may be amended by the mutual consent of the Parties or their successors in interest. As required by N.C. Gen. Stat. § 160D-1006(e), consideration of a proposed major modification of the agreement shall follow the same procedures as required for initial approval of the Agreement.

9.2 Recordation. Developer shall record this Agreement in the Office of the Stokes County Register of Deeds within fourteen (14) days after the date of adoption. All recording costs shall be paid by Developer.

9.3 Reimbursement. Developer and Landowner shall pay up to $10,000 to reimburse the County's legal costs in the negotiation and review of this Agreement.

9.4 Affirmation of Consideration. The Parties affirm that the consideration provided one to another by this Agreement is adequate to support the mutual promises and benefits described herein

9.5 Periodic Review. This Agreement shall be reviewed by the County once every twelve (12) months, at which time Developer shall demonstrate good faith compliance with the terms of this Agreement. Additional reviews may be conducted upon a reasonable basis to believe that a material noncompliance with this Agreement has occurred.

9.6 Notice and Opportunity to Cure. If any Party determines that another Party is not in compliance with this Agreement, the Party asserting noncompliance shall provide written notice to the Party alleged to be noncompliant, with a copy to the other Parties, identifying the nature of and the evidence supporting such determination. The Party alleged to be noncompliant shall have a reasonable opportunity to cure the noncompliance, taking into consideration the nature and extent, the corrective action required, and the good-faith efforts to achieve compliance, provided, however, that in no event shall the cure period be less than ninety (90) days following receipt of the written notice.

If the noncompliance cannot reasonably be cured within the initial cure period, the noncompliant Party shall be afforded such additional time as is reasonably necessary, provided that the Party commences corrective action within the initial cure period and diligently pursues such action to completion. Upon reasonable request, the noncompliant Party shall provide updates regarding the progress of corrective action and the anticipated completion date. No noncompliance shall constitute a default under this Agreement unless it is material and remains uncured following expiration of the applicable cure period, including any extension warranted under this Section.

9.7 Default. Upon an uncured default, the Parties shall first make a good faith efforts to negotiate and informally resolve the issue in dispute (the "Claim"). If the Parties do not resolve the Claim through negotiation the asserting Party shall provide written notice of the uncured default to the alleged defaulting Party. Within thirty (30) days after written notice of the uncured default is received by the alleged defaulting Party, the Parties agree to submit the claim to mediation pursuant to the following process:

9.7.1 The non-defaulting Party (the "Claimant") shall have thirty (30) additional days within which to submit the Claim to mediation under the auspices of any dispute resolution center or other such independent agency providing similar services upon which the Parties may mutually agree.

9.7.2 If the Parties do not settle the Claim within thirty (30) days after initiation of mediation or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a notice of termination of the mediation proceedings. Such notice shall set forth when and where the Parties met, that the Parties are at an impasse, and the date that mediation was terminated.

9.7.3 If settlement does not occur and mediation is terminated; the Parties may pursue any actions at law and equity permitted under this Agreement subject to applicable rights to notice and cure provided for in this Agreement.

9.7.4 The costs of mediation shall be paid in equal shares by the Parties; provided, however, a Party who refuses to participate in a mediation that has been requested pursuant to this Paragraph may be assessed the entire costs of the mediation.

9.8 Partial Termination; Multiple Owners or Developers. If the Property is owned or developed by more than one Landowner or Developer, a default by one Party shall not be treated as a default by any other Party. Subject to Sections 9.6 and 9.7, any modification or termination of this Agreement resulting from a default shall, to the extent reasonably practicable, apply only to the defaulting Party and the portion of the Property owned or controlled by that Party. This Agreement shall remain in effect as to all non-defaulting Parties and unaffected portions of the Property.

9.9 Notices. Notices shall be made to the following persons. Each Party shall make a good faith effort to determine the successors in interest of each of the following:

To the County:

Jeff Sanborn, County Manager
1014 Main Street, Highway 89
Danbury, NC 27016
jsanborn@co.stokes.nc.us

With a copy to:

Jennifer Michaud, Esq.
153 Jefferson Church Road
King, NC 27021
jmichaud@kinglawoffices.com

To ELSDCSP2, LLC

Andrew S. Nations
1009 East Blvd
Charlotte, NC 28203
drew@engineeredlandsolutions.com

With a copy to:

Michael S. Fox, Esq.
Tuggle Duggins P.A.
400 Bellemeade Street, Suite 800
Greensboro, NC 27401

To DFC Stokes, LLC and DFC Stokes 2, LLC

David F. Couch
Blue Ridge Companies
5826 Samet Drive #105
High Point, NC 27265
dcouch@blueridgecompanies.com

With a copy to:

Thomas E. Terrell, Jr., Esq.
Fox Rothschild LLP
230 N. Elm St. Suite 1200
Greensboro, NC 27401
tterrell@foxrothschild.com

9.10 Entire Agreement. This Agreement and Map Amendment set forth and incorporate by reference all promises, terms, conditions and understandings between the Parties related to the Property and the Project, and there are no promises, agreements, conditions or understandings, oral or written, expressed or implied, among the Parties related to the matters addressed in this Agreement.

9.11 Construction. Counsel for the County and the Parties have reviewed and revised this Agreement and any rule of construction that ambiguities are to be resolved against the drafting party shall not apply.

9.12 Runs with the Land. Agreement shall be binding upon, enforceable against, and inure to the benefit of the Parties and their heirs, successors, and assigns. This Agreement shall run with the Property and be binding upon the rights and obligations of the Project and shall be binding upon future owners thereof for the term of this Agreement. The expiration of this Agreement shall not affect or cause to expire those conditions adopted in the Map Amendment.

9.13 Governing Law. This Agreement shall be governed by the laws of the State of North Carolina.

9.14 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and such counterparts shall constitute one and the same instrument.

9.15 Agreement to Cooperate. In the event of legal action instituted by a third party or parties challenging the validity of any text amendments, rezoning, or the adoption of this Agreement or any provision contained herein, the Parties agree to cooperate in defending such action; provided, however, each party shall retain the right to pursue its own independent legal defense. Developer and Landowner further agree to pay the County's reasonable attorneys' fees up to and including $50,000 to participate in litigation which defends Developer's' interests.

9.16 Severability. If any term or provision herein shall be judicially determined to be void or of no effect, such determination shall not affect the validity of the remaining terms and provisions.

9.17 No Pledge of Taxing Power or Governmental Authority. No provision of this Agreement shall be construed or interpreted as (1) creating a pledge of the faith and credit of the County within the meaning of any constitutional debt limitation, (2) delegating governmental powers, or (3) a donation or a lending of the credit of the County within the meaning of the Constitution of the State of North Carolina. The County has pre-audited this Agreement and the obligations hereunder to ensure compliance with budgetary accounting requirements (if any) that may apply. This Agreement is conditioned upon, and shall not be operative until, any required pre-audited certificate is supplied.

9.18 Authority. Each party represents that it has undertaken all actions necessary for corporate or public approval of this Agreement.

[THE REMAINDER OF THIS PAGE INTENTIONALLY BLANK]

Stokes County

By:_____

Print Name:_____

Title:_____

State of North Carolina

_____ County

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein on behalf of Stokes County, and in the capacity indicated: _____.

Date: _____ _____

Notary Public

My Commission Expires:

_____ Print Name: _____

[Affix Notary Stamp or Seal below]

PRE-AUDIT CERTIFICATION

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

_____

_____, Stokes County Finance Director

[SIGNATURES ON FOLLOWING PAGES]

ELSDCSP2, LLC

By: _____
Andrew S. Nations, Manager

State of North Carolina

_____ County

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein on behalf of ELSDCSP2, LLC and in the capacity as manager.

Date: _____ _____

Notary Public

My Commission Expires:

_____ Print Name: _____

[Affix Notary Stamp or Seal below]

[REMAINING SIGNATURE ON FOLLOWING PAGE]

DFC Stokes, LLC and DFC Stokes 2, LLC

By: _____
David F. Couch, as Managing Member of Each Company

State of North Carolina

_____ County

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein on behalf of DFC Stokes, LLC and DFC Stokes 2, LLC, and in the capacity of managing member of each company**.**

Date: _____ _____

Notary Public

My Commission Expires:

_____ Print Name: _____

[Affix Notary Stamp or Seal below]

EXHIBIT A

(Map Amendment Site Plan)

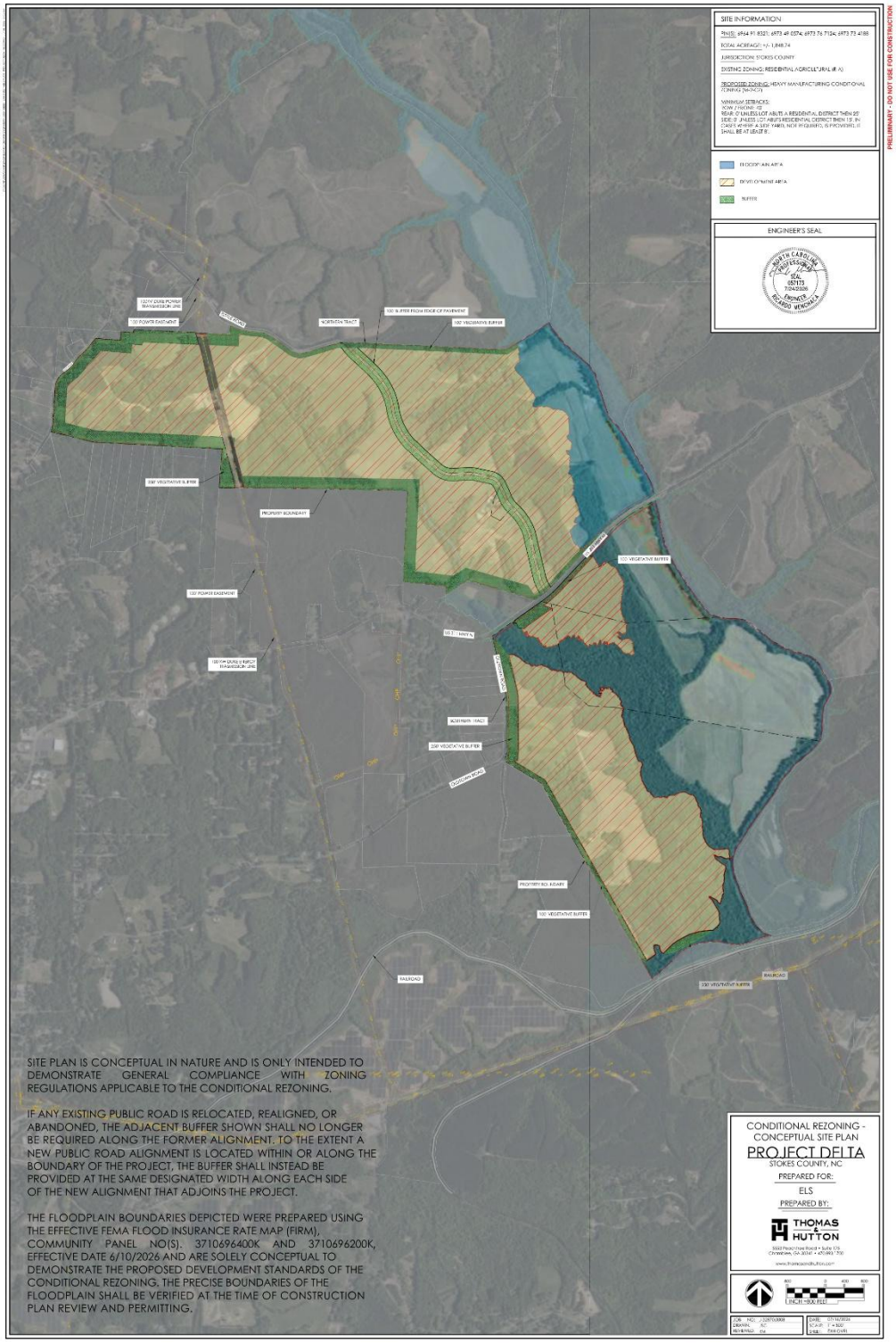


EXHIBIT B

(Metes and Bounds Property Description)

Following are metes and bounds descriptions of the Property, described also as PINs 6964-91-8321, 6973-49-0574, 6973-76-7124, and 6973-73-4188.

PIN: 6964-91-8321

BEGINNING at an iron in the eastern right-of-way line of Fulp Road (S. R. 1719), said iron being the northwest corner of the property of James W. King as described in deed recorded in Book 312 at Page 297,Stokes County Registry; thence from said beginning point North 75 degrees 31 minutes 32 seconds West 30.75 feet to a point in the center of Fulp Road (S. R. 1719); thence along the center of Fulp Road (S. R. 1719) the twenty-one (21) following courses and distances, to-wit: North 18 degrees 11 minutes 34 seconds East 81.46 feet to a point, North 08 degrees 45 minutes 18 seconds East 95.06 feet to a point, North 05 degrees 25 minutes 58 seconds East 96.39 feet to a point, North 03 degrees 38 minutes 58 seconds East 97.75 feet to a point, North 03 degrees 43 minutes 16 seconds East 349.76 feet to a point, North 04 degrees 03 minutes 18 seconds East 90.36 feet to a point, North 06 degrees 15 minutes 29 seconds East 94.64 feet to a point, North 11 degrees 15 minutes 42 seconds East96.11 feet to a point, North 19 degrees 19 minutes 44 seconds East 96.27 feet to a point, North 33 degrees 45 minutes 36 seconds East 95.26 feet to a point, North 46 degrees 40 minutes 35 seconds East 94.47 feet to a point, North 51 degrees40 minutes 45 seconds East 98.58 feet to a point, North 48 degrees 45 minutes 06 seconds East96.25 feet to a point, North 43 degrees 44 minutes 11 seconds East 94.01 feet to a point, North 42 degrees 10 minutes 27 seconds East 98.16 feet to a point, North 42 degrees 08 minutes 45 seconds East 96.87 feet to a point, North 42 degrees 24 minutes 36 seconds East 96.97 feet to a point, North 42 degrees 59 minutes 19 seconds East 161.48 feet to a point, North 42 degrees 37 minutes 56 seconds East 88.06 feet to a point, North 41 degrees 32 minutes 29 seconds East 320.74 feet to a point, and North 41 degrees 37 minutes 38 seconds East 66.03 feet to a P.K. nail in the center of Fulp Road (S.R.1719), said nail being in the south line of the property of Betty C. Tilley as described in deed recorded in Book 375 at Page 446, Stokes County Registry; thence along Tilley's south line the two (2) following courses and distances, to-wit: South 85 degrees 25 minutes 57 seconds East 37.57 feet to an iron and South 85 degrees 23 minutes 09 seconds East 636.47 feet to an iron, the southeast comer of said Tilley tract, the southernmost comer of a Tilley tract described in deed recorded in Book 175 at Page 253, Stokes County Registry and the southwest corner of the property now or formerly owned by Elizabeth Banks Franklin as described in deed recorded in Book 96 at Page 171, Stokes County Registry; thence along Franklin's south line South 86 degrees 37 minutes 00 seconds East 7833.44 feet to an iron; thence continuing with Franklin's property North 58 degrees 02 minutes 52 seconds East 1014.58 feet to an iron on the east bank of the Dan River, thence continuing North 58 degrees 02 minutes 52 seconds East 51.52 feet to a point in the center of the Dan River, thence along a line at or near the center of the Dan River, the center of the River being the actual property line, the following nineteen (19) courses and distances, to-wit:

South 32 degrees 46 minutes 11 seconds East 303.33 feet to a point, South 50 degrees 00 minutes 40 seconds East 126.00 feet to a point, South 34 degrees 03 minutes 47 seconds East 224.52 feet to a point, South 55 degrees 13 minutes 43 seconds East 148.86 feet to a point, South 49 degrees 36 minutes 26 seconds East 275.05 feet to a point, South 38 degrees 27 minutes 26 seconds East 260.14 feet to a point, South 26 degrees 42 minutes 51 seconds East 293.09 feet to a point, South 15 degrees 29 minutes 58 seconds East 413.58 feet to a point, South 23 degrees 02 minutes 13 seconds East 387.46 feet to a point, South 35 degrees 25 minutes 56 seconds East 422.84 feet to a point, South 28 degrees 26 minutes 15 seconds East 340.08 feet to a point, South 30 degrees 51 minutes 09 seconds East 328.06 feet to a point, South 29 degrees 42 minutes 32 seconds East 376.12 feet to a point, South 20 degrees 36 minutes 55 seconds East 226.08 feet to a point, South 16 degrees 18 minutes 29 seconds East 238.78 feet to a point, South 12 degrees 04 minutes 47 seconds East 1180.72 feet to a point, South 31 degrees 03 minutes 03 seconds East 705.68 feet to a point, South 34 degrees 59 minutes 49 seconds East 596.88 feet to a point, and South 44 degrees 56 minutes 08 seconds East 358.39 feet to a point; thence leaving the center of the Dan River, South 23 degrees 14 minutes07 seconds West 50.00 feet to a point at or near the waters edge; thence South 87 degrees 25 minutes 56 seconds West 112.92 feet to an iron on the bank of the Dan River, said iron being in the north line of the property of William C. Kluttz as described in deed recorded in Book 283 at Page 636, Stokes County Registry; thence along Kluttz north line, the two (2) following courses and distances, to-wit: South 87 degrees 25 minutes 56 seconds West 1676.47 feet to an iron and North 75 degrees 04 minutes 54 seconds West 1649.79 feet to an iron, the northwest corner of said Kluttz and the northeast comer of property of John M. Nelson as described in deed recorded in Book 268 at Page 313, Stokes County Registry; thence along the north line of Nelson and falling in with the north line of property of Frances Lamb as described in deed recorded in Book 268 at Page 315, Stokes County Registry, the five (5) following courses and distances, to-wit: North 75 degrees 21 minutes 32 seconds West 210.70 feet to a nail at the base of a disturbed concrete monument, North 73 degrees 20 minutes 50 seconds West 1611.11 feet to an iron in an old roadbed, South 58 degrees 54 minutes 10 seconds West 548.41 feet to an iron in an old roadbed, North 02 degrees 39 minutes 10 seconds East 151.10 feet to an iron, and North 82 degrees 36 minutes 38 seconds West 905.47 feet to an iron in the east line of the property of Harden Brown as described in deed recorded in Book 247 at Page 702, Stokes County Registry; thence along Brown's east line, North 03 degrees 09 minutes 32 seconds East 317.48 feet to an iron on the creek bank, a corner with property of Jacob Fulton Heirs, map of which is recorded in Plat Book 4 at Page 248, Stokes County Registry; thence along said plat, North 03 degrees 40 minutes 09 seconds East 1604.42 feet to a nail at the base of a bent iron; thence along the north line of said plat, North 88 degrees 34 minutes 47 seconds West 2850.61 feet to an iron, the northeast corner of property of Leonard Terry Greene as described in deed recorded in Book 289 at Page 333, Stokes County Registry; thence hence along Greene's north line, North 88 degrees 34 minutes 25 seconds West 1089.38 feet to a point in a pond in the east line of property of Jonas Bailey, Jr. as described in deed recorded in Book 103 at Page 540, Stokes County Registry, thence along Bailey's east line, North 05 degrees 01 minutes 35 seconds East 813.31 feet to an iron, Bailey's northeast comer, thence along the north line of Jonas Bailey, Jr. and falling in with the north line of R. S. Bailey, et al property as described in deed recorded in Book 53 at Page 480, Stokes County Registry, an additional Jonas Bailey Jr. tract, and property of Richard S. Bailey Heirs as described in deed recorded in Book 53 at Page 456, Stokes County Registry, North 86 degrees 12 minutes 05 seconds West 2703.00 feet to a 30 degrees oak tree, the northwest comer of James W. King as described in deed recorded in Book 312 at Page 297, Stokes County Registry; thence along King's north line

North 75 degrees 31 minutes 33 seconds West 935.39 feet to the point and place of BEGINNING, containing 1065.507 acres, more or less, all according to a survey of Larry L. Callahan dated October 30, 1995 and being the identical property described in deed recorded in Book 386 at Page 1430, Stokes County Registry.

THERE IS EXPRESSLY EXCEPTED from the above-described property, two (2) parcels being more particularly described as follows:

Parcel One: That certain parcel or tract of land conveyed to Elizabeth Banks Franklin by deed recorded in Book 451 at Page 1459, Stokes County Registry, being more particularly described as follows: BEGINNING at a magnetic nail in the center of Tuttle Road (S.R. 1717), said nail being located South 86 degrees 38 minutes 05 seconds East 3040.66 feet from a 1-inch square iron at the southernmost corner of the property of Betty Cain Tilley et vir as described in deed recorded in Book 175 at Page 253, Stokes County Registry and the eastern most corner of the property of Betty C. Tilley et vir as described in deed recorded in Book 375 at Page 446, Stokes County Registry; thence from said beginning point South 86 degrees 38 minutes 05 seconds East 54.88 feet to an iron in the northern right-of-way line of Tuttle Road (S. R. 1717); thence continuing South 86 degrees 38 minutes 05 seconds East 1078.76 feet to an iron in the northern right-of-way line of Tuttle Road (S. R. 1717); thence continuing South 86 degrees 38 minutes 05 seconds East 106.61 feet to a nail in the center of Tuttle Road (S. R. 1717); thence along the center of Tuttle Road (S. R. 1717) the seven (7) following courses and distances, to-wit: on a curve to the left the radius of which is 466.32 feet, having an arc length of 65.16 feet and a chord bearing and distance of South 78 degrees 27 minutes 40 seconds West 65.11 feet to a nail; South 74 degrees 27 minutes 28 seconds West 576.91 feet to a nail; on a curve to the right the radius of which is 913.99 feet, having a length of 120.09 feet and a chord bearing and distance of South 78 degrees 13 minutes 19 seconds West 120.00 feet to a nail: on a curve to the right the radius of which is 290.64 feet, having a length of 205.78 feet and a chord bearing and distance of North 77 degrees 43 minutes 51 seconds West 201.51 feet to a nail; on a curve to the right the radius of which is 1234.29 feet, having a length of 87.83 feet and a chord bearing and distance of North 55 degrees 24 minutes 33 seconds West 87.81 feet to a nail; North 53 degrees 22 minutes 15 seconds West 247.85 feet to a nail; on a curve to the left the radius of which is 8155.39 feet, having a length of 40.96 feet and a chord bearing and distance of North 53 degrees 30 minutes 53 seconds West 40.96 feet to the point and place of BEGINNING, containing 3.790 acres, more or less, all according to a survey of Thomas A. Hughes dated April 29, 2001.

Parcel Two: That certain parcel or tract of land conveyed to Charles David Pyrtle and wife, Jean C. Pyrtle by deed recorded in Book 392 at Page 2166, Stokes County Registry, being more particularly described as follows:

BEGINNING at an iron in the south line of the property now or formerly owned by Betty C. Tilley as described in deed recorded in Book 375 at Page 446, Stokes County Registry, said iron being located North 85 degrees 23 minutes 09 seconds West 252.47 feet from an iron at the southwest corner of the property of Elizabeth Banks Franklin and the southeast corner of the aforementioned Tilley property; thence from said beginning point on a new

line, South 04 degrees 36 minutes 51 seconds West 178.30 feet to an iron; thence continuing North 85 degrees 23 minutes 09 seconds West 518.14 feet to an iron in the southeastern right-of-way line of Fulp Road (S.R. 1719); thence North 85 degrees 23 minutes 06 West 37.53 feet to a nail in the center of Fulp Road (S.R. 1719); thence on a line in the center of Fulp Road (S.R. 1719) North 41 degrees 32 minutes 29 seconds East 157.04 feet to a nail; thence continuing with the center of Fulp Road (S.R. 1719) North 41 degrees 37 minutes 38 seconds East 66.03 feet to an existing P.K. nail, the northwest corner of the property of Norman L. Nifong as described in deed recorded in Book 386 at Page 1430, Stokes County Registry, said nail being in the south line of the aforementioned Tilley property; thence along Tilley the two (2) following courses and distances, to-wit: South 85 degrees 25 minutes 57 seconds East 37.57 feet to an iron in the southeastern right-of-way line of Fulp Road (S.R. 1719) and South 85 degrees 23 minutes 09 seconds East 384.00 feet to the point and place of BEGINNING, containing 2.00 acres, more or less, all according to survey of Larry L. Callahan dated August 20, 1996.

TRACT II:

BEGINNING at a magnetic nail in the center of Tuttle Road (S.R. 1717), said nail being located South 86 degrees 38 minutes 05 seconds East 3040.66 feet from a 1-inch square iron at the southernmost corner of the property of Betty Cain Tilley et vir as described in deed recorded in Book 175 at Page 253, Stokes County Registry and the eastern most corner of the property of Betty C. Tilley et vir as described in deed recorded in Book 375 at Page 446, Stokes County Registry; thence from said beginning point with the center of Tuttle Road (S.R. 1717) the four (4) following courses and distances, to-wit: on a curve to the left the radius of which is 8155.39 feet, having a length of 157.77 feet and a chord bearing and distance of North 54 degrees 12 minutes 46 seconds West 157.76 feet to a nail; on a curve to the left the radius of which is 533.28 feet, having a length of 272.64 feet and a chord bearing and distance of North 69 degrees 24 minutes 47 seconds West 269.68 feet to a nail: North 84 degrees 03 minutes 33 seconds West 157.02 feet to a nail; and, on a curve to the right the radius of which is 1324.40 feet, having a length of 478.39 feet and a chord bearing and distance of North 73 degrees 42 minutes 40 seconds West 475.79 feet to a nail in the center of Tuttle Road (S.R. 1717); thence leaving the center of Tuttle Road (S.R. 1717) South 04 degrees 06 minutes 57 seconds West 32.42 feet to an iron in the southern right-of-way line of Tuttle Road (S.R.1717): thence continuing South 04 degrees 06 minutes 57 seconds West 245.50 feet to an iron in the line of the property of Norman L. Nifong as described in deed recorded in Book 386 at Page 1430, Stokes County Registry; thence along Nifong's North line South 86 degrees 38 minutes 05 seconds East 959.64 feet to an iron in the right-of-way of Tuttle Road (S.R. 1717); thence continuing South 86 degrees 38 minutes 05 seconds East 55.36 feet to the point and place of BEGINNING, containing 3.790 acres, more or less, all according to a survey of Thomas A. Hughes dated April 29, 2001 and being the identical property as described in deed recorded in Book 451 at Page 1456, Stokes County Registry.

TRACT III:

BEGINNING at a 1-inch square iron at the southernmost corner of the property of Betty Cain Tilley et vir as described in deed recorded in Book 175 at Page 253, Stokes County Registry, said iron also being the easternmost corner of an additional Tilley tract as described in deed recorded

in Book 375 at Page 446, Stokes County Registry; thence from said beginning point along the east line of the former Tilley tract North 17 degrees 06 minutes 30 seconds East 65.01 feet to an iron; thence on a new line South 86 degrees 38 minutes 05 seconds East 2011.04 feet to an iron; thence South 04 degrees 06 minutes 57 seconds West 63.16 feet to an iron in the north line of the property of Norman L. Nifong a described in deed recorded in Book 386 at Page 1430, Stokes County Registry; thence along Nifong's north line North 86 degrees 38 minutes 05 seconds West 2025.66 feet to the point and place of BEGINNING, containing 2.926 acres, more or less, all according to a survey of Thomas A. Hughes dated April 29, 2001 and being the identical property described in deed recorded in Book 499 at Page 2270, Stokes County Registry.

PIN: 6973-49-0574

BEGINNING at a point in the center of Tuttle Road, said point being located North 22 degrees 24 minutes 21 seconds West 1930.10 feet from a PK nail set at the intersection of the center line of Tuttle Road and U. S. Highway 311, said point having North Carolina Grid coordinates of N=938931.98 and E=1674551.01; thence from said beginning point along the center of Tuttle Road the five (5) following courses and distances, to-wit: North 44 degrees 44 minutes 26 seconds West 61.59 feet to a point, North 38 degrees 14 minutes 57 seconds West 75.52 feet to a point, North 29 degrees 00 minutes 57 seconds West 83.12 feet to a point, North 22 degrees 25 minutes 29 seconds West 231.84 feet to a point and North 25 degrees 22 minutes 13 seconds West 66.42 feet to a point; thence South 24 degrees 57 minutes 28 seconds West 38.97 feet to an iron in the western right-of-way line of Tuttle Road; thence on a new line the four (4) following courses and distances, to-wit: South 24 degrees 57 minutes 28 seconds West 285.63 feet to an iron, South 8 degrees 29 minutes 40 seconds West 339.14 feet; South 62 degrees 20 minutes 23 seconds East 221.60 feet to an iron and North 40 degrees 07 minutes 28 seconds East 339.36 feet to an iron in the western right-of-way line of Tuttle Road; thence continuing North 40 degrees 07 minutes 28 seconds East 30.12 feet to the point and place of BEGINNING, containing 3.831 acres, more or less, all according to survey of David Bradley Coe dated March 7, 2012, and being a tract of land carved from the property of Norman L. Nifong as described in deed recorded in Book 549 at Page 1386 in the Office of the Register of Deeds of Stokes County, North Carolina.

PIN: 6973-76-7124:

BEGINNING at an iron in the south line of the property formerly owned by The Sauratown Plantation, Inc. and identified as Tract One in deed recorded in Book 197 at Page 674, Stokes County Registry, said iron being the northeastern most corner of the property identified as Tract One in deed recorded in Book 418 at Page 1094, Stokes County Registry; thence from said beginning point along the south line of the property formerly owned by The Sauratown Plantation, Inc. the three (3) following courses and distances, to-wit: South 75° 11' 00" East 1649.98 feet to an iron, North 86° 51' 50" East 1755.80 feet to an iron and continuing North 86° 51' 50" East 45.64 feet to a point in the mouth of Widow's Creek; thence on a line at or near the bank of the Dan River, the River being the actual property line, the nine (9) following courses and distances, to-wit: South 82° 19' 50" East 536.37 feet to a point, South 57° 02' 20" East 273.42 feet to a point,

South 53° 45' 50" East 835.75 feet to a point, South 71° 08' 40" East 340.70 feet to a point, South 64° 03' 00" East 395.81 feet to a point, South 28° 02' 00" East 568.64 feet to a point, South 09° 14' 50" East 93.00 feet to a point, South 26° 19' 40" West 323.77 feet to a point and South 08° 48' 00" West 738.17 feet to a point at or near the bank of the Dan River, said point being in the north line of property identified as Tract One in deed recorded in Book 418 at Page 1094, Stokes County Registry; thence leaving the River along the north and east line of Tract One in deed recorded in Book 418 at Page 1094, Stokes County Registry, the six (6) following calls and distances, to-wit: North 80° 14' 00" West and crossing an iron at 12.00 feet a total distance of 2754.08 feet to an iron, continuing North 80° 14' 00" West 1626.72 feet to an iron, South 87° 39' 40" West 543.76 feet to an iron, North 40° 37' 00" West 650.50 feet to an iron, North 03° 37' 00" West 133.00 feet to an iron, and North 08° 37' 00" West 1605.00 feet to the point and place of BEGINNING, containing 248.084 acres, more or less, all according to a survey of Obie M. Chambers dated May, 1985.

PIN: 6973-73-4188:

BEGINNING at an iron at the southeast corner of the property of Tim Mabe as described in deed recorded in Book 383 at Page 330, Stokes County Registry; thence from said beginning point along Mabe's east line North 24° 57' 58" West a total distance of 1270.85 feet to an iron and crossing irons at 137.34 feet, 402.85 feet, 701.36 feet, and 998.31 feet; thence North 54° 21' 31" West 883.74 feet to an iron in the eastern right-of-way line of Farmer Road (S.R. 1917); thence continuing North 24° 21' 31" West 88.40 feet to a point in the center of Old Town Road (S.R. 1918); thence with the centerline of Old Town Road (S.R. 1918) the five (5) following courses and distances, to-wit: on a curve to the left the radius of which is 270.00 feet, having a length of 190.46 feet and a chord bearing and distance of North 28° 06' 56" East 186.54 feet to a point, continuing on a curve to the left the radius of which is 2393.39 feet, having a length of 164.59 feet and a chord bearing and distance of North 05° 56' 13" East 164.55 feet to a point, North 03° 58' 01" East 833.99 feet to a point, on a curve to the left the radius of which is 1514.43 feet, having a length of 333.99 feet and a chord bearing and distance of North 02° 21' 03" West 333.31 feet to a point and North 08° 40' 08" West 1168.69 feet to a point in the center of U. S. Highway 311; thence with the center of U. S. Highway 311 the two (2) following courses and distances, to-wit: on a curve to the left the radius of which is 876.80 feet, having a length of 91.50 feet and a chord bearing and distance of North 62° 15' 12" East 91.46 feet to a point and North 59° 15' 49" East 1146.00 feet to a point in the center of U. S. Highway 311; thence South 69° 35' 44" East 58.28 feet to an iron in the southeast right-of-way of U. S. Highway 311; thence continuing South 69° 35' 44" East 19.84 feet to a disturbed concrete monument with a nail at the base; thence South 71° 36' 26" East 210.74 feet to an iron, the northwest corner of the property of William C. Kluttz, et al as described in deeds recorded in Book 283 at Page 636 and in Book 232 at Page 584, Stokes County Registry; thence with Kluttz' west and south lines the seven (7) following courses and distances, to-wit: South 04° 45' 25" East 1605.11 feet to an iron, South 00° 16' 38" West 132.89 feet to an iron, South 36° 45' 05" East 650.62 feet to an iron, South 88° 30' 47" East 544.19 feet to an iron, South 76° 25' 07" East 1627.10 feet to an iron, continuing South 76° 25' 07" East 2737.17 feet to an iron on the bank of the Dan River and continuing South 76° 25' 07" East 65.91 feet to a point in the center of the Dan River; thence on a line within the Dan River, the center of the river

being the actual property line, the twenty-one (21) following courses and distances, to-wit: South 40° 00' 28" West 240.22 feet to a point, South 59° 50' 56" West 183.75 feet to a point, South 58° 56' 05" West 123.77 feet to a point, South 48° 46' 50" West 240.10 feet to a point, South 38° 14' 09" West 111.25 feet to a point, South 45° 52' 24" West 244.75 feet to a point, South 40° 05' 43" West 353.70 feet to a point, South 35° 30' 31" West 330.71 feet to a point, South 37° 46' 31" West 318.21 feet to a point, South 38° 25' 02" West 280.24 feet to a point, South 39° 13' 38" West 279.81 feet to a point, South 37° 05' 07" West 213.35 feet to a point, South 20° 54' 03" West 235.14 feet to a point, South 04° 06' 12" East 173.20 feet to a point, South 12° 43' 12" East 301.68 feet to a point, South 14° 44' 33" East 188.68 feet to a point, South 19° 17' 27" East 306.24 feet to a point, South 17° 24' 14" East 142.95 feet to a point, South 23° 49' 53" East 186.99 feet to a point, South 26° 23' 32" East 306.52 feet to a point, and South 54° 26' 46" East 156.71 feet to a point at the mouth of Town Fork Creek; thence up Town Fork Creek on a line within the Creek, the center of the creek being the actual property line, the thirteen (13) following courses and distance, to-wit: South 66° 01' 03" West 279.92 feet to a point, South 77° 49' 07" West 129.28 feet to a point, South 83° 38' 12" West 286.09 feet to a point, North 72° 23' 53" West 292.61 feet to a point, North 80° 29' 16" West 199.80 feet to a point, South 87° 39' 33" West 255.62 feet to a point, South 77° 52' 10" West 168.00 feet to a point, South 68° 11' 25" West 241.61 feet to a point, South 48° 22' 37" West 123.36 feet to a point, South 46° 08' 05" West 134.72 feet to a point, South 38° 16' 10" West 274.48 feet to a point, South 24° 16' 01" West 188.28 feet to a point, and North 87° 13' 32" West 265.50 feet to a point in the center of Town Fork Creek and in the east line of the property now or formerly owned by Pine Hall Brick & Pipe Company, Inc. as described in deed recorded in Book 363 at Page 2348, Stokes County Registry; thence with the east line of said Pine Hall Brick & Pipe Company, Inc. property (now or formerly) North 24° 57' 58" West 3450.65 feet to the point and place of BEGINNING, containing 534.224 acres, more or less, all according to a survey by Larry L. Callahan dated October 10, 1998.

EXHIBIT C

(Ordinances, Policies, and Rules)

1. Stokes County Zoning Ordinance, effective March 1, 1993, and as amended July 13, 2026.
2. Stokes County 2035 Vision Plan: Moving Together, adopted April 14, 2015
3. Stokes County Water and Sewer Policy, effective _____, and as amended_____

ATTACHMENT 2

PROPOSED ZONING CONDITIONS

Updated September 11, 2026

1. Permitted Uses: Permitted uses are limited to the following:
    a) Data Center: A facility, campus of facilities, or array of interconnected facilities used for the primary purpose of storing, retrieving, managing, and/or processing digital data, including associated infrastructure such as servers, data storage equipment, network equipment, power supply systems, backup generators, cooling systems, and related accessory structures. A data center does not include electronic equipment incidental to a business whose primary activity is other than storing, retrieving, managing, and processing digital data (e.g., a retail store, office building, or school).
    b) Accessory uses, facilities, structures, infrastructure, equipment, and technologies associated with the development or operation of the Data Center, including power generation; substations; electrical infrastructure; natural gas infrastructure; fiber optic infrastructure; battery backup and generation equipment; equipment yards; batteries; security facilities; on-site maintenance facilities; container storage; and fuel and water storage.
2. Noise:
    a) Project operations shall not exceed the following noise limits as measured from the exterior property line or, if the property line adjoins a public right of way, then from the nearest property line beyond the right of way:
        I. Adjacent to property located within a non-residential zoning district[1]:
            1. A-weighted sound level[2]: 70 dB(A).
        II. Adjacent to property located within a residential zoning district[3]:
            1. A-weighted sound level: 60 dB(A) during daytime hours (7:00 a.m. – 10:00 p.m.) and 50 dB(A) during nighttime hours (10:00 p.m. – 7:00 a.m.).

[1] **Nonresidential Zoning Districts:** Any zoning district that is not a Residential Zoning District.
[2] **A-Weighted Sound Level, dB(A)**: The sound pressure level in decibels as measured on a sound level meter using the A-weighting network, which de-emphasizes low and high frequencies to approximate the response of the human ear. Levels so measured are designated dB(A) or dBA.
[3] **Residential Zoning District:** R-A Residential-Agricultural District; R-20 Residential-Low Density; R-15 Residential-Medium Density; R-8 Residential-High Density; R-E Residential – Exclusive; R-R Residential – Restricted; R-M Residential – Mixed; RMF Residential – Multi-family; MHP Manufactured Housing Park.

2. C-weighted sound level[4]: The C-weighted sound level (dB(C)) shall not exceed the corresponding A-weighted sound level (dB(A)) by more than 15 dB at any Measurement Location[5].

b) Tone: A tone shall be deemed present when the time-averaged sound pressure level in any one-third octave band[6] exceeds the time-averaged sound pressure levels of both of the two adjacent one-third octave bands by:

   I. 15 dB or more in one-third octave bands between 25 Hz and125 Hz;

   II. 8 dB or more in one-third octave bands between 160 Hz to 400 Hz; or

   III. 5 dB or more in one-third octave bands between 500 Hz to 10,000 Hz.

   If the observed Project noise contains a tone as defined herein, the applicable noise limit shall be reduced by 5 dB(A) for purposes of determining compliance.

c) For purposes of applying the noise limits established by this condition, the residential or non-residential zoning classification of each adjacent property shall be determined and established at the time of conditional rezoning application submission based on the Official Stokes County Zoning Map in effect on that date. The classification so established shall remain controlling for purposes of this condition and shall not be affected by any subsequent amendment to the Official Zoning Map.

d) Generator Testing: Routine testing and maintenance of emergency generators shall be limited to weekdays between 9:00 a.m. and 5:00 p.m. local time and shall be conducted with all permanent noise attenuation in place.

e) Exemptions:

   I. The limits above shall not apply to (i) actual emergency operation of backup generators during a utility power interruption or other emergency event, (ii) daytime construction activity, and (iii) daytime maintenance activities not including generator testing.

   II. Nothing herein shall be construed to exempt construction activity conducted during nighttime hours from the applicable noise limits established by this condition.

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[4] **C-Weighted Sound Level, dB(C):** The sound pressure level in decibels as measured on a sound level meter using the C-weighting network, which applies minimal frequency weighting and is more responsive to low-frequency sound than the A-weighting network. Levels so measured are designated dB(C) or dBC.

[5] **Measurement Location:** The exterior property line or, if the property line adjoins a public right of way, then from the nearest property line beyond the right of way.

[6] **One-Third Octave Band:** For the purpose of assessing tonality, the following third-octave band nominal center frequencies (given in Hz) will be considered, consistent with standard acoustical measurement practice: 25, 31.5, 40, 50, 63, 80, 100, 125, 160, 200, 250, 315, 400, 500, 630, 800, 1000, 1250, 1600, 2000, 2500, 3150, 4000, 5000, 6300, 8000, 10000.

f) Compliance: The noise limits established by this condition shall apply to continuous noise attributable to project operations, defined as noise sustained for a duration of fifteen (15) minutes or more. Noise compliance shall be measured using Equivalent Sound Level ("Leq")[7] or Statistical Sound Level ("L90")[8] sound levels, with the ability to utilize short-duration measurements as brief as 30 seconds to appropriately isolate noise attributable to the project from extraneous site sources. For any measurements shorter than 60 seconds, a minimum of three (3) readings shall be taken at each location and arithmetically averaged (in both dB(A) and dB(C)) for reporting purposes. All measured sound levels should be representative of project operations, excluding any influence from non-relevant site noise. Reasonable adjustments or normalization of the measured frequency spectrum may be applied to account for ambient sounds, such as automotive traffic, wind, wildlife, insects or birds, provided such adjustments are clearly documented and supported with appropriate justification for approval.

g) Noise Assessments:

I. Qualified Consultant: All required noise assessments (including studies and surveys) shall be completed, at no cost to the County, by an independent third-party licensed sound engineer Board Certified by the Institute of Noise Control Engineering (INCE).

II. Pre-Construction Existing Ambient Sound Survey: Prior to building permit approval, the Developer[9] shall have a pre-construction sound survey performed to establish baseline ambient sound levels[10] at any Measurement Location. The survey shall document measured[11] A-weighted and C-weighted sound levels for a period of at least 24 hours. The pre-construction survey shall be submitted to the County prior to issuance of a building permit. The documented baseline ambient sound level shall be considered for compliance and reasonable adjustments.

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[7] **Equivalent Sound Level (Leq):** The steady-state sound level which, over a stated measurement period, contains the same acoustic energy as the actual time-varying sound level during that period.

[8] **Statistical Sound Level (L90):** The sound level exceeded during ninety percent (90%) of the measurement period. The L90 is commonly used to represent the sustained or background component of a time-varying sound environment.

[9] **Developer:** The owner of the Property or any person or entity authorized by the owner to develop the Property, including successors and assigns.

[10] **Ambient Sound Level:** The composite sound level at a given location resulting from all sources near and far, excluding sound attributable to project operations. The ambient sound level constitutes the normal or existing sound environment at that location.

[11] **Sound Level Meter:** An instrument used to measure sound pressure levels, including a microphone, amplifier, output meter, and frequency weighting networks, meeting or exceeding the requirements for a Type 1 or Type 2 instrument under ANSI S1.4.

III. Pre-Construction Noise Modeling Study: Prior to the issuance of a building permit for each Major Improvement[12], the Developer shall submit a noise study to the County for review and approval. The study shall demonstrate that the Major Improvement, together with all previously approved or completed portions of the Project, will comply with the applicable noise limits under representative operating conditions as defined herein.

IV. Post-Construction Noise Compliance Survey: For each Major Improvement, the Developer shall submit a post-construction sound survey to the County. The survey shall demonstrate compliance with the applicable noise limits based on cumulative noise from the Major Improvement and all previously completed portions of the Project.

V. Subsequent Surveys and Studies: A previously approved noise assessment may be updated or supplemented, and a single assessment may satisfy the applicable pre-construction or post-construction requirements for multiple Major Improvements permitted, completed, or placed into service concurrently.

VI. Annual Operational Noise Compliance Survey: Beginning twelve (12) months after issuance of the first certificate of occupancy for the Project, and annually thereafter, the Developer shall conduct a noise compliance survey evaluating cumulative noise generated by all operating portions of the Project. An annual noise compliance survey may be conducted concurrently with any required post-construction noise survey, provided that the combined survey satisfies all requirements applicable to both surveys. Notwithstanding the foregoing, the County may require the Developer to conduct an additional noise compliance survey upon: (i) confirmation of a violation of an applicable noise limit; or (ii) documented evidence reasonably indicating potential noncompliance with an applicable noise limit.

3. Power Generators:

a) Power generators shall not be permitted within 300 feet of the exterior property boundary.

b) The use of diesel fuel for power generation shall be limited to the operation of emergency backup generators.

[12] Each building phase constitutes a "Major Improvement." A Major Improvement also includes any material change to noise-generating equipment, operations, noise-control measures, generation capacity, or on-site conditions that could objectively affect compliance with the applicable noise limits. Routine maintenance or replacement with equipment having equal or lower sound output is excluded.

4. Cooling Systems and Water Infrastructure:
    a) Open-loop water cooling systems are not permitted.
    b) Acceptable systems include, but are not limited to, closed-loop cooling, air-cooled systems, liquid cooling systems, or other efficient technologies.
    c) The Project shall be prohibited from direct withdrawal from streams, rivers, lakes, ponds, reservoirs, groundwater wells, aquifers, or other private surface-water or groundwater sources.
5. Floodplain: Within the floodplain areas designated on the Federal Emergency Management Agency ("FEMA") Flood Insurance Rate Maps ("FIRMs") for Stokes County, North Carolina, Map Nos. 3710696200K and 3710696400K, effective June 10, 2026, development and uses shall be limited to infrastructure improvements and recreational, agricultural, conservation, preservation, and open space uses. Except as expressly provided above, no other development shall be permitted within the designated floodplain areas.
6. Lighting: All exterior site and building lighting shall be directed downward and shall utilize full cutoff or fully shielded fixtures, designed and installed to prevent glare, light spillover, or direct illumination onto adjacent properties, unless otherwise required by state and federal law.
7. Height: The maximum height of the principal building(s) shall be eighty (80) feet. Antennas, communication equipment, mechanical equipment, screening, utility infrastructure, lightning protection systems, and other similar appurtenances may extend above the 80-foot building height limit.
8. Buffer Areas:
    a) Buffers shall be provided and maintained as follows and as generally depicted in the "Buffer Zone Exhibit" attached hereto and incorporated by reference.
    b) Buffers shall be achieved through existing vegetation, supplemental plantings, berms, or other comparable measures, alone or in combination.
    c) Buffers shall be kept in good condition, including the replacement of dead, diseased, damaged, or removed vegetation as reasonably necessary.
    d) Infrastructure improvements, including, but not limited to, utilities, fences, mailboxes, roads, streets, access drives, drainage facilities, retaining walls that can accommodate landscaping, signage, lighting, security features, access-control features, and similar minor encroachments, provided such improvements are located and designed to minimize disturbance to existing vegetation, shall be permitted to cross or encroach upon buffer areas.

9. Environmental Regulatory Materials: Material environmental reports, notices, monitoring results, or compliance materials submitted to or received from the North Carolina Department of Environmental Quality ("NCDEQ") in connection with air quality, water quality, or the development or operation of the Property shall be provided or made accessible to the County.
10. School Transportation Coordination: During construction, the Developer shall coordinate with the Stokes County Schools Transportation Department regarding construction activities to minimize disruption to school bus operations and promote safe school bus travel.

ATTACHMENT 3

STOKES COUNTY

PLANNING AND INSPECTIONS DEPARTMENT

STAFF REPORT

Conditional Zoning District Application

"Project Delta"

Applicant/Petitioner: Engineered Land Solutions, LLC

Property Owner: DFC Stokes, LLC and DFC Stokes 2, LLC

Request: Rezoning from Residential-Agricultural (R-A) to Heavy Manufacturing Conditional Zoning District (M-2-CZ)

Property PINs: 6964-91-8321; 6973-49-0574; 6973-76-7124; 6973-73-4188

Total Acreage: +/- 1,848.74 acres

Location: Along US Highway 311, Tuttle Road, Oldtown Road, and Coon Joyce Road, in the vicinity of Walnut Cove, North Carolina

Public Information Meeting: July 8, 2026, 5:00-6:00 p.m., Stokes County Administrative Building, 1014 Main Street, Danbury, NC

Prepared by the Stokes County Planning and Inspections Department
For consideration by the Stokes County Planning Board and Board of Commissioners

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Appendix A: Summary of Proposed Zoning Conditions

Appendix B: Public Information Meeting Topics Summary

Appendix C: Referenced Maps and Geographic Data Sources

1. Executive Summary

Engineered Land Solutions, LLC ("the Applicant"), acting on behalf of the property owners DFC Stokes, LLC and DFC Stokes 2, LLC, has petitioned Stokes County to rezone four contiguous and proximate parcels totaling approximately 1,848.74 acres from Residential-Agricultural (R-A) to a Heavy Manufacturing Conditional Zoning District (M-2-CZ) (Combined Rezoning Package, Application Cover Sheet, p. 8). The property is located along US Highway 311, Tuttle Road, Oldtown Road, and Coon Joyce Road, generally between the Town of Walnut Cove and the Dan River, and is identified by Stokes County Parcel Identification Numbers 6964-91-8321, 6973-49-0574, 6973-76-7124, and 6973-73-4188 (Combined Rezoning Package, Application Cover Sheet, p. 8).

The Applicant proposes to develop the property for a data center campus and supporting infrastructure, subject to a series of use restrictions and development standards proposed as conditions of the requested zoning district (Combined Rezoning Package, Statement of Conditions, pp. 3-7). These conditions address, among other matters, permitted and prohibited uses, building height, lighting, noise, setbacks and buffers, cooling-system technology and water use, floodplain protection, and generator use (Combined Rezoning Package, Statement of Conditions, pp. 3-7).

The Applicant held a Public Information Meeting ("PIM") on July 8, 2026, at the Stokes County Administrative Building, as required by Section 132.2 of the Stokes County Zoning Ordinance (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13); [1]. The PIM Report documents seventeen topic areas raised by attendees, including project structure, floodplain protection, cultural and historical resources, noise, power and electric generation, water, air quality, lighting, fire and safety, property values, and tax revenue (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). In response to input received, the Applicant revised several proposed conditions prior to filing, including increasing the vegetative buffer adjacent to residential uses from 100 feet to 250 feet, lowering the permitted noise limits for residential-adjacent areas and adding a C-weighted (low-frequency) sound limit, and prohibiting the use of groundwater, private wells, or the Dan River as a water source for the facility (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13).

This report has been prepared by Planning and Inspections Department staff to assist the Planning Board in its review of the application under N.C. Gen. Stat. § 160D-604[2], and to support the Board of Commissioners' subsequent statutory findings under N.C. Gen. Stat. § 160D-605[3], including a statement of consistency with the Stokes County 2035 Vision Plan and a statement analyzing the reasonableness of the proposed rezoning. This report addresses the application's consistency with the adopted Comprehensive Plan and evaluates cumulative water, wastewater, and energy impacts; noise; environmental justice considerations; compatibility with surrounding land uses; cultural and historical resources; and infrastructure capacity, in the order set out below.

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[1]Stokes County Zoning Ordinance § 132.2, Public Information Meeting (PIM) — https://cms9files.revize.com/stokescountync/Planning%20&%20Inspections/Documents/StokesCountyZoningOrdinance26.pdf

[2]N.C. Gen. Stat. § 160D-604 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-604.pdf

[3]N.C. Gen. Stat. § 160D-605 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf

2. Application and Procedural Background

2.1 Nature of the Request

The Applicant seeks approval of a conditional zoning district, a mechanism authorized under N.C. Gen. Stat. § 160D-703, which allows the Board of Commissioners to approve site-specific development standards proposed by an applicant as binding conditions of the rezoning Chapter 160D, Article 7[4]. If approved, the M-2-CZ district would govern development of the property in place of the current R-A district, subject to the conditions proposed in the application. Any additional condition the Board of Commissioners might wish to add during its review would require the Applicant's written consent before it could become part of an approved conditional zoning district, as discussed in Section 2.4 below N.C. Gen. Stat. § 160D-703(b)[5]. Staff also notes that a data center use of this scale is not a by-right use in the M-2 district; it is authorized only through Ordinance Amendment R, adopted July 13, 2026, which added data centers as a use permitted in the M-2 district solely by conditional zoning district approval under Stokes County Zoning Ordinance § 92.2, and is discussed further in Section 6.3 below [6].

2.2 Notice and Public Meeting Requirements

Section 132.2 of the Stokes County Zoning Ordinance requires an applicant for a conditional zoning district rezoning to hold a public information meeting prior to the application deadline, for the purpose of informing nearby property owners and the public of the proposed request and receiving input [7]. The ordinance requires that notice of the meeting's date, time, and place be mailed to owners of all abutting properties and properties directly across a street, easement, or right-of-way, postmarked at least fourteen days before the meeting, and that a sign advertising the meeting be posted on the property at least fourteen days beforehand [8]. N.C. Gen. Stat. § 160D-601 separately governs the procedure for the Board of Commissioners' own legislative hearing on the zoning amendment itself (mailed and posted notice under § 160D-602, and published newspaper notice under § 160D-601); Chapter 160D does not itself impose a pre-application public information meeting requirement, and that requirement instead arises solely from Section 132.2 of the Stokes County Zoning Ordinance, discussed above N.C. Gen. Stat. § 160D-601[9]; [10]. The Applicant provided notice of the PIM by mail to adjoining and nearby property owners

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[4]Chapter 160D, Article 7 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-703.pdf

[5]N.C. Gen. Stat. § 160D-703(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-703.pdf

[6]Stokes County Zoning Ordinance § 92.2, as amended by Amendment R (adopted July 13, 2026) — https://www.co.stokes.nc.us/departments/planning.php

[7]Stokes County Zoning Ordinance § 132.2, Public Information Meeting (PIM) — https://cms9files.revize.com/stokescountync/Planning%20&%20Inspections/Documents/StokesCountyZoningOrdinance26.pdf

[8]Stokes County Zoning Ordinance § 132.2, Public Information Meeting (PIM) — https://cms9files.revize.com/stokescountync/Planning%20&%20Inspections/Documents/StokesCountyZoningOrdinance26.pdf

[9]N.C. Gen. Stat. § 160D-601 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-601.pdf

[10]Stokes County Zoning Ordinance § 132.2, Public Information Meeting (PIM) — https://cms9files.revize.com/stokescountync/Planning%20&%20Inspections/Documents/StokesCountyZoningOrdinance26.pdf

and conducted the meeting on July 8, 2026, from 5:00 to 6:00 p.m. on the second floor of the Stokes County Administrative Building, 1014 Main Street, Danbury, North Carolina (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13).

N.C. Gen. Stat. § 160D-601 further requires published newspaper notice, and § 160D-602 requires mailed notice to owners of the subject property and abutting parcels, both prior to the public hearing on the proposed zoning map amendment N.C. Gen. Stat. § 160D-601[11]; N.C. Gen. Stat. § 160D-602[12]. These are hearing-notice obligations of the County for the Planning Board and Board of Commissioners hearings on this application, which have not yet occurred as of the date of this report; staff will confirm compliance with §§ 160D-601 and 160D-602 as part of the standard hearing-scheduling process, and will provide the Board with proof of publication and mailing prior to each hearing.

2.3 Planning Board and Governing Board Review

N.C. Gen. Stat. § 160D-604 requires that proposed zoning map amendments be submitted to the Planning Board for review and comment, including a written recommendation addressing the amendment's consistency with the adopted Comprehensive Plan N.C. Gen. Stat. § 160D-604(b)[13]. A Planning Board recommendation that an amendment is inconsistent with the Comprehensive Plan does not preclude the Board of Commissioners from approving the amendment N.C. Gen. Stat. § 160D-604(d)[14].

Following Planning Board review, N.C. Gen. Stat. § 160D-605 requires the Board of Commissioners to approve a brief statement of consistency (or inconsistency) with the adopted Comprehensive Plan when it takes action on the amendment, as well as a separate statement analyzing the reasonableness of the proposed rezoning N.C. Gen. Stat. § 160D-605(a)-(b)[15]. The reasonableness statement may consider the size and physical conditions of the area to be rezoned; benefits and detriments to landowners, neighbors, and the surrounding community; the relationship between the current actual and permissible development and the development that would be permissible under the proposed amendment; why the action is in the public interest; and any changed conditions warranting the amendment N.C. Gen. Stat. § 160D-605(b)[16]. This report is intended to provide the factual record to support both statements.

2.4 Enforceability of Conditions and Binding Effect on Future Owners

The PIM Report reflects that attendees asked whether the commitments proposed in the Statement of Conditions would remain binding if the property were sold or the facility were operated by a different company in the future (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). Staff addresses the applicable statutory framework below.

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[11]N.C. Gen. Stat. § 160D-601 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-601.pdf
[12]N.C. Gen. Stat. § 160D-602 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-602.pdf
[13]N.C. Gen. Stat. § 160D-604(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-604.pdf
[14]N.C. Gen. Stat. § 160D-604(d) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-604.pdf
[15]N.C. Gen. Stat. § 160D-605(a)-(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf
[16]N.C. Gen. Stat. § 160D-605(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf

Under N.C. Gen. Stat. § 160D-703(b), conditions approved as part of a conditional zoning district are incorporated into the zoning regulations applicable to the property N.C. Gen. Stat. § 160D-703(b)[17]. Because those conditions become part of the zoning district classification itself, a legislative enactment, rather than a separate permit or development approval, they remain binding on the property regardless of a subsequent change in ownership or operator, unless and until the zoning is lawfully amended through the same process required for the original rezoning. (N.C. Gen. Stat. § 160D-104's separate "development approvals run with the land" provision does not independently apply to this conclusion: § 160D-102(13) defines "development approval" as limited to administrative or quasi-judicial approvals, and § 160D-102(7) expressly defines conditional zoning as a legislative zoning map amendment, not an administrative or quasi-judicial development approval N.C. Gen. Stat. § 160D-102[18].) Accordingly, if the Board of Commissioners approves the M-2-CZ district with the conditions proposed in the Statement of Conditions (or as modified by the Board), those conditions would remain enforceable against the property regardless of any subsequent change in ownership or operator, unless and until the zoning is lawfully changed.

Separately, N.C. Gen. Stat. § 160D-703(b) governs how conditions attached to a conditional zoning district may later be modified, and also governs how conditions may be added in the first instance: any condition proposed by the Board of Commissioners beyond those the Applicant itself proposed becomes part of the approved district only with the Applicant's written consent. Except for minor modifications as may be defined by ordinance, any subsequent change to the approved conditions likewise requires the same approval process as the original zoning map amendment, including Planning Board review and a Board of Commissioners public hearing; a future owner or operator could not unilaterally alter the approved conditions without going through this same public process N.C. Gen. Stat. § 160D-703(b)[19]. Enforcement of the conditions as approved would occur through the County's standard zoning compliance and code enforcement mechanisms, in the same manner as any other zoning condition of record.

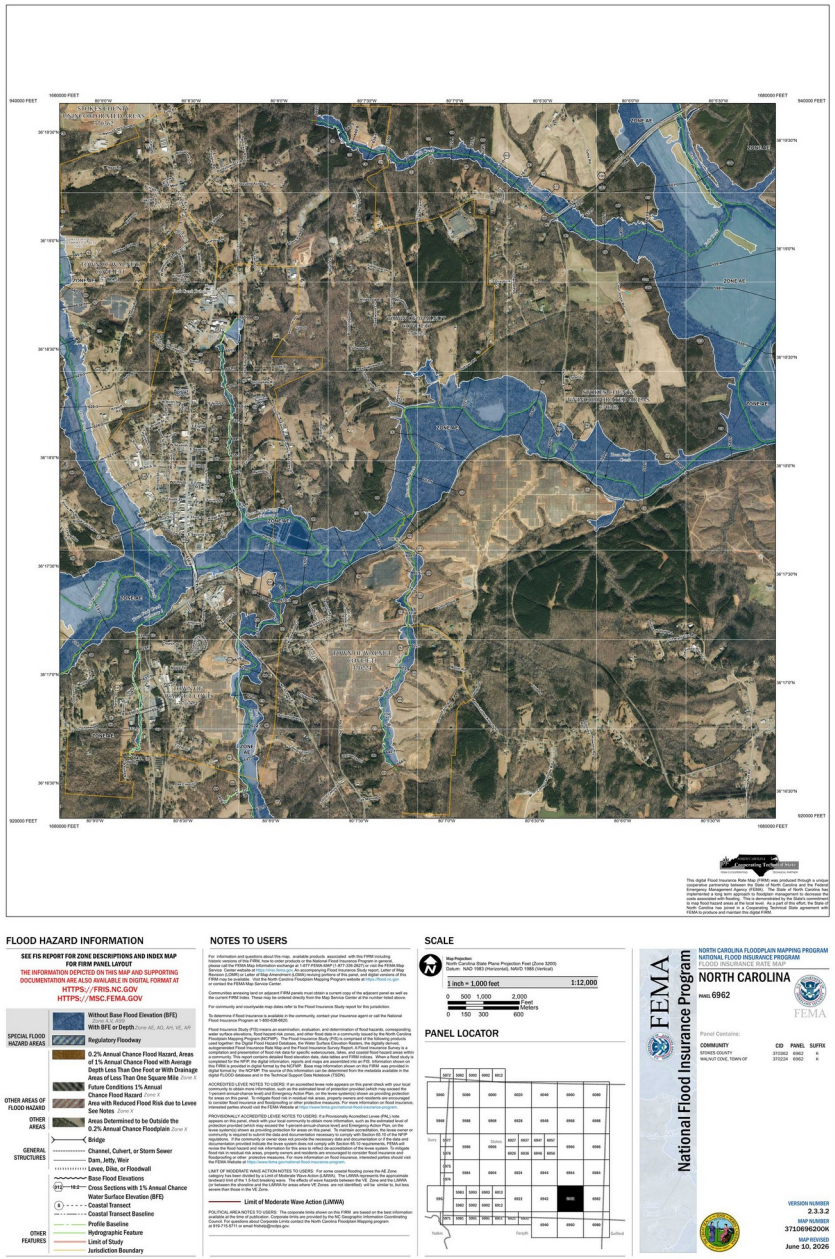
[17]N.C. Gen. Stat. § 160D-703(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-703.pdf
[18]N.C. Gen. Stat. § 160D-102 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-102.pdf
[19]N.C. Gen. Stat. § 160D-703(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-703.pdf

3. Site and Surrounding Area Description

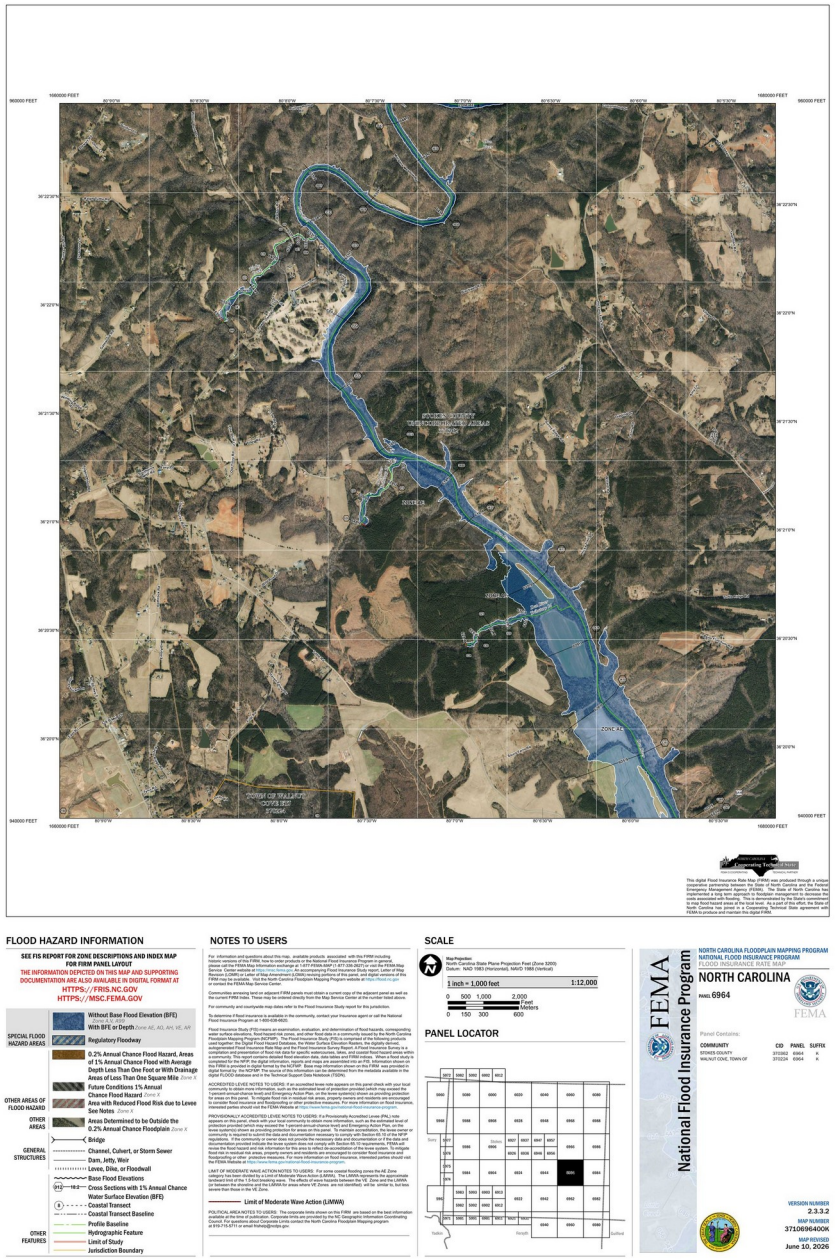
3.1 Location and Physical Characteristics

The subject property consists of four parcels the Applicant reports as totaling approximately 1,848.74 acres, based on the Applicant's own survey and title data (Combined Rezoning Package, Application Cover Sheet, p. 8). Staff's independent query of the Stokes County GIS parcel layer returns a combined tax/deeded acreage of 1,848.38 acres and a combined calculated (geometric) acreage of approximately 1,827.76 to 1,828.08 acres for the same four parcels, depending on the specific GIS acreage field consulted; the approximately 20-acre difference between the Applicant's figure and the GIS parcel layer is consistent with the ordinary variance between recorded deed acreage and GIS-calculated geometric acreage and does not affect any conclusion in this report [20]. For consistency with the application materials, this report uses the Applicant's reported figure of approximately 1,848.74 acres throughout, except where a GIS-specific calculation is separately cited. The property is located along US Highway 311, Tuttle Road, Oldtown Road, and Coon Joyce Road, north and east of the Town of Walnut Cove and north of the Dan River, in southeastern Stokes County. The property is currently zoned Residential-Agricultural (R-A), which staff independently confirmed using the Stokes County GIS's official zoning layer [21]. Portions of the property lie within the Dan River floodplain, as mapped on FEMA Flood Insurance Rate Map panels 3710696200K and 3710696400K, effective June 10, 2026 (Combined Rezoning Package, Statement of Conditions, pp. 3-7). Staff independently confirmed June 10, 2026 as the current effective countywide flood map date for Stokes County using [22]. The floodplain overlap figures discussed in Section 4.1 below are calculated using the Stokes County GIS's Flood Zones layer, which staff uses as a planning-level proxy for the effective FIRM panels; staff notes for completeness that this GIS layer's own metadata carries a 2006 revision date, and while staff independently confirmed June 10, 2026 as the current effective FIRM date through FEMA's Flood Map Service Center directly, the underlying GIS layer geometry has not been independently confirmed to reflect every boundary change made in subsequent map revisions. This is a methodological note relevant to the precision of the acreage figures in Section 4.1, not to the conclusion that portions of the property lie within the mapped floodplain, which is independently supported by the FIRM panel excerpts reproduced below. Excerpts of both effective panels are reproduced below.

[20] Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[21] Stokes County GIS, County Zoning layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[22] FEMA's Flood Map Service Center — https://msc.fema.gov/portal/productAvailability



FEMA Flood Insurance Rate Map Panel 3710696200K, Stokes County, NC, effective June 10, 2026



FEMA Flood Insurance Rate Map Panel 3710696400K, Stokes County, NC, effective June 10, 2026

3.2 Surrounding Zoning and Land Uses

Staff independently queried the Stokes County GIS's official zoning boundary layer (as distinct from the parcel/tax layer, which staff confirmed is not always current) to calculate the zoning composition of land within one-half mile and one mile of the subject property's boundary, using a geographic information system buffer and area-clipping analysis [23]. The buffer areas analyzed (5,329 acres at one-half mile and 9,670 acres at one mile) are measured outward from the property's boundary and, as is standard GIS buffer methodology, include the subject property's own acreage within the total analyzed area. On that basis — that is, counting the approximately 1,828 to 1,849 acres of the subject property itself, which is presently zoned R-A, within both the denominator and the R-A numerator — Residential-Agricultural (R-A) zoning accounts for approximately 73.5 percent of the total land area within one-half mile (roughly 3,918 of 5,329 acres) and approximately 69.4 percent within one mile (roughly 6,713 of 9,670 acres) [24]. Because the subject property is itself included in these totals, staff also calculated the same percentages on a surrounding-land-only basis, excluding the subject property's own acreage from both the denominator and the R-A numerator: on that basis, R-A zoning accounts for approximately 59.7 percent of land surrounding the property within one-half mile and approximately 62.3 percent within one mile [25]. Both figures are provided so the Board can evaluate surrounding zoning composition on either basis; the absolute acreage of industrially-zoned land discussed immediately below is unaffected by this distinction, since none of the subject property itself carries an industrial zoning classification.

Industrial zoning classifications (M-1, M-1-CZ, and M-2-CU, together with a small acreage carrying the "I-1" designation, which is a Town of Walnut Cove municipal zoning district rather than a Stokes County Zoning Ordinance district and applies here because this portion of the county's GIS zoning layer falls within Walnut Cove's extraterritorial jurisdiction) account for the next-largest share of surrounding land: approximately 1,394 acres, or 26.1 percent of the total one-half-mile buffer area (39.8 percent on a surrounding-land-only basis excluding the subject property), and approximately 2,744 acres, or 28.4 percent of the total one-mile buffer area (35.0 percent on a surrounding-land-only basis excluding the subject property) [26]. This industrial acreage is attributable to a small number of large tracts rather than numerous small parcels, including a tract owned by Samuel Wilson Farms of Stokes, LLC, at 1998 Tuttle Road; a tract owned by Pine Hall Brick, Inc., used for brick manufacturing; a tract owned by RENEWA I, LLC, at 1180 Burton Loop Road; and the Duke Energy Corporation's Belews Creek Steam Station property, a 6,011.51-acre tract addressed at Steam Station Road, portions of which fall within the one-mile analysis radius [27]. Staff notes that while Residential-Agricultural zoning remains the largest single category of surrounding land by area, the immediate vicinity already contains a substantial concentration of industrial and utility-scale energy zoning — more than one-quarter of all surrounding land within one mile — such that the area is not exclusively or even overwhelmingly rural-residential in character. The presence of

[23] Stokes County GIS, County Zoning layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[24] Stokes County GIS, County Zoning and Parcel layers — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[25] Stokes County GIS, County Zoning and Parcel layers — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[26] Stokes County GIS, County Zoning layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[27] Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

these existing industrial and utility uses in the immediate vicinity is a relevant consideration in evaluating compatibility, discussed further in Section 5.

Looking beyond the one-mile buffer used for the percentage analysis above, staff also independently mapped industrial-zoned parcels and active state mining permits in the broader area surrounding the subject property, out to approximately two to three miles, using the Stokes County GIS zoning layer together with the North Carolina Department of Environmental Quality's Division of Energy, Mineral, and Land Resources mining permit records [28]; [29]. That review identified two Pine Hall Brick, Inc. tracts carrying active state mining permits (the Kluttz Mine, Permit 85-08, and the Pipe Plant Mine, Permit 85-11); a cluster of industrially-zoned parcels held in common ownership east of the subject property, referred to in this report as the "M-1 Parcels" and totaling approximately 285 acres, with no active state mining permit currently associated with them; and Martin Marietta Materials parcels zoned predominantly Residential-Agricultural (R-A), with approximately 63 acres of the Burton Road parcel (PIN 6972-56-5849) zoned M-1-CZ, also with no confirmed active state mining permit [30]; [31]. This broader-area review is provided for additional context on the extent of existing industrial and mineral-extraction activity in the vicinity and does not alter the one-mile zoning composition figures presented above. Staff also notes, for the Board's awareness, the statutory effect of the zoning map amendment itself on the county's adopted plan: N.C. Gen. Stat. § 160D-605(a)[32] provides that "[i]f a zoning map amendment is adopted and the action was deemed inconsistent with the adopted plan, the zoning amendment has the effect of also amending any future land-use map in the approved plan, and no additional request or application for a plan amendment is required."

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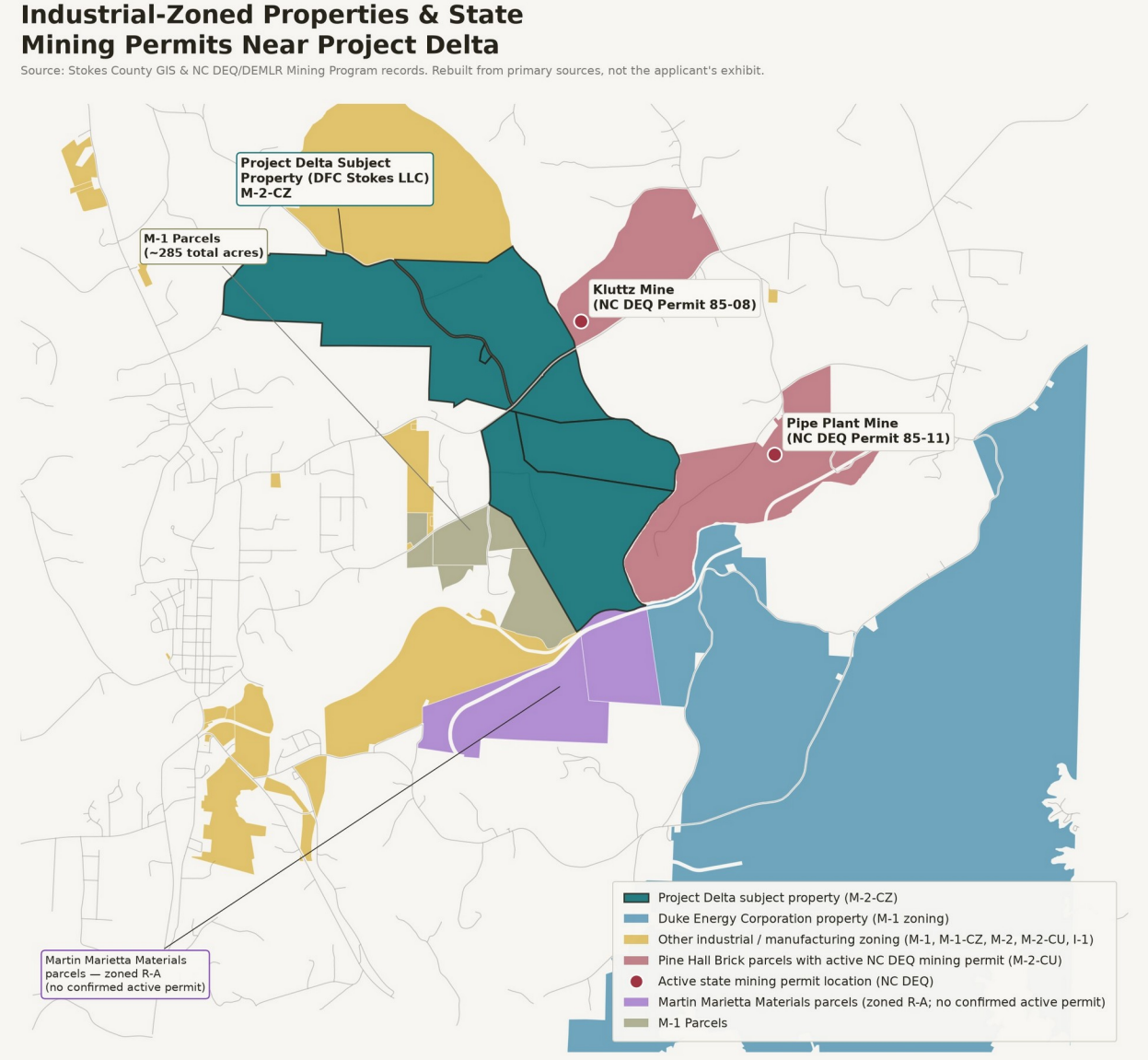
[28]Stokes County GIS, County Zoning layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

[29]NC DEQ/DEMLR Mining Program, Mining Permits — https://services2.arcgis.com/kCu40SDxsCGcuUWO/arcgis/rest/services/NC_Mining_Permits/FeatureServer/0

[30]Stokes County GIS, County Zoning and Parcel layers — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

[31]NC DEQ/DEMLR Mining Program, Mining Permits — https://services2.arcgis.com/kCu40SDxsCGcuUWO/arcgis/rest/services/NC_Mining_Permits/FeatureServer/0

[32]N.C. Gen. Stat. § 160D-605(a) — https://www.ncleg.gov/EnactedLegislation/Statutes/HTML/BySection/Chapter_160D/GS_160D-605.html



Industrial-zoned properties and state mining permits near Project Delta

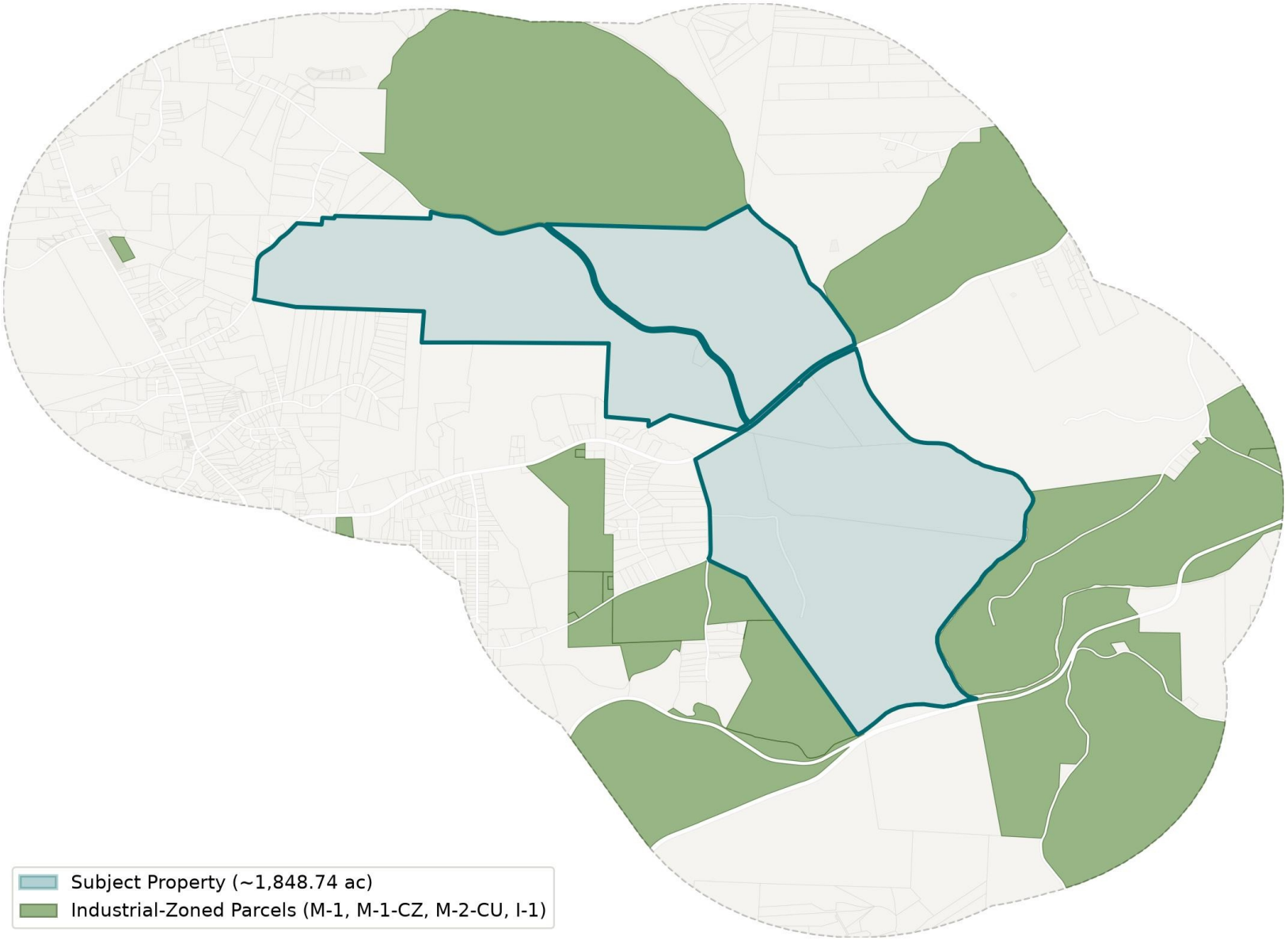
Staff independently identified eight church-owned parcels and one large state-owned tract within one mile of the property boundary that warrant identification as sensitive uses [33]. The Educational State Forest, a state-owned tract of approximately 838 to 848 acres depending on the GIS data source consulted (848.44 acres per the Stokes County GIS parcel layer's ACREAGE field; approximately 838.14 acres per staff's independent geometric calculation from the county's Parks layer boundary), directly adjoins the subject property along US Highway 311 [34]. Sycamore (Missionary) Baptist Church, at 1788-1804 US Highway 311, sits approximately 670 feet from the property boundary [35]. Three parcels associated with

[33]Stokes County GIS, Parcel and Parks layers — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[34]Stokes County GIS, Parks and Parcel layers — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[35]Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

Baileytown Christian Church, along Baileytown Church Road, lie between approximately 1,700 and 2,540 feet from the property boundary, and Calvary Hill Baptist Church, Willow Oak Baptist Church, and Open Door Baptist Church are located between approximately 2,600 and 4,150 feet away [36]. Staff additionally identified an eighth church-owned parcel, associated with the Walnut Cove Congregation, at 1363 US Highway 311 South, approximately 3,393 feet from the property boundary [37]. Staff found no platted residential subdivisions within one mile of the property; nearby residential uses consist of individually-owned rural tracts along Tuttle Road, Farmer Road, and Baileytown Church Road rather than subdivided developments [38].

[36]Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[37]Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[38]Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

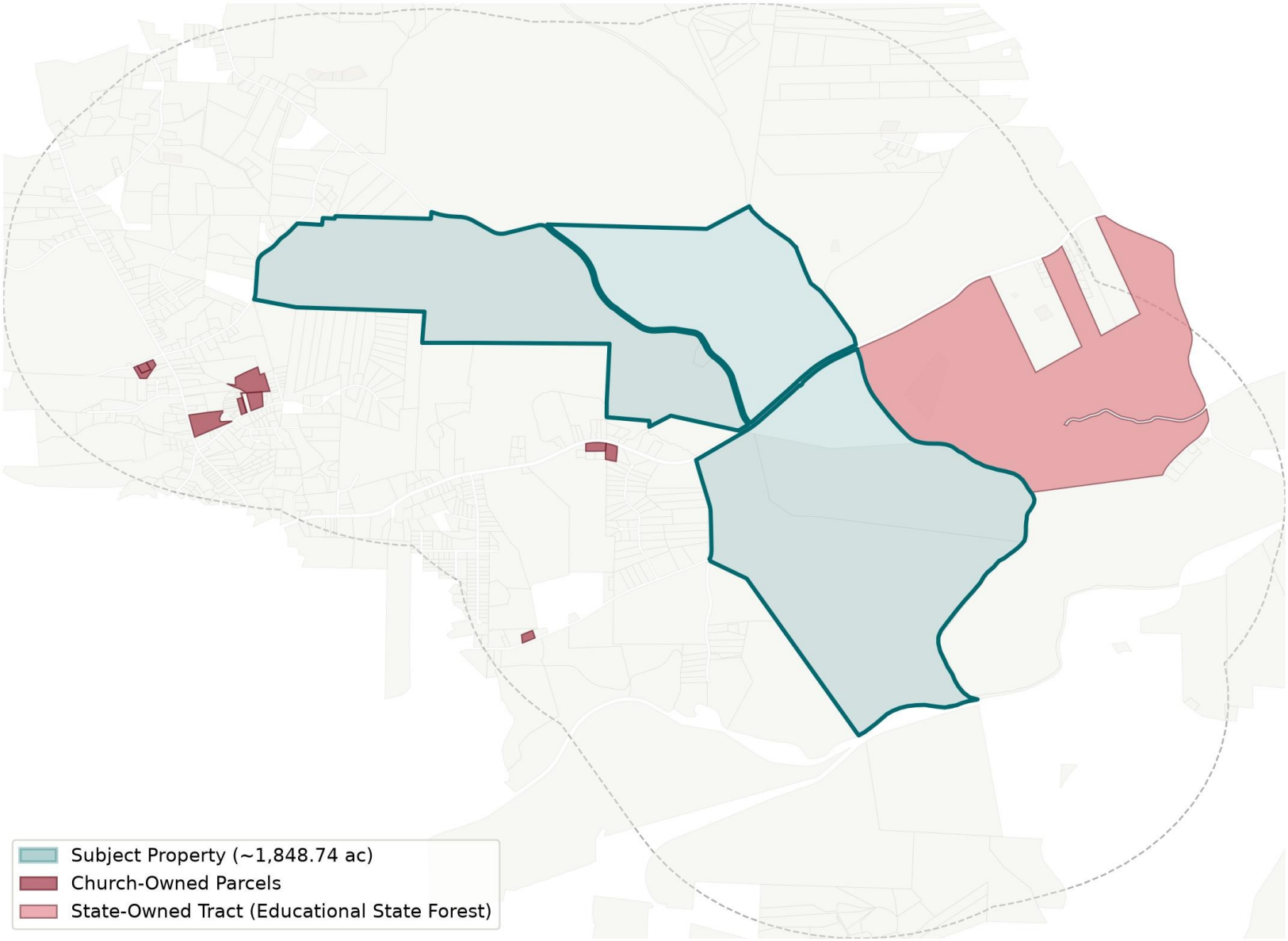
Industrial-Zoned Parcels Within One Mile of Subject Property



Source: Stokes County GIS, County Zoning Layer (Layer 27)

Industrial-zoned parcels (green) within one mile of the subject property

Sensitive Uses Within One Mile of Subject Property



Source: Stokes County GIS, Parcel and Parks Layers

Sensitive uses (red) within one mile of the subject property

3.3 Access and Transportation

The property has frontage on US Highway 311, a major highway corridor serving southeastern Stokes County, as well as Tuttle Road, Oldtown Road, and Coon Joyce Road (Combined Rezoning Package, Application Cover Sheet, p. 8; Stokes County 2035 Vision Plan, Chapter 6: Transportation, pp. 117-124). US Highway 311 is identified in the Stokes County 2035 Vision Plan as a significant transportation corridor within the county's transportation network (Stokes County 2035 Vision Plan, Chapter 6: Transportation, pp. 117-124).

4. Comprehensive Plan Consistency Analysis

N.C. Gen. Stat. § 160D-604 and § 160D-605 require that the Planning Board and Board of Commissioners each address whether the proposed zoning map amendment is consistent with the Stokes County 2035 Vision Plan, the County's adopted comprehensive plan N.C. Gen. Stat. §§ 160D-604(d), 160D-605(a)[39]. This section identifies the Vision Plan provisions most directly applicable to the request.

4.1 Land Use Framework Designation

The Stokes County 2035 Vision Plan's Land Use Framework Map (reproduced below) classifies land throughout the unincorporated county using a rural-to-urban transect system ranging from Preserved Lands (O-1) and Reserved Lands/Conservation (O-2) through Low Density Growth Areas (G-1), Controlled Growth Areas (G-2), Mixed-Use Centers and Corridors (G-3), and Downtowns (G-4) (Stokes County 2035 Vision Plan, Chapter 3: Land Use, Map 13, p. 76). The Vision Plan states that the primary land use classification throughout the county's rural areas, including the vicinity of the subject property, is very low (greater than 4-acre density average) or low-density (1.5-acre density average) residential growth, with higher-density and mixed-use classifications reserved for twelve identified Rural Neighborhood Commercial Nodes and the areas around Danbury, Walnut Cove, King, and the Meadows community (Stokes County 2035 Vision Plan, Chapter 3: Land Use, pp. 75-76). The subject property, located in a rural area along US 311, Tuttle Road, and Oldtown Road north of Walnut Cove, spans three Framework Map classifications rather than falling within a single designation. Staff independently intersected the property's four parcel boundaries with the County's "Land Use 2035" GIS layer and calculated that approximately 888.7 acres (48.6 percent) carry the Low Density Growth Area (G-1) designation, approximately 620.5 acres (33.9 percent) carry the Preserved Lands (O-1) designation, and approximately 312.9 acres (17.1 percent) carry the Reserved Lands/Conservation (O-2) designation [40] (Stokes County 2035 Vision Plan, Chapter 3: Land Use, Map 13, p. 76). G-1 is accordingly the single largest designation on the property, though it does not cover a majority of the site, and none of the property carries a Controlled Growth Area (G-2), Mixed-Use Centers and Corridors (G-3), or Downtown (G-4) designation.

Staff further compared the boundary of the O-1-designated portion of the property against the boundary of the FEMA-mapped Dan River floodplain discussed in Section 3.1 above and found that the two areas are, for practical purposes, the same land: of the property's approximately 620.5 acres of O-1 designation, approximately 620.0 acres (more than 99 percent) fall within the mapped floodplain, and the floodplain in turn extends only marginally (less than one acre) beyond the O-1 boundary [41]; [42]. As summarized in Appendix A below, the Applicant's proposed conditions restrict development within the mapped floodplain to infrastructure improvements and recreational, agricultural, conservation, preservation, and open space uses. Because the O-1 and floodplain boundaries are effectively coextensive, this floodplain restriction has the practical effect of leaving nearly all of the property's O-1-designated (Preserved Lands)

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[39] N.C. Gen. Stat. §§ 160D-604(d), 160D-605(a) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf

[40] Stokes County GIS, Land Use 2035 layer — https://stokescountygis.com/server/rest/services/WebApp2026/MapServer/34

[41] Stokes County GIS, Land Use 2035 layer — https://stokescountygis.com/server/rest/services/WebApp2026/MapServer/34

[42] Stokes County GIS, Flood Zones layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

acreage undeveloped, which staff finds to be consistent with the Vision Plan's preservation intent for that designation.

B LAND USE FRAMEWORK MAPS

The following maps provide a land use foundation for the County and its three (3) municipal jurisdictions.

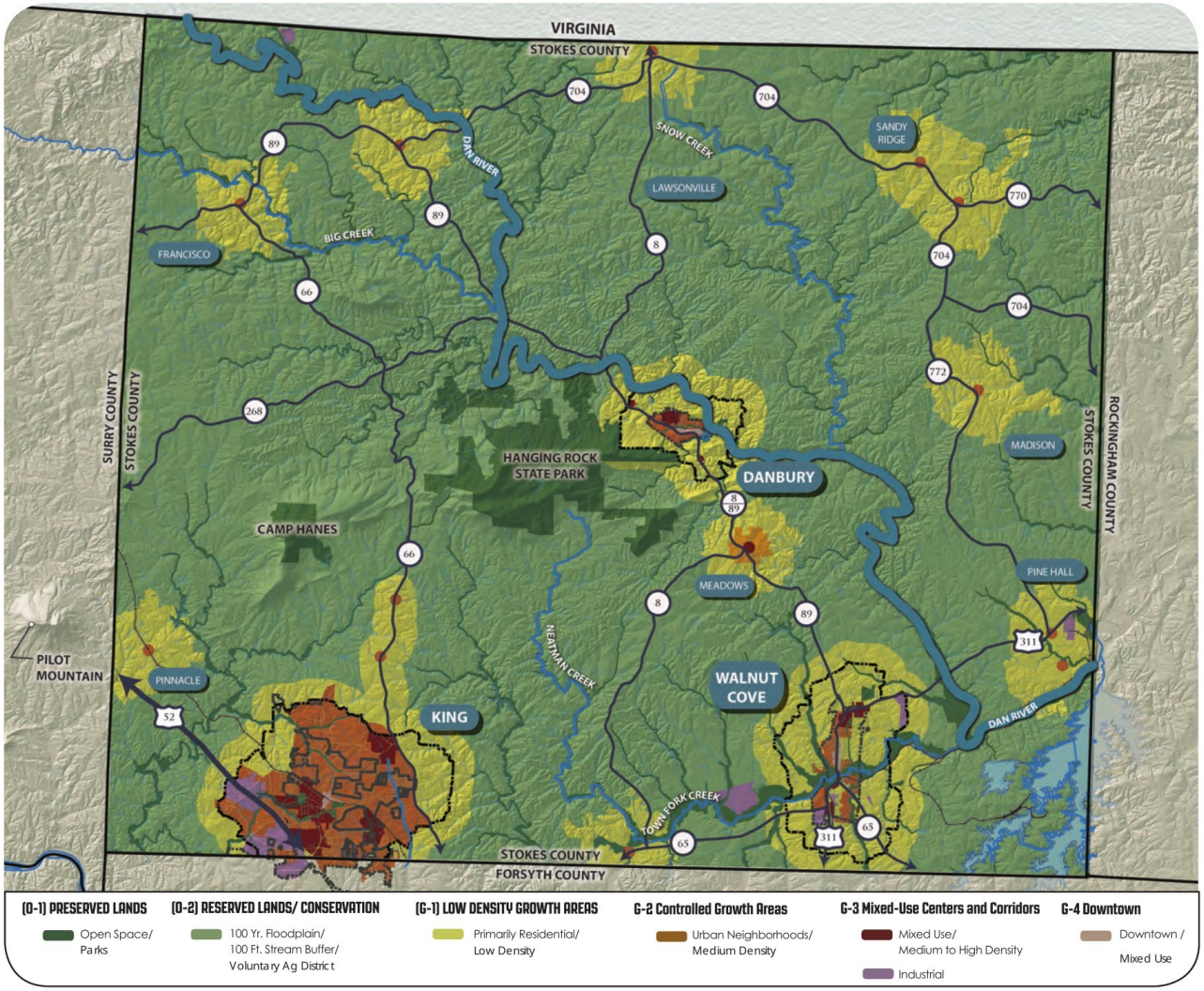
STOKES COUNTY

The primary land use classification throughout the County includes very low (greater than 4-acre density average) or low-density (1.5 acre density average) residential growth.

In an effort to encourage neighborhood commercial growth toward major intersections throughout the county, the Land Use Framework Map identifies twelve (12) Rural Neighborhood Commercial Nodes. A one-mile buffer around these nodes identifies a target low-density residential growth area.

The recent sewer infrastructure expansion to the Meadows community will allow for greater density and is necessary to realize a return on investment; a mixed-use and high-density classification surrounds Meadows.

This plan recognizes that growth pressure will likely continue along the Highway 66 corridor that extends north from King. There are two neighborhood commercial nodes identified along this corridor.



Map 13: Stokes County Land Use Framework Map

Stokes County 2035 Vision Plan, Map 13: Stokes County Land Use Framework Map, p. 76

4.2 Economic Development Goals

The Vision Plan's Economic Development chapter identifies business recruitment as a primary county goal and states that the availability of "readily-available," or "shovel-ready," land is one of three conditions the county must meet to attract new business and industry investment, alongside organizational capacity and marketing (Stokes County 2035 Vision Plan, Chapter 4: Economic Development, pp. 91-93). The Vision Plan identifies lagging population growth, high poverty rates, and an aging workforce as challenges the county's economic development strategy is intended to address (Stokes County 2035 Vision Plan, Chapter 4: Economic Development, pp. 89-90). Staff confirms that the Vision Plan does identify specific parcels and corridors elsewhere in the county as targeted sites for industrial or business development — including the "Holder, Moore, and Newsome Drive properties" near Highway 52 and Newsome Road outside King, a conceptual "Newsome Road Corridor Industrial Complex," and a recommendation to explore commercial or industrial development "in the Pine Hall area from the 772/311 intersection to the county line" (Stokes County 2035 Vision Plan, Chapter 4: Economic Development, pp. 92-93). None of these named target sites include or adjoin the subject property; the Pine Hall-area recommendation, while it references the general US 311 corridor along which the subject property fronts, is directed at the 772/311 intersection area near the Rockingham County line rather than the subject tract. The proposed use, a large capital investment employing a large, contiguous tract, is generally consistent with the Vision Plan's stated interest in attracting significant business investment and its specific interest in industrial and commercial development along parts of the US 311 corridor, though the Vision Plan does not identify this specific property, by name or by parcel, as one of its targeted "shovel-ready" industrial sites. Staff further notes that the Vision Plan's economic development interest in this type of investment does not depend on, and this application does not request, any county incentive package, abatement, or other tax-supported funding.

4.3 Transportation Considerations

The Vision Plan's Transportation chapter identifies US Highway 311 as a significant highway corridor within the county and discusses the Sauratown Mountains as a natural physiographic feature dividing travel patterns in the county (Stokes County 2035 Vision Plan, Chapter 6: Transportation, pp. 117-124). The property's frontage on this corridor provides direct highway access without requiring new road construction through undeveloped rural areas, which is a relevant factor in the transportation-related aspects of Plan consistency.

4.4 Infrastructure Considerations

The Vision Plan's Infrastructure chapter states that the availability of water and sewer service is "a major determinant of where growth can occur" in Stokes County, and notes that many areas of the county have soil conditions that preclude individual septic systems, making infrastructure availability a limiting factor for development generally (Stokes County 2035 Vision Plan, Chapter 7: Infrastructure, pp. 125-129). This consideration is discussed further in Section 7 below in connection with the application's proposed water-service conditions.

4.5 Staff Observation on Consistency

The subject property is located in an area the Vision Plan's Land Use Framework Map generally characterizes as rural and residential/agricultural in character, rather than an area specifically identified for industrial growth. At the same time, the Vision Plan's Economic Development chapter identifies

attracting significant business investment as a county priority, and the property's frontage on a major highway corridor and proximity to existing industrial and utility uses (discussed in Section 5) distinguish it from a typical rural residential setting. Staff notes that Chapter 160D does not require the Board to find the rezoning consistent with the Vision Plan as a precondition to approval; rather, it requires the Board to analyze and state whether the action taken is or is not consistent with the adopted plan when it acts on the application, and a finding of inconsistency does not itself prevent approval N.C. Gen. Stat. § 160D-605(a)[43]. Consistent with that requirement, the Board of Commissioners' plan consistency statement should address the relationship between the property's Land Use Framework designation and the Vision Plan's economic development objectives, informed by the analysis in this report. Should the Board conclude the rezoning is inconsistent with the Land Use Framework Map, N.C. Gen. Stat. § 160D-605(a) provides that approval of the zoning amendment operates to amend the future land-use map accordingly, without a separate plan amendment application N.C. Gen. Stat. § 160D-605(a)[44].

4.6 Statutory Framework for the Board's Consistency and Reasonableness Statements

N.C. Gen. Stat. § 160D-605 establishes two distinct statutory findings the Board of Commissioners must make when adopting or rejecting this zoning map amendment, and staff sets out the applicable framework below to assist the Board in preparing both. First, under § 160D-605(a), the Board must approve a statement describing whether the action taken is consistent with the comprehensive plan, or, if a written statement is not separately prepared, the minutes of the meeting at which the vote is taken must reflect that the Board was aware of and considered the Planning Board's recommendation, as well as the Board's own consideration of the consistency (or lack thereof) with the applicable adopted plan N.C. Gen. Stat. § 160D-605(a)[45]. Section 4.5 above identifies the specific Vision Plan provisions relevant to that statement.

Second, and separately, § 160D-605(b) requires the Board to approve a statement analyzing the reasonableness of the proposed rezoning, which may consider, among other factors: (i) the size, physical conditions, and other attributes of the area proposed to be rezoned; (ii) the benefits and detriments to the landowners, the neighbors, and the surrounding community; (iii) the relationship between the current actual and permissible development on the tract and adjoining areas and the development that would be permissible under the proposed amendment; (iv) why the action taken is in the public interest; and (v) any changed conditions warranting the amendment N.C. Gen. Stat. § 160D-605(b)[46]. The statute permits the two statements to be combined into a single statement addressing both consistency and reasonableness N.C. Gen. Stat. § 160D-605(c)[47].

Staff emphasizes that both statements are legal findings committed to the Board of Commissioners, not staff. The statute expressly provides that the Board's consistency statement under § 160D-605(a) is not

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[43]N.C. Gen. Stat. § 160D-605(a) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf
[44]N.C. Gen. Stat. § 160D-605(a) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf
[45]N.C. Gen. Stat. § 160D-605(a) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf
[46]N.C. Gen. Stat. § 160D-605(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf
[47]N.C. Gen. Stat. § 160D-605(c) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf

subject to judicial review N.C. Gen. Stat. § 160D-605(a)[48]. This report's findings and Section 11 (Staff Recommendation) are offered to inform, and not to substitute for, the Board's own findings under § 160D-605(a) and (b).

[48]N.C. Gen. Stat. § 160D-605(a) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf

5. Compatibility with Surrounding Uses

5.1 Existing Surrounding Land Uses

As detailed in Section 3.2, staff's independent GIS buffer analysis found that Residential-Agricultural (R-A) zoning is the single largest zoning category surrounding the property, accounting for approximately 73.5 percent of land within one-half mile and approximately 69.4 percent within one mile, and consisting largely of individually-owned family farms and residences along Tuttle Road, Farmer Road, and Baileytown Church Road, together with a large state-owned tract [49]. At the same time, that same analysis found that industrially-zoned land (M-1, M-1-CZ, and M-2-CU, together with a small acreage carrying the same "I-1" designation described in Section 3.2, reflecting Walnut Cove's extraterritorial zoning jurisdiction rather than a Stokes County Zoning Ordinance district) accounts for approximately 26.1 percent of land within one-half mile and approximately 28.4 percent within one mile — a substantial share concentrated in a small number of large tracts rather than a marginal or incidental presence [50]. Those tracts include a brick manufacturing facility (Pine Hall Brick, Inc.), agricultural land under lease for solar energy generation (Samuel Wilson Farms of Stokes, LLC), a tract held by RENEWA I, LLC, and the Duke Energy Belews Creek Steam Station, a large coal- and natural-gas-fired electric generating facility, portions of which fall within the one-mile analysis radius [51]. Staff accordingly characterizes the surrounding area as predominantly, but not exclusively, rural residential-agricultural in zoning, with an already-substantial and geographically concentrated industrial and utility-scale energy presence; the Belews Creek Steam Station in particular means the surrounding area already includes a large-scale industrial energy use, which is a relevant factor bearing on the benefits and detriments to the surrounding community under N.C. Gen. Stat. § 160D-605(b)(ii)[52].

5.2 Existing Industrial and Utility Uses in the Vicinity

Staff independently verified the following existing industrial, utility, and energy-generation uses in the immediate vicinity of the subject property against current Stokes County GIS parcel and zoning records:

Use / Operator	Location	Zoning	Parcel Acreage
Duke Energy Corporation — Belews Creek Steam Station	Steam Station Rd	M-1	6,011.51 ac
Pine Hall Brick, Inc. (3 parcels)	Hickory Fork Rd / US 311 area	M-2-CU	986.45 ac

[49] Stokes County GIS, County Zoning layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[50] Stokes County GIS, County Zoning layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[51] Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[52] N.C. Gen. Stat. § 160D-605(b)(ii) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf

Samuel Wilson Farms of Stokes, LLC (host site of Bear Branch Solar)	1998 Tuttle Rd	M-1 / M-1-CZ	744.57 ac
RENEWA I, LLC	1180 Burton Loop Rd	M-1 / M-1-CZ	430.79 ac
Privately held parcels (4 parcels)	Old Town Rd / Farmer Rd / Ethan Ln area	M-1-CZ	284.87 ac
Total, existing industrial/utility uses identified above			**8,458.19 ac**

The Duke Energy Belews Creek Steam Station occupies a single tax parcel of 6,011.51 acres carrying a primary M-1 zoning classification in county records, and is the largest existing industrial use in the surrounding area; as with any large tax parcel, portions of its overall boundary may fall within other zoning classifications under the county's official zoning boundary layer, but the parcel's predominant and operative classification for the active industrial use is M-1 [53]. Pine Hall Brick, Inc. operates a brick manufacturing facility on three parcels totaling 986.45 acres, carrying a primary M-2 Conditional Use (M-2-CU) classification in county records [54]. The 744.57-acre Samuel Wilson Farms of Stokes, LLC parcel at 1998 Tuttle Road is the host site for the Bear Branch Solar project, a 35-megawatt solar photovoltaic facility developed by Capital Power Corporation; the North Carolina Department of Environmental Quality approved an erosion and sedimentation control plan for 272 acres of that site under Project ID STOKE-2023-011, with construction beginning in 2025 and commercial operation targeted for late 2026 under a 25-year power purchase agreement with Duke Energy Carolinas [55]. The adjoining 430.79-acre tract held by RENEWA I, LLC at 1180 Burton Loop Road is zoned M-1/M-1-CZ and is currently classified as vacant land in county tax records [56]. Staff additionally identified four privately held, non-contiguous parcels totaling approximately 284.87 acres along Old Town Road, Farmer Road, and Ethan Lane — also in Sauratown Township — that the county's parcel-layer attribute table still lists under a legacy R-A designation but that the county's official zoning boundary layer confirms were rezoned to M-1 Conditional Zoning (M-1-CZ) as of October 1, 2019 [57]. Because the zoning boundary layer is the authoritative record of a parcel's current zoning classification, staff relies on the M-1-CZ designation for these parcels notwithstanding the outdated attribute value in the parcel layer. Taken together, these five verified industrial and energy-related holdings total approximately 8,458 acres in the immediate surrounding area, reinforcing that the vicinity already includes substantial heavy industrial and utility-scale energy development notwithstanding its predominantly rural residential-agricultural zoning pattern.

[53] Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[54] Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[55] NCDEQ, Division of Energy, Mineral and Land Resources, Letter of Approval (Feb. 17, 2025) — https://edocs.deq.nc.gov/Stormwater/DocView.aspx?id=3688658&dbid=0&repo=WaterResources
[56] Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[57] Stokes County GIS, County Zoning layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

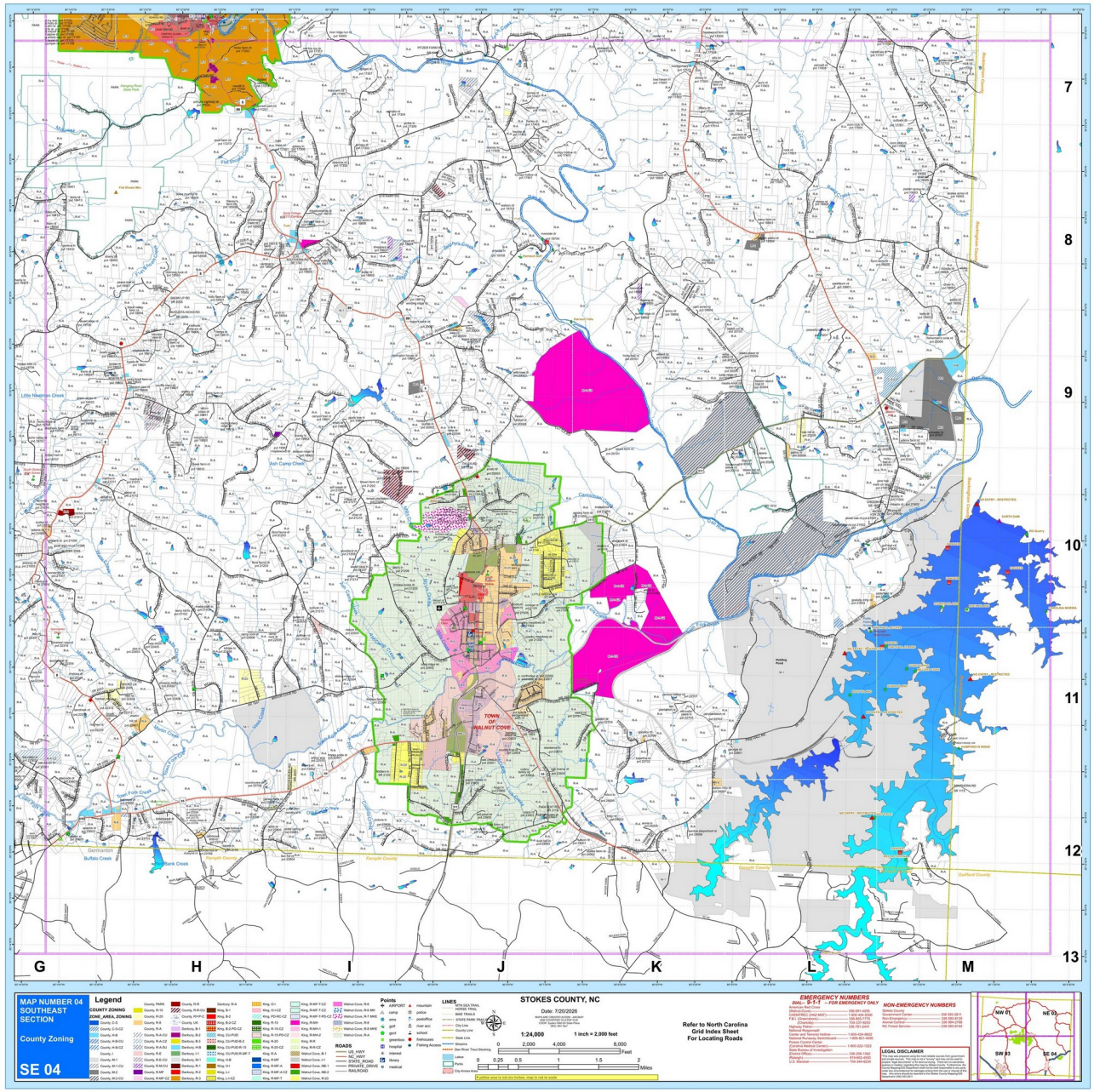
5.3 County-Wide and Quadrant Industrial Zoning Context

To provide broader context for the scale of industrial zoning in Stokes County, staff independently queried the county's official zoning boundary layer for all parcels carrying an industrial zoning classification (M-1, M-1-CU, M-1-CZ, M-2, and M-2-CU, together with the City of King's L-I, L-I-CZ, and H-I municipal industrial designations and the Town of Walnut Cove's "I-1" Light Industrial designation, the latter reflecting Walnut Cove's extraterritorial zoning jurisdiction rather than a Stokes County Zoning Ordinance district) [58]. Under the county's own zoning jurisdiction (areas subject to the Stokes County Zoning Ordinance, as opposed to the municipal zoning jurisdictions of King, Walnut Cove, and Danbury), industrially-zoned land totals approximately **11,164.8 acres** across 122 zoning-district polygons in the county's GIS zoning layer. Including all industrially-zoned land within Stokes County regardless of zoning jurisdiction (county plus the King, Walnut Cove, and Danbury municipal planning jurisdictions) brings the total to approximately **12,592.3 acres** across 342 zoning-district polygons (approximately 261 underlying tax parcels).

The subject property lies within the southeastern quadrant of the county depicted on the attached zoning map (Stokes County GIS map sheet SE-04, dated July 20, 2026). Staff calculated the portion of the county's industrially-zoned acreage that falls within this southeastern quadrant by geometrically clipping each industrially-zoned parcel to the quadrant's boundary (as defined by the map's own graticule: 80°14'30"W to 80°0'30"W, 36°14'30"N to 36°24'30"N) and summing only the clipped area within that boundary, so that parcels straddling the quadrant line are counted only for the portion actually within it. On this basis, approximately **10,628 acres** of the county's industrially-zoned land — roughly 84 percent of the all-jurisdictions county-wide total — lies within the southeastern quadrant, reflecting the concentration of industrial zoning (including the Belews Creek Steam Station, Pine Hall Brick, and the solar-related M-1-CZ tracts) in this part of the county, as shown on the zoning map on the following page [59].

[58] Stokes County GIS, County Zoning layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

[59] Stokes County GIS, County Zoning layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer



Stokes County GIS Zoning Map, Southeast Quadrant (Map Sheet SE-04, July 20, 2026)

5.4 Proposed Mitigation Measures

The application proposes several conditions intended to address compatibility with adjoining residential and agricultural uses. The Applicant proposes a vegetative buffer of 100 feet along the property line generally, increased to 250 feet along boundaries adjacent to residential uses in response to input received at the PIM (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13; Combined Rezoning Package, Statement of Conditions, pp. 3-7). The application also proposes a maximum building height of 80 feet and requires full cutoff, shielded lighting fixtures to limit off-site light spillover (Combined Rezoning Package, Statement of Conditions, pp. 3-7). A 300-foot setback is proposed for on-site power generation equipment (Combined Rezoning Package, Statement of Conditions, pp. 3-7). The application further proposes minimum building setbacks of 40 feet from the right-of-way, 0 feet (or 25 feet where the lot abuts a residential district) at the rear, and 0 feet (or 15 feet where the lot abuts a residential district) at the side (Combined Rezoning Package, Statement of Conditions, pp. 3-7). Staff notes for the Board's benefit that these proposed setback figures are materially the same as, though not in every respect identical to, the base dimensional standard already applicable to any M-2 use under Stokes County Zoning Ordinance §92.4.1. The ordinance's enhanced rear- and side-setback standard applies where a lot "abuts a side yard of a lot zoned residential" or where "the rear of a lot abuts" a residential district, while the application's proposed condition is triggered more broadly whenever the lot "abuts a residential district" — a formulation that could apply in some circumstances the ordinance's own trigger would not reach [60]. Because the proposed numeric standards themselves track the ordinance's existing figures, staff does not view this as a substantive gap. Staff also notes that the building setbacks are not the primary compatibility measure at work here: the proposed 100-foot general buffer, 250-foot residential-adjacent buffer, and 300-foot generator setback discussed above already function as the property's effective setback from adjoining uses, and each of those distances is substantially greater than the base building setbacks required under §92.4.1. Viewed together with those buffers, the application's setback conditions provide protection well beyond what the ordinance's minimum building-setback standard alone would require.

In addition to the conditions described above, staff notes that the floodplain development restriction discussed in Section 4.1 and summarized in Appendix A functions as a further, geographically significant compatibility measure. As discussed in Section 4.1, the approximately 620.5 acres of the property carrying the Vision Plan's Preserved Lands (O-1) designation are more than 99 percent coextensive with the FEMA-mapped Dan River floodplain, and the Applicant's proposed conditions limit development within that floodplain to infrastructure improvements and recreational, agricultural, conservation, preservation, and open space uses [61]; [62]. In practical effect, this restriction keeps approximately one-third of the property's total acreage undeveloped, providing an additional, naturally-occurring buffer and open-space area beyond the vegetative buffers discussed above.

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[60] Stokes County Zoning Ordinance, §92.4.1 — https://cms9files.revize.com/stokescountync/Planning%20&%20Inspections/Documents/StokesCountyZoningOrdinance26.pdf

[61] Stokes County GIS, Land Use 2035 layer — https://stokescountygis.com/server/rest/services/WebApp2026/MapServer/34

[62] Stokes County GIS, Flood Zones layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

5.5 Public Information Meeting Input on Compatibility

The PIM Report documents that attendees raised concerns regarding the scale of the proposed development relative to surrounding land uses, the nature of the conditional zoning designation, and potential effects on nearby property values (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). Staff notes that the conditional zoning mechanism, if approved, would limit development of the property specifically to the data center and supporting uses identified in the application, rather than permitting the full range of uses otherwise allowed under a standard M-2 district (Combined Rezoning Package, Statement of Conditions, pp. 3-7).

6. Noise Impact Analysis

6.1 Proposed Noise Standards

The application proposes a maximum A-weighted sound level of 70 dB(A) at the property line adjacent to non-residential uses (Combined Rezoning Package, Statement of Conditions, pp. 3-7). Adjacent to residential uses, the application proposes a lower standard of 60 dB(A) during daytime hours (7:00 a.m. to 10:00 p.m.) and 50 dB(A) during nighttime hours (Combined Rezoning Package, Statement of Conditions, pp. 3-7). In response to concerns raised at the PIM regarding low-frequency and tonal sound, the Applicant added a requirement that the C-weighted sound level (dB(C)), which captures low-frequency noise not fully reflected in A-weighted measurements, not exceed the corresponding A-weighted limit by more than 15 dB, and added a separate tonal-noise penalty provision (Combined Rezoning Package, Statement of Conditions, pp. 3-7; Combined Rezoning Package, Public Information Meeting Report, pp. 10-13).

6.2 Monitoring and Enforcement

The application requires that compliance monitoring, including pre-construction ambient baseline surveys and post-construction compliance surveys, be conducted by a consultant who is INCE Board Certified — a professional personnel credential issued by the Institute of Noise Control Engineering — rather than requiring the measurement protocols themselves to conform to a specific INCE-published measurement standard (Combined Rezoning Package, Statement of Conditions, pp. 3-7). The applicable technical measurement standard for the Leq and L90 sound-level metrics referenced in the application is the American National Standards Institute's ANSI S1.4 standard for sound level meters, which is the industry-standard protocol INCE-certified consultants would be expected to apply in conducting the required surveys [63]. The PIM Report indicates that attendees specifically raised questions regarding the methods available for monitoring compliance with the proposed noise standards and the enforcement remedies and corrective measures available to the County (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13).

6.3 Baseline Ordinance Performance Standards

Staff notes for the Board's benefit that Stokes County Zoning Ordinance §92.5, adopted July 13, 2026 as part of Amendment P (after the July 8, 2026 PIM but prior to this report), establishes objective operational performance standards that apply to all M-2 and M-2-CZ uses countywide, independent of any conditions specific to this application, and regardless of the zoning classification of the adjacent property. As relevant here, §92.5.1 caps noise at 75 dB(A) measured at any point on or beyond the boundary of the zoning lot, applicable continuously (24 hours a day, 7 days a week), with no separate daytime/nighttime distinction, subject to a limited allowance for intermittent noise of up to 15 dB(A) above the baseline for no more than 10 percent of any measurement period, and exemptions for construction activity, emergency response, and vehicles operating on public rights-of-way; §92.5.6 separately (a) prohibits a direct glare source from any light source, floodlight, welding or cutting operation, furnace, or molten material that is directly visible beyond the property line, with an express carve-out providing that incidental sky-reflected glow that does not itself present a direct glare source is not a violation, (b) requires exterior lighting to be directed downward and inward and prohibits lighting directed into any abutting residential, agricultural,

[63] ANSI S1.4-2014, American National Standard Specification for Sound Level Meters — https://webstore.ansi.org/standards/asa/ansis142014

or commercial district, and (c) prohibits heat emissions that raise ambient air temperature at any adjacent property line by more than 1.8°F (1°C) above ambient. As of the date of this report, the codified, post-amendment text of §92.5 has not yet been posted to the county's publicly available online copy of the Zoning Ordinance; however, the county has posted a staff document reflecting the §92.5 text as presented to and adopted by the Board of Commissioners at its July 13, 2026 meeting [64], and this description is based on that document. For a residential property adjoining the site, what matters practically is the noise level at that resident's own property line, not the noise level at some other measurement point. On that basis, the applicant's proposed residential-boundary standard (60 dB(A) day / 50 dB(A) night) is more restrictive than the §92.5.1 baseline of 75 dB(A) applicable at all times, and represents the standard that will actually apply to adjoining residential properties. The applicant's proposed non-residential-boundary standard (70 dB(A), unrestricted by time of day) applies only where the adjoining property is non-residential, and staff notes that it is measured at a different point than §92.5.1: the application measures compliance "at the exterior property line or, if adjoining a public right-of-way, from the nearest property line beyond the right-of-way," whereas §92.5.1 reaches any point on or beyond the boundary of the zoning lot. Because §92.5.1 sets a single 75 dB(A) standard applicable at all hours, with no separate nighttime ceiling, the ordinance does not independently impose a nighttime-specific noise limit on the applicant's non-residential-boundary condition; any nighttime protection at that boundary depends on the applicant's own proposed conditions rather than on a countywide ordinance backstop.

6.4 Staff Observation

The proposed noise conditions, including the addition of a C-weighted limit and tonal penalty after the PIM, and the requirement for monitoring by an INCE Board Certified consultant, are intended to address the specific low-frequency noise characteristics associated with large mechanical cooling equipment used at data center facilities. Because noise conditions of this kind are enforceable zoning conditions rather than a separate permitting requirement, the specificity and measurability of the proposed standards are relevant to the Board's evaluation of whether the conditions are adequate to protect adjacent residential uses.

[64] Stokes County Planning & Inspections, M-2 Heavy Manufacturing District Proposed Operational Performance Standards — https://cms9files.revize.com/stokescountync/Stokes_County_M2_Performance_Standards_Final%20%284%29%20%281%29.pdf

7. Cumulative Water, Wastewater, and Energy Impacts

7.1 Water Supply and Cooling Technology

The application prohibits open-loop water cooling systems and permits only closed-loop cooling, air-cooled systems, liquid cooling systems, or other water-efficient cooling technologies (Combined Rezoning Package, Statement of Conditions, pp. 3-7). The application further prohibits withdrawal of water from on-site or nearby lakes, ponds, reservoirs, groundwater wells, aquifers, or other private surface water or groundwater sources, including the Dan River, as a water source for the facility (Combined Rezoning Package, Statement of Conditions, pp. 3-7). This private-source withdrawal prohibition was added in direct response to concerns raised at the PIM regarding effects on private wells and groundwater supplies (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). The Applicant has separately indicated, in its PIM narrative response, an intention to connect the facility to public water infrastructure (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). For the Board's awareness, that public-water commitment appears in the PIM narrative rather than in the binding Statement of Conditions itself; staff accordingly offers, for the Board's consideration, the option of adding an express public-water-connection condition, subject to the Applicant's written consent under N.C. Gen. Stat. § 160D-703(b) as discussed in Section 2.4, should the Board wish to make that commitment directly enforceable.

The Vision Plan states that Stokes County, drawing on the Dan River, the nearby Yadkin River, and groundwater supply, has an adequate water supply to meet county needs into the future, while also noting that the availability of water and sewer service is a major determinant of where growth can occur, given soil limitations on individual septic systems in many areas of the county (Stokes County 2035 Vision Plan, Chapter 7: Infrastructure, pp. 125-129). By prohibiting reliance on private wells or direct surface water withdrawal — and assuming the facility is in practice served by a public water provider, consistent with the Applicant's PIM narrative commitment discussed above — the proposed conditions are structured to avoid the individual-well and septic limitations the Vision Plan identifies as constraints on rural development (Stokes County 2035 Vision Plan, Chapter 7: Infrastructure, pp. 125-129).

7.2 Wastewater

The Vision Plan identifies three existing municipal wastewater systems in the county, located in King, Danbury, and Walnut Cove, and states that existing municipal wastewater infrastructure has capacity to meet the county's foreseeable needs (Stokes County 2035 Vision Plan, Chapter 7: Infrastructure, pp. 125-129). The Vision Plan separately notes that the City of King is considering development of its own wastewater treatment facility due to rising sewer rates charged by the City of Winston-Salem, which serves King's system (Stokes County 2035 Vision Plan, Chapter 7: Infrastructure, pp. 125-129). This dynamic is specific to the City of King's system and is not identified in the Vision Plan as a constraint applicable to the Walnut Cove area where the subject property is located (Stokes County 2035 Vision Plan, Chapter 7: Infrastructure, pp. 125-129).

7.3 Energy and Electric Service

The application addresses on-site power generation through a proposed 300-foot setback for generator equipment and contemplates the use of temporary "bridging" generation pending permanent connection to the electric grid (Combined Rezoning Package, Statement of Conditions, pp. 3-7; Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). The PIM Report documents that attendees raised questions regarding the quantity, capacity, and fuel types of potential generators, the projected power

demand relative to available electric grid capacity, curtailment, and the anticipated timeline for permanent grid connection, as well as concerns regarding the potential effect of data center electric demand on residential electric rates (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). The subject property directly adjoins the Duke Energy Belews Creek Steam Station property, an existing large-scale electric generating facility, which is a relevant factor regarding proximity to grid infrastructure [65].

7.4 Stormwater and Erosion and Sedimentation Control

The subject property lies partially within the mapped Dan River floodplain, as discussed in Sections 3.1 and 4.1 above, and any land-disturbing construction activity associated with the proposed use is subject to state erosion and sedimentation control requirements independent of, and in addition to, this zoning approval. Under the North Carolina Sedimentation Pollution Control Act of 1973 and implementing regulations administered by the North Carolina Department of Environmental Quality's Division of Energy, Mineral and Land Resources ("DEMLR"), a land-disturbing activity that disturbs more than one acre requires an approved Erosion and Sedimentation Control ("E&SC") Plan and coverage under DEMLR's Construction General Stormwater Permit, NCG010000, which NCDEQ renewed effective April 1, 2024 for a cycle running through March 31, 2029 [66]. Given the scale of the proposed data center campus, staff anticipates that construction activity on the site would exceed the one-acre threshold and would accordingly require an approved E&SC Plan and NCG01 permit coverage from DEMLR prior to the commencement of grading or other land-disturbing construction [67].

This state permitting process, which includes review of sediment and erosion control measures, stormwater outlets, and buffers relative to surface waters such as the Dan River, operates independently of the zoning map amendment and would apply regardless of whether the property is zoned R-A or M-2-CZ. Compliance with the E&SC Plan and NCG01 permit conditions would be enforced by DEMLR through its standard inspection and enforcement authority, separate from any zoning conditions or county code enforcement. Staff notes this state-level requirement for the Planning Board's and Board of Commissioners' awareness, as it provides an additional, independent layer of environmental review applicable to any land-disturbing construction on the site.

7.5 Fiscal and Tax Revenue Considerations

The PIM Report reflects that attendees raised questions regarding the tax revenue and broader economic benefit the county could expect from the proposed use (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). Staff notes that the fiscal and tax revenue implications of this or any rezoning application are analyzed by the County's Finance and Tax Administration offices as part of the county's budgeting and ad valorem tax administration process, and are outside the scope of the Planning and Inspections Department's review under N.C. Gen. Stat. Chapter 160D, which governs the zoning and land use aspects of this application.

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[65] Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

[66] NCDEQ DEMLR, NPDES Stormwater Construction General Permit — https://www.deq.nc.gov/energy-mineral-and-land-resources/stormwater/npdes-general-permits/demlr-npdes-stormwater-construction-general-stormwater-permit/open

[67] NCDEQ DEMLR, NPDES Stormwater Construction General Permit — https://www.deq.nc.gov/energy-mineral-and-land-resources/stormwater/npdes-general-permits/demlr-npdes-stormwater-construction-general-stormwater-permit/open

For general context, staff notes that North Carolina law provides certain state sales and use tax exemptions for qualifying data center support equipment, and, as revised in the 2026-27 state budget, no longer exempts data center electricity purchases from sales and use tax [68]; [69]. These sales and use tax exemptions and their recent partial repeal pertain to state and local sales tax revenue, which is collected and distributed by the North Carolina Department of Revenue rather than assessed directly by the county N.C. Gen. Stat. § 105-472[70]. Separately, and unless the county were to grant a specific local incentive package providing an abatement, data center facilities and equipment remain subject to local ad valorem (property) taxation in the same manner as other industrial property [71]. Staff has not been asked to, and has not, evaluated any incentive request or economic development agreement associated with this application, as no such request has been submitted to Planning staff.

The Applicant separately submitted an illustrative tax revenue estimate prepared by Engineered Land Solutions, LLC, which projects a full-buildout assessed value of approximately $7.09 billion across an estimated 1,050 developable acres, derived from the average 2025 assessed value per acre reported for three operating North Carolina data center campuses (Apple in Maiden, Google in Lenoir, and Meta in Forest City), and applies that assumed value to a set of ad valorem tax rates to produce an illustrative combined annual tax estimate of approximately $50.7 million (ELS, "Project Delta Tax Revenue Estimate," 2026). The Applicant's own document characterizes this figure as "illustrative" and "not a tax assessment, appraisal, guaranty, or representation of the actual taxable value of Project Delta," and staff agrees that it should be read strictly as an informational, forward-looking estimate (ELS, "Project Delta Tax Revenue Estimate," 2026).

Staff checked the tax rate inputs used in the Applicant's estimate against current, publicly available rate data. The Applicant's estimate itemizes three rate components applicable to the subject property: a $0.585 per $100 Stokes County General Fund rate, a $0.090 per $100 Walnut Cove Fire District rate, and a $0.040 per $100 Dedicated Education Fund rate, for a combined effective rate of $0.715 per $100 of assessed value (ELS, "Project Delta Tax Revenue Estimate," 2026). Staff confirms that the Applicant's $0.585 and $0.040 components together equal $0.625 per $100, matching the North Carolina Department of Revenue's published Stokes County FY 2025-26 county tax rate [72]. Staff also notes that the Applicant's $7.09 billion full-buildout assessed-value assumption is based on comparable data center assessments in other counties (Catawba, Caldwell, and Rutherford), which staff has not independently verified, so that figure and the resulting revenue estimates should be treated as the developer's own projection rather than a confirmed county figure.

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[68]Session Law 2026-41, § 44.4 — https://www.ncleg.gov/EnactedLegislation/SessionLaws/HTML/2025-2026/SL2026-41.html

[69]Carolina Journal, "NC budget scales back data center tax break" (July 8, 2026) — https://www.carolinajournal.com/nc-budget-scales-back-data-center-tax-break/

[70]N.C. Gen. Stat. § 105-472 — https://www.ncleg.gov/enactedlegislation/statutes/html/bysection/chapter_105/gs_105-472.html

[71]Virginia Public Media, "Data centers in NC don't pay taxes on their supplies or..." (May 11, 2026) — https://www.vpm.org/news/2026-05-11/nc-newsroom-data-center-supply-energy-tax-breaks-north-carolina

[72]NCDOR, 2025-2026 County Tax Rates — https://www.ncdor.gov/2025-2026-county-tax-rates-finalpdf/open

7.6 Cumulative Impact Considerations

Because the application's proposed water and cooling conditions eliminate reliance on groundwater, private wells, and direct surface-water withdrawal, and the Applicant's PIM narrative separately commits to connection to public water infrastructure (as discussed in Section 7.1), the water-related cumulative impact of the proposed use is substantially dependent on the capacity of the relevant public water provider to serve the site, a matter appropriately confirmed through the county's utility extension and capacity review process rather than through the zoning conditions alone. Based on Planning staff's direct communication and coordination with the Stokes County Water Authority and the Town of Walnut Cove in connection with this application, both entities have indicated that they have available water capacity and are willing to provide water service to the proposed project, with the shared understanding that the developer would participate in the cost of any infrastructure improvements necessary to provide such service. Staff notes that this understanding reflects preliminary coordination rather than an executed utility extension agreement, and that any final water service commitment, including the scope of infrastructure improvements and the developer's cost-participation obligations, would be memorialized through a separate utility extension agreement between the developer and the applicable water provider(s), subject to those entities' own governing boards and standard utility extension policies. Energy demand and grid capacity are similarly matters that will be addressed through the applicable utility interconnection process independent of the zoning approval, though the zoning conditions establish enforceable limits on temporary on-site generation pending permanent interconnection.

8. Environmental Justice Considerations

8.1 Demographic Context

To evaluate environmental justice considerations associated with the proposed rezoning, staff reviewed the North Carolina Department of Environmental Quality's environmental justice demographic analysis prepared in connection with the adjoining Duke Energy Belews Creek Steam Station, which used a two-mile radius centered on that facility and reported data for Census Tracts 701 and 707 in Stokes County [73]. Because the Belews Creek Steam Station directly adjoins the subject property, these census tracts overlap the area surrounding the Project Delta site and provide a relevant, independently-prepared point of reference [74]; [75].

That report found Census Tract 701 had a total population of 6,720, of which 91.3 percent identified as White and 3.8 percent as Black or African American, with 7.4 percent of the population below the federal poverty level [76]. Census Tract 707 had a total population of 5,681, of which 77.2 percent identified as White and 18.3 percent as Black or African American, with 20.0 percent of the population below the federal poverty level [77]. By comparison, Stokes County as a whole has a poverty rate of approximately 11.8 percent (2024 Small Area Income and Poverty Estimates) and a White alone population share of approximately 92.9 percent, according to the U.S. Census Bureau [78]; [79]. Staff notes that this county-wide figure is distinct from, and should not be confused with, the older 2021 Census Tract 701 figure of 91.3 percent White discussed above, which reflects a different, smaller geography from an earlier data year. Census Tract 707's poverty rate is notably higher than both the county average and Census Tract 701, which staff notes as a relevant environmental justice indicator for this area [80]; [81]. The map below shows the boundaries of Census Tracts 701 and 707 as they existed at the time of the NCDEQ report relative to

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[73] NCDEQ Belews Creek Steam Station Draft Environmental Justice Report (May 2021) — https://files.nc.gov/ncdeq/Air%20Quality/permits/2021_public_notice_documents/environmental_justice/Belews-Creek-Draft-EJ-Report-May-2021.pdf

[74] NCDEQ Belews Creek Steam Station Draft Environmental Justice Report (May 2021) — https://files.nc.gov/ncdeq/Air%20Quality/permits/2021_public_notice_documents/environmental_justice/Belews-Creek-Draft-EJ-Report-May-2021.pdf

[75] Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

[76] NCDEQ Belews Creek Steam Station Draft Environmental Justice Report (May 2021) — https://files.nc.gov/ncdeq/Air%20Quality/permits/2021_public_notice_documents/environmental_justice/Belews-Creek-Draft-EJ-Report-May-2021.pdf

[77] NCDEQ Belews Creek Steam Station Draft Environmental Justice Report (May 2021) — https://files.nc.gov/ncdeq/Air%20Quality/permits/2021_public_notice_documents/environmental_justice/Belews-Creek-Draft-EJ-Report-May-2021.pdf

[78] U.S. Census Bureau, Small Area Income and Poverty Estimates (SAIPE), 2024 — https://www.census.gov/data/datasets/2024/demo/saipe/2024-state-and-county.html

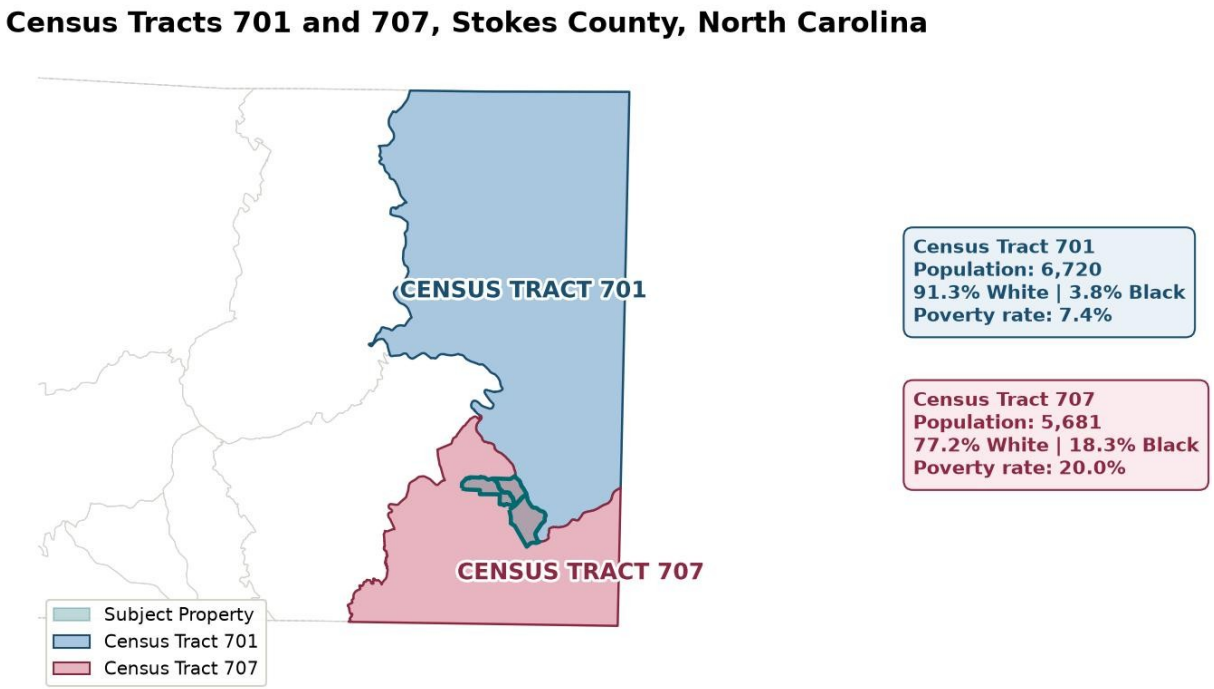
[79] U.S. Census Bureau QuickFacts, Stokes County, North Carolina — https://www.census.gov/quickfacts/fact/table/stokescountynorthcarolina/SBO050222

[80] NCDEQ Belews Creek Steam Station Draft Environmental Justice Report (May 2021) — https://files.nc.gov/ncdeq/Air%20Quality/permits/2021_public_notice_documents/environmental_justice/Belews-Creek-Draft-EJ-Report-May-2021.pdf

[81] U.S. Census Bureau QuickFacts, Stokes County, North Carolina — https://www.census.gov/quickfacts/fact/table/stokescountynorthcarolina/SBO050222

the subject property; staff notes for completeness that the U.S. Census Bureau redrew Stokes County's tract boundaries following the 2020 Census, splitting former Tract 701 into current Tracts 701.01 and 701.02 and former Tract 707 into current Tracts 707.01 and 707.02, with the subject property now falling within current Tract 707.02 [82]. This boundary change does not affect the substance of the NCDEQ's 2021 findings discussed above, which staff cites using the tract geography and figures as reported in the original NCDEQ analysis.

[82]U.S. Census Bureau, TIGER/Line Shapefiles — https://www.census.gov/geographies/mapping-files/time-series/geo/tiger-line-file.html



Source: U.S. Census Bureau TIGER/Line 2019 Tract Boundaries; NCDEQ Belews Creek Steam Station Draft Environmental Justice Report (May 2021)

Census Tracts 701 and 707, Stokes County, North Carolina, relative to the subject property, using pre-2020 tract boundaries as they existed at the time of the NCDEQ's May 2021 environmental justice analysis. Note: these tracts were subsequently subdivided following the 2020 Census into current Tracts 701.01/701.02 and 707.01/707.02; the subject property now falls within current Tract 707.02. This map is retained to show the boundaries underlying the NCDEQ data discussed in the text and does not reflect current (post-2020) tract lines.

8.2 Community Health Indicators

To further inform the environmental justice analysis, staff independently queried the CDC's PLACES public health dataset, which provides model-based estimates of chronic disease prevalence and health-related social needs derived from the Behavioral Risk Factor Surveillance System and the American Community Survey [83]. PLACES does not publish estimates for arbitrary custom radii such as a one-mile ring; its smallest published geography is the individual census tract. Staff therefore identified the current (2020 Census boundary) tract that contains the subject property — Census Tract 070702, as confirmed using the property's coordinates against the Federal Communications Commission's census block lookup tool — and queried PLACES for that tract directly, rather than relying on the larger, now-outdated 2019-boundary tracts referenced in the NCDEQ report discussed in Section 8.1 above [84]; [85].

Tract 070702, which has a total population of 2,556, shows several health indicators elevated relative to the Stokes County average [86]; [87]. Diagnosed diabetes among adults is estimated at 16.5 percent in Tract 070702, compared with 13.2 percent countywide [88]; [89]. Food insecurity in the past twelve months is estimated at 19.9 percent in the tract, compared with 13.4 percent countywide [90]; [91]. Current asthma among adults is estimated at 11.8 percent in the tract, compared with 10.9 percent countywide, and chronic obstructive pulmonary disease (COPD) is estimated at 10.7 percent in the tract, compared with 9.4 percent countywide [92]; [93].

All PLACES figures cited above are crude prevalence estimates among adults and, like all small-area PLACES estimates, are model-based with associated confidence intervals rather than direct counts; they are not diagnoses tied to any specific facility or use and do not by themselves establish causation between any existing or proposed land use and community health outcomes [94]. Staff nonetheless notes that a population with elevated rates of chronic respiratory and metabolic conditions, and with a higher rate of

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[83] CDC PLACES: Local Data for Better Health, 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-Census-Tract-D/cwsq-ngmh

[84] FCC Census Block Conversions API — https://geo.fcc.gov/api/census/

[85] CDC PLACES: Local Data for Better Health, 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-Census-Tract-D/cwsq-ngmh

[86] CDC PLACES: Local Data for Better Health, 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-Census-Tract-D/cwsq-ngmh

[87] CDC PLACES: Local Data for Better Health, County Data 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-County-Data-20/swc5-untb

[88] CDC PLACES: Local Data for Better Health, 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-Census-Tract-D/cwsq-ngmh

[89] CDC PLACES: Local Data for Better Health, County Data 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-County-Data-20/swc5-untb

[90] CDC PLACES: Local Data for Better Health, 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-Census-Tract-D/cwsq-ngmh

[91] CDC PLACES: Local Data for Better Health, County Data 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-County-Data-20/swc5-untb

[92] CDC PLACES: Local Data for Better Health, 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-Census-Tract-D/cwsq-ngmh

[93] CDC PLACES: Local Data for Better Health, County Data 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-County-Data-20/swc5-untb

food insecurity than the county as a whole, may be more sensitive to potential noise, air-quality, or water-quality impacts than a lower-risk population, reinforcing the importance of the enforceable buffer, noise, lighting, and water-quality conditions discussed in Sections 5 through 7 above.

8.3 Sensitive Receptors

The NCDEQ report identified a number of sensitive receptors within its two-mile study radius, including Pine Hall Elementary School (since closed — the Stokes County Board of Education closed Pine Hall Elementary at the end of the 2023-24 school year and declared the property surplus in 2025), the Stokes-Rockingham Volunteer Fire & Rescue station, and multiple churches, including Dry Hollow Church, Rock Hill Church, Mount Carmel United Methodist Church, Withers Chapel United Methodist Church, Forest Chapel United Methodist Church, Pine Hall Baptist Church, Pine Hall Presbyterian Church, and Cornerstone Baptist Church [95]. Staff's independent review of the Stokes County GIS parcel layer separately identified Sycamore Baptist Church within approximately 670 feet of the subject property, as discussed in Section 3.2 above [96]. The presence of these institutional and residential receptors in the surrounding area underscores the importance of the enforceable buffer, noise, lighting, and water-quality conditions proposed in the application, discussed in Sections 5 through 7 above.

8.4 Community Engagement

The PIM held on July 8, 2026, provided an opportunity for members of the surrounding community, including residents of the lower-income census tracts identified above, to raise concerns directly with the Applicant (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). As discussed in Section 6 and Section 7, several of the conditions ultimately proposed in the application, including the increased residential buffer, the stricter noise standard, and the prohibition on groundwater and well-water use, were adopted specifically in response to concerns raised at that meeting (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). Staff notes that continued opportunities for public input, including the Planning Board and Board of Commissioners hearings on this application, remain available to residents of the surrounding area.

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[94]CDC PLACES: Local Data for Better Health, 2025 release — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-Census-Tract-D/cwsq-ngmh

[95]NCDEQ Belews Creek Steam Station Draft Environmental Justice Report (May 2021) — https://files.nc.gov/ncdeq/Air%20Quality/permits/2021_public_notice_documents/environmental_justice/Belews-Creek-Draft-EJ-Report-May-2021.pdf

[96]Stokes County GIS, Parcel layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

9. Cultural and Historical Resources

9.1 Documented Historic Resources on the Property

Staff independently reviewed the North Carolina State Historic Preservation Office's ("NC HPO") architectural survey inventory using the agency's public GIS mapping tool and confirmed that a documented historic resource, the Hairston Sauratown Plantation House (NC HPO Survey Site SK0182), is located within the boundary of one of the four subject parcels (PIN 6964-91-8321) [97]. This resource is included on the NC HPO's Study List, a designation indicating the property has been identified as a candidate for further evaluation of National Register eligibility [98]. The 1989 Stokes County architectural survey describes the surviving house (constructed circa 1870) as one of the most sophisticated dwellings of its period in the county and a notable expression of late nineteenth-century architectural romanticism, built after an earlier plantation house on the opposite side of the Dan River was lost to fire [99]. The same survey and staff's independent GIS review also identified two additional surveyed sites associated with the same historic family, both since demolished, within the boundary of a second subject parcel (PIN 6973-73-4188) [100].

None of these three sites is currently listed on the National Register of Historic Places, and staff's review did not identify any National Register-listed property, locally designated landmark, or historic district boundary intersecting the subject property [101]. Several additional surveyed historic houses are located within approximately one mile of the property but outside its boundaries [102].

9.2 Broader Cultural Context of the Dan River Valley

The Dan River valley in southeastern Stokes County is documented in published archaeological literature as the location of Sara (also recorded as Saura or Sauratown) Indigenous village occupation dating to the sixteenth through early eighteenth centuries, most extensively studied at the Upper Saratown site excavated by the University of North Carolina's Research Laboratories of Anthropology beginning in 1972 [103]. The precise locations of archaeological sites, including any associated with this occupation, are not published in publicly available geographic information systems and are subject to statutory confidentiality protections administered by the North Carolina Office of State Archaeology; staff's review accordingly confirms the documented historical presence of this occupation in the Dan River valley area of the county

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[97] NC HPO Historic Resources GIS, Site SK0182 — https://www.hpo.nc.gov/survey-and-national-register/gis-maps-and-data

[98] NC HPO Historic Resources GIS, Site SK0182 — https://www.hpo.nc.gov/survey-and-national-register/gis-maps-and-data

[99] NC HPO, Stokes County Historic Inventory (1989) — https://files.nc.gov/ncdcr/historic-preservation-office/survey-and-national-register/surveyreports/Stokes_CountySurvey-1989.pdf

[100] NC HPO Historic Resources GIS, Sites SK0180, SK0181 — https://www.hpo.nc.gov/survey-and-national-register/gis-maps-and-data

[101] NC HPO Historic Resources GIS — https://www.hpo.nc.gov/survey-and-national-register/gis-maps-and-data

[102] NC HPO Historic Resources GIS — https://www.hpo.nc.gov/survey-and-national-register/gis-maps-and-data

[103] UNC Research Laboratories of Anthropology, Upper Saratown / Ancient North Carolinians — https://ancientnc.web.unc.edu/indian-heritage/by-region/north-central-piedmont/upper-saratown/

generally, without asserting that a specific archaeological site boundary has been confirmed to intersect the subject property [104].

9.3 Cemetery Resources

Staff's independent review of the Stokes County GIS Cemetery Points layer identified a mapped cemetery, recorded with 65 grave points and no name value in the layer's associated attribute field, located inside the boundary of subject parcel PIN 6964-91-8321 [105]. Staff notes that the county's Cemetery Points layer is a planning-level dataset intended to flag the general presence and approximate location of known burial grounds, and that it does not represent a surveyed cemetery boundary; the actual extent of the burial ground may extend beyond the single mapped point location and would need to be confirmed by a ground survey prior to any ground-disturbing activity in its vicinity. Staff discloses this finding for the Board's and the public's awareness, and notes that any ground-disturbing activity in its vicinity remains subject to existing state cemetery and archaeological protection requirements, as discussed in Section 9.4 below.

9.4 Applicant Coordination and Proposed Protections

The PIM Report confirms that attendees raised, and the Applicant addressed, questions regarding the presence of cultural resources and artifacts on the property, applicable state and federal review and reporting requirements, coordination with the State Historic Preservation Office, and the procedures that would apply if resources were encountered before or during construction (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). The application's floodplain provisions restrict development within the mapped Dan River floodplain to infrastructure, recreation, agricultural, and conservation uses, which has the effect of limiting ground-disturbing construction activity within the low-lying areas nearest the river (Combined Rezoning Package, Statement of Conditions, pp. 3-7). Staff notes that the mapped cemetery identified in Section 9.3 and any other inadvertently discovered human remains or burial grounds are independently protected by existing state law regardless of any zoning condition, under N.C. Gen. Stat. § 70-29[106] (mandatory cessation of activity and notification upon discovery of human remains) and N.C. Gen. Stat. § 65-106[107] (county consent and notice requirements for removal of a grave). By contrast, coordination with the NC HPO regarding the documented SK0182 site is not independently mandated by state law in this instance: N.C. Gen. Stat. § 121-12(a) applies only to State agencies undertaking or funding/licensing a State or state-assisted undertaking affecting properties listed on the National Register of Historic Places, and SK0182 is a privately developed property that remains Study List only, not National Register-listed, with no identified State funding or permitting nexus for this project N.C. Gen. Stat. § 121-12[108]. Such coordination, while good practice and encouraged by staff, would be voluntary absent a future federal or state funding or permitting trigger or a change in SK0182's National Register status.

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[104] North Carolina Office of State Archaeology, Archaeological Site Files Program — https://archaeology.ncdcr.gov/programs/archsitefiles

[105] Stokes County GIS, Cemetery Points layer — https://stokescountygis.com/server/rest/services/WebApp2026/MapServer/0

[106] N.C. Gen. Stat. § 70-29 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_70/GS_70-29.pdf

[107] N.C. Gen. Stat. § 65-106 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_65/GS_65-106.pdf

[108] N.C. Gen. Stat. § 121-12 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_121/GS_121-12.pdf

10. Infrastructure Capacity

10.1 Roads

The property has direct frontage on US Highway 311, a state-maintained highway, as well as Tuttle Road, Oldtown Road, and Coon Joyce Road (Combined Rezoning Package, Application Cover Sheet, p. 8). Staff's independent review of the Stokes County GIS road centerline layer additionally identified Fulp Road (SR 1719) and Saura Farm Road as abutting portions of the subject property not fronting on the four roads named in the application [109]. The Vision Plan's Transportation chapter identifies coordination with the North Carolina Department of Transportation on regional transportation planning as an ongoing county policy and identifies US 311 as a significant corridor within the county's highway network (Stokes County 2035 Vision Plan, Chapter 6: Transportation, pp. 117-124). Any driveway permit, turn-lane, or access modifications associated with the proposed development would be subject to separate review and approval by the North Carolina Department of Transportation.

10.2 Water and Wastewater

As discussed in Section 7, the binding Statement of Conditions prohibits the facility from drawing water from private wells or direct surface water withdrawal, but does not itself contain an affirmative requirement that the facility be served by a public water provider; that commitment appears only in the Applicant's non-binding PIM narrative response (Combined Rezoning Package, Statement of Conditions, pp. 3-7; Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). If the Board wishes to make public water service a binding requirement, staff recommends an express condition to that effect, subject to the Applicant's written consent. Confirmation of the specific public water provider's capacity to serve the site, and any water line extension required to do so, is a matter for the applicable utility extension review process, separate from the zoning approval itself.

10.3 Emergency Services

The PIM Report documents that attendees raised questions specifically regarding fire, safety, and emergency response, including safety concerns related to generators, fuel storage, and electrical equipment, applicable inspection and code requirements, and fire suppression systems (Combined Rezoning Package, Public Information Meeting Report, pp. 10-13). Staff's independent review of the Stokes County GIS Fire District layer confirms that approximately 1,827 of the property's approximately 1,828 total acres (using the GIS calculated/geometric acreage established in Section 3.1) — approximately 99.9 percent — lie within the Southeastern fire district, served by Station 35 (Walnut Cove Fire) [110]. Compliance with the North Carolina State Building Code and Fire Code, administered through the County's separate building permit and inspection process, would apply to any construction on the site independent of this zoning approval.

10.4 Schools and Parks

Because the proposed use is a non-residential industrial use rather than a residential development, it is not expected to generate a school-age population and therefore does not have a direct impact on Stokes

[109] Stokes County GIS, Road Centerlines layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[110] Stokes County GIS, Fire Districts layer — https://stokescountygis.com/server/rest/services/AllLayers/MapServer

County Schools' facility capacity. The property is not located within, and does not adjoin, any county park or recreational facility identified in the Vision Plan's Recreation chapter (Stokes County 2035 Vision Plan, Chapter 5: Recreation, pp. 111-116). Staff notes for the Board's balanced consideration that the property directly adjoins the approximately 848-acre Dan River Educational State Forest, sharing approximately 1.25 miles of common boundary; this state forest is not identified in the Vision Plan because the state acquired the property in 2023, after the Vision Plan's 2015 adoption, and it is not a county park or recreational facility [111].

[111]NC Forest Service, Dan River Educational State Forest — https://www.ncforestservice.gov/ednc/dan_river.html

11. Staff Recommendation

Staff has independently reviewed the application materials, the Stokes County 2035 Vision Plan, applicable provisions of N.C. Gen. Stat. Chapter 160D, and available county geographic information system and public records, and presents the findings above for the Planning Board's consideration under N.C. Gen. Stat. § 160D-604 and for the Board of Commissioners' subsequent findings under N.C. Gen. Stat. § 160D-605.

Consistent with N.C. Gen. Stat. § 160D-605(b), which directs the Board to consider, among other things, the benefits and detriments to the landowners, the neighbors, and the surrounding community, staff notes the following factors relevant to the reasonableness of the proposed rezoning. On the benefit side: the size of the property (approximately 1,848.74 acres) and its frontage on a major highway corridor; the presence of existing industrial and utility uses in the immediate vicinity, including the adjoining Belews Creek Steam Station; the enforceable development conditions proposed by the Applicant addressing noise, lighting, height, buffers, water use, and floodplain protection, several of which were strengthened in direct response to public input received at the PIM; and the Vision Plan's identification of business recruitment and available industrial land as a county economic development priority. On the detriment side, and as discussed more fully in Sections 6 through 8 above, the Board should also weigh: the property's general rural land use designation under the Vision Plan's Land Use Framework Map, which does not identify this property as a targeted industrial site; the presence of numerous churches, residences, and other sensitive receptors within one mile of the property; the differing noise-measurement point for the applicant's proposed non-residential noise standard discussed in Section 6.3; the surrounding area's environmental justice profile, as discussed in Section 8; and the presence of a mapped cemetery within the subject property's boundary and the property's adjacency to the Dan River Educational State Forest, both discussed in Sections 9 and 10 above. These benefit- and detriment-side considerations are offered to inform, not substitute for, the Board's own findings under N.C. Gen. Stat. § 160D-605(b)[112]. Staff further notes, as discussed in Sections 4.1 and 5.4 above, that the floodplain development restriction proposed by the Applicant is more than 99 percent coextensive with the Vision Plan's Preserved Lands (O-1) designation on the property, such that the enforceable conditions proposed would keep approximately one-third of the property's total acreage undeveloped and in a condition consistent with the Vision Plan's preservation intent for that designation.

Applying the reasonableness factors set out in N.C. Gen. Stat. § 160D-605(b)[113] to the considerations above — including the size and attributes of the property, the benefits and detriments identified, the relationship between the property's current and proposed permissible development and that of the surrounding area, and the changed conditions (including the enforceable conditions added following the PIM) warranting the amendment — staff recommends approval of this application as being reasonable and in the public interest. Regardless of whether the Planning Board or Board of Commissioners finds the proposed rezoning consistent or inconsistent with the Vision Plan, that approval should rest on the enforceable conditions proposed by the Applicant, together with any additional conditions either board considers reasonable and necessary to protect the residents of Stokes County, consistent with the statutory purpose of zoning regulations to promote the public health, safety, and general welfare, as set out in N.C. Gen.

[112]N.C. Gen. Stat. § 160D-605(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf
[113]N.C. Gen. Stat. § 160D-605(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-605.pdf

Stat. § 160D-701[114]. Because this application is a conditional zoning district request, any additional condition proposed by either board beyond those already offered by the Applicant would require the Applicant's written consent to become part of an approved conditional zoning district, as discussed in Section 2.4 above, consistent with N.C. Gen. Stat. § 160D-703(b)[115].

[114]N.C. Gen. Stat. § 160D-701 — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-701.pdf
[115]N.C. Gen. Stat. § 160D-703(b) — https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_160D/GS_160D-703.pdf

Appendix A: Summary of Proposed Zoning Conditions

The following table summarizes the zoning conditions proposed by the Applicant as part of the Statement of Conditions accompanying the application (Combined Rezoning Package, Statement of Conditions, pp. 3-7). This summary is provided for convenience; the full text of each condition, including definitions and measurement protocols, is set out in the Statement of Conditions itself and governs in the event of any inconsistency.

Condition	Summary
1. Permitted Uses	Limited to a data center facility/campus and directly associated accessory uses (power generation, substations, electrical and natural gas infrastructure, fiber optic infrastructure, battery backup, security facilities, on-site maintenance, container storage, fuel and water storage).
2. Noise	70 dB(A) at the property line adjacent to non-residential zoning; 60 dB(A) daytime (7:00 a.m.-10:00 p.m.) and 50 dB(A) nighttime adjacent to residential zoning. C-weighted sound level (dB(C)) may not exceed the corresponding A-weighted limit by more than 15 dB. Separate tonal-noise penalty (noise limit reduced by 5 dB(A) if a tone is present, as defined by one-third octave band criteria). Generator testing limited to weekdays 9:00 a.m.-5:00 p.m. Pre-construction ambient baseline survey and modeling study, and post-construction compliance survey, required for each Major Improvement, performed by an INCE Board-Certified third-party consultant.
3. Power Generators	Not permitted within 300 feet of the exterior property boundary.
4. Cooling Systems and Water Infrastructure	Open-loop water cooling prohibited; closed-loop, air-cooled, liquid cooling, or other water-efficient systems permitted. Direct withdrawal from streams, rivers, lakes, ponds, reservoirs, groundwater wells, aquifers, or other private surface water or groundwater sources prohibited.
5. Floodplain	Within FEMA FIRM-designated floodplain areas (Panels 3710696200K and 3710696400K, effective June 10, 2026), development limited to infrastructure improvements and recreational, agricultural, conservation, preservation, and open space uses.
6. Lighting	All exterior site and building lighting directed downward, using full cutoff or fully shielded fixtures designed to prevent glare, spillover, or direct illumination onto adjacent properties.
7. Height	Maximum height of principal building(s) is 80 feet; antennas, communication equipment, mechanical equipment, screening, utility infrastructure, and similar appurtenances may extend above this limit.
8. Buffer Areas	Vegetative buffers per the Buffer Zone Exhibit, achieved through existing vegetation, supplemental plantings, berms, or comparable measures; baseline 100-foot buffer increased to 250 feet adjacent to residential uses following PIM input. Minor infrastructure encroachments (utilities, fences, access drives, signage, etc.) permitted where designed to minimize disturbance to vegetation.

9. Minimum Setbacks	Right-of-way/front: 40 feet. Rear: 0 feet, or 25 feet where the lot abuts a residential district. Side: 0 feet, or 15 feet where the lot abuts a residential district; where a non-required side yard is provided, it must be at least 8 feet.

Appendix B: Public Information Meeting Topics Summary

The PIM Report identifies the following seventeen topic areas discussed at the July 8, 2026 Public Information Meeting (Combined Rezoning Package, Public Information Meeting Report, Section 4, pp. 10-13):

1. **Project structure and ownership** — anticipated ownership and operational structure; potential conveyance to an end user; continued enforceability of zoning conditions following any transfer of ownership or operator.
2. **Conditional zoning and project scale** — overall size of the request; coordination of phased development; surrounding land uses; how conditional zoning would limit development to data center and supporting uses.
3. **Floodplain protection** — rationale for including floodplain areas in the rezoning request; limitations on development within those areas; treatment of fill, elevation changes, and off-site mitigation credits.
4. **Cultural, historical, and archaeological resources** — presence of cultural resources and artifacts on the property; applicable state and federal review requirements; coordination with the State Historic Preservation Office; procedures if resources are encountered during construction.
5. **Noise** — continuous operational noise; low-frequency and tonal sound; adequacy of proposed noise limits and ambient-noise study; noise from on-site and temporary generation; effects on residents and wildlife; effectiveness of buffers, berms, and setbacks.
6. **Noise enforcement and penalties** — monitoring methods; resources for reviewing compliance; available enforcement remedies and corrective measures.
7. **Power and generation** — use and duration of on-site and temporary "bridging" generation; generator quantity, capacity, and fuel types; projected power demand relative to available capacity; curtailment; grid connection timeline.
8. **Electric rates** — concern that data center growth could contribute to residential electric rate increases; the utility's position on data centers as customers.
9. **Water** — limiting impacts on groundwater and private wells; water source, supply, and volume; cooling technology; wastewater discharge; handling and regulatory oversight of cooling system chemicals.
10. **Air quality and emissions** — emissions from backup or temporary generation; heat from combustion; potential cumulative air quality impacts; applicable permitting and regulatory oversight.
11. **Light and site appearance** — light pollution and prevention measures; building height; buffers and setbacks near residential areas; general site appearance.
12. **Fire, safety, and emergency response** — safety concerns related to generators, fuel storage, and electrical equipment; inspection and code requirements; fire suppression systems.
13. **Property values** — potential effect on nearby property values.

14. **Tax revenue and economic benefit** — basis and methodology for projected tax revenue; timeline for realizing estimated revenue; effect of state legislation on distribution of data center tax revenue between the State and the County; potential benefits to the County and residents.
15. **Enforceability of commitments** — enforceability of the Applicant's verbal or written commitments; how approved conditions would bind future owners and operators; role of lenders and insurers in compliance.
16. **Public notice and community process** — adequacy of public notice and project awareness; procedural reasons for the repeated rezoning.
17. **Broader concerns** — matters extending beyond the rezoning itself, including the cumulative effect of data centers and AI generally, coordination with other nearby energy infrastructure, and general concerns regarding zoning versus permitting regulation.

Appendix C: Referenced Maps and Geographic Data Sources

The following publicly available maps and geographic information system (GIS) resources were used by staff in the preparation of this report and may be consulted directly for additional detail:

1. **Stokes County GIS — Parcel, Zoning, Parks, and Structures layers.** Used to independently verify parcel boundaries, current zoning classifications, surrounding land uses, and nearby sensitive receptors. Available at: [116].
2. **FEMA Flood Map Service Center.** Used to independently confirm the effective date of the Flood Insurance Rate Map panels (3710696200K and 3710696400K) applicable to the subject property. Available at: [117].
3. **NC Historic Preservation Office GIS Maps and Data (HPOWEB).** Used to independently confirm the location of documented historic architectural survey sites (SK0180, SK0181, SK0182) relative to the subject parcels. Available at: [118].
4. **Buffer Zone Exhibit.** A site-specific exhibit depicting the proposed vegetative buffer areas, included as part of the application's Statement of Conditions (Combined Rezoning Package, Statement of Conditions, p. 7).
5. **NCDEQ Belews Creek Steam Station Draft Environmental Justice Report (May 2021), Figure of 2-Mile Study Radius and Census Tracts 701/707.** Used as an independently prepared reference for demographic and sensitive-receptor data in the area surrounding the adjoining Belews Creek Steam Station. Available at: [119].

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[116]Stokes County GIS — https://stokescountygis.com/server/rest/services/AllLayers/MapServer
[117]FEMA Flood Map Service Center — https://msc.fema.gov/portal/productAvailability
[118]NC HPO GIS Maps and Data — https://www.hpo.nc.gov/survey-and-national-register/gis-maps-and-data
[119]NCDEQ Belews Creek Draft EJ Report — https://files.nc.gov/ncdeq/Air%20Quality/permits/2021_public_notice_documents/environmental_justice/Belews-Creek-Draft-EJ-Report-May-2021.pdf

6. **Stokes County 2035 Vision Plan, Land Use Framework Map (Chapter 3).** Used to evaluate the subject property's transect classification relative to the Comprehensive Plan's designated growth areas (Stokes County 2035 Vision Plan, Chapter 3: Land Use, Map 13, p. 76).
7. **NC DEQ/DEMLR Mining Program, Mining Permits.** Used to independently identify active state mining permits on industrial-zoned parcels in the broader area surrounding the subject property. Available at: [120].
8. **CDC PLACES: Local Data for Better Health (2025 census tract release and 2025 county release).** Used to independently obtain census tract- and county-level chronic disease and health-related social needs estimates for the environmental justice analysis in Section 8.2. Available at: [121] and [122].
9. **FCC Census Block Conversions API.** Used to independently confirm the current (2020 Census boundary) census tract and block containing the subject property. Available at: [123].

[120]NC DEQ/DEMLR Mining Program, Mining Permits — https://services2.arcgis.com/kCu40SDxsCGcuUWO/arcgis/rest/services/NC_Mining_Permits/FeatureServer/0
[121]CDC PLACES Census Tract Data — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-Census-Tract-D/cwsq-ngmh
[122]CDC PLACES County Data — https://data.cdc.gov/500-Cities-Places/PLACES-Local-Data-for-Better-Health-County-Data-20/swc5-untb
[123]FCC Census Block Conversions API — https://geo.fcc.gov/api/census/

ATTACHMENT 4

September 4, 2026

Stokes County Board of Commissioners
1014 Main Street
Danbury, NC 27016

VIA EMAIL: wbarneycastle@co.stokes.nc.us, bchandler@co.stokes.nc.us, scox@co.stokes.nc.us, rmorris@co.stokes.nc.us, kwood@co.stokes.nc.us, bryanmiller@co.stokes.nc.us

RE: Opposition to Proposed Data Center due to Guaranteed Damage to Archaeological, Historical, and Cultural Resources

Dear Stokes County Board of Commissioners,

Thank you for the opportunity to provide comment related to the request of Engineering Land Solutions ("ELS") to rezone nearly 1,900 acres of rural, historic land in Stokes County for construction and operation of a hyperscale data center. The proposed development threatens to damage unique archaeological sites, impede historic preservation efforts, and sever the material and spiritual bonds between community members and their ancestors who lived and labored on this land.

In its *Comprehensive Plan: Moving Together, 2035*, the County clearly stated its long-term goal of preserving its "unique cultural identity."[1] Building a hyperscale data center on this site will destroy this unique identity by negatively impacting three categories of properties that have "statewide historical, architectural, archaeological, or other cultural significance" according to standards set forth by the North Carolina Department of Natural and Cultural Resources.[2] These include: (1) archaeological remains of Indigenous peoples dating back to AD 800, (2) cemeteries of enslaved and formerly enslaved people from the 18th and 19th centuries, and (3) other important sites representing the richness and breadth of state and county history that have yet to be adequately explored. If not preserved against the high-impact development, these sites will be lost forever.

We ask you to deny ELS's proposal pending a full study of archaeological sites, gravesites, and architectural remains on the parcels. In the alternative, we ask that you impose strict conditions on ELS to *not only* adhere to *but also* to supplement the requirements of state law.

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[1] *Stokes County 2035: Moving Together* (Apr. 14, 2015), https://issuu.com/dbdplanning/docs/stokes_county_2035_vision_plan_04_1/5.
[2] N.C. Gen. Stat. § 121-4(8). See *What Is Statewide Significance?*, State Hist. Preservation Office, NC Dept. of Natural & Cultural Resources, https://www.hpo.nc.gov/local-preservation/what-statewide-significance (last visited July 24, 2026).

ELS has already demonstrated that it is unprepared to ensure the safety of the many cultural, historical, and archaeological resources on and within the parcels. Its reapplication includes no details about the preparatory work of surveying and analysis necessary to avoid and preserve these irreplaceable resources. ELS's vague promise to follow "applicable state and federal review and reporting requirements" does not suffice. Its application fails even to name the tribal villages and the historic slave cemeteries its proposed development will decimate—despite the County's easily discoverable records of these sites. Assessing these resources on and within the land during construction guarantees that many of the known and yet-to-be-discovered archaeological and historical resources will be damaged, destroyed, and lost forever—and along with them Stokes County's unique identity.

Only with a thorough analysis of these resources before permitting ELS to build can the Commission make a wise decision regarding these resources. Instead of ceding the rights to the County's unique history to a hyperscale data center developer, the Commissioners should now (1) deny the request to rezone the floodplain to heavy industrial usage, and (2) enact standards for data center land use throughout the County that include protections for Native American habitation sites and the archaeological remains found at those sites, historic cemeteries, and precious architectural markers of the County's rich and important past.

1. **Concern for irreversible damage to known archaeological sites within the proposed data center parcels.**

The Dan River region is the ancestral homeland of the Saura people, an Indigenous tribe to North Carolina's Piedmont region, who inhabited the banks of the Dan River in Stokes County during the 17th and early 18th centuries. Archaeological and historical records document multiple Saura settlements within the proposed data center parcels, including at least three substantial villages located in the floodplain west of the river. One of these, the Upper Sauratown site, through a formal determination of the North Carolina National Register Advisory Committee (NRAC) was deemed eligible for listing in the National Register of Historic Places (NRHP).[3] Archaeological discoveries here include the remains of a young Indigenous woman known popularly as Saura Woman, whom North Carolina commemorates with a bronze statue at the entrance to the Museum of History in Raleigh. Saura Woman symbolizes the deep cultural and spiritual connection between Indigenous communities and the Dan River landscape. By forensically creating this statue and erecting it in the capital city, the legislature recognized the "statewide historical significance" of the Saura Tribe's longtime presence in Stokes

[3] This designation provides the same level of protection mandated for listed sites. The Upper Sauratown sites are ancestral, and recognized as ancestral, to the Catawba Indian Nation, a federally recognized tribe located in Rock Hill, SC. The Saura Indians merged with other tribes along the Catawba River to form the Catawba National in the early 1700s (after leaving the Dan River valley).

County.[4] Moreover, Saura Woman represents a crucial contribution to North Carolina's rich history that will be irretrievably lost if the Commission rezones this land to M-2 Heavy Industrial and cedes its management to industrial interests.

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The proposed hyperscale data center would negatively and irreversibly impact hundreds of acres of floodplain that are home to at least eight archaeological sites of historical and scientific importance. Excavated by specialists at the University of North Carolina (UNC), three of these sites have been—and remain—crucial pieces of the puzzle that comprises the rich history of the relationship between Indigenous people, early European settlers, and North Carolina's natural landscape.

After chance discoveries in the late 1960s and early 1970s exposed the western banks of the Dan River to indiscriminate looting of human burials, archaeologists from UNC began a long-term field project here to document and protect the state's unique historical record. From 1972 to 1981, they excavated two sites: Early Upper Sauratown (AD 1450-1620) and Upper Sauratown (AD 1670-1710); and in 1988 they excavated a third site, the William Kluttz site (AD 1690-1710).[5] At these three locations, scholars brought to light organized Saura villages, including evidence of defensive palisades, houses of post-in-ground construction, storage pits, roasting pits, objects of daily household and community use, and European trade goods from the 1600s.[6] The sites also included human remains: in

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[4] N.C. Gen. Stat. § 121-4(13) expressly directs the state's Department of Natural and Cultural Resources "To promote and encourage throughout the State knowledge and appreciation of North Carolina history and heritage by encouraging the people of the State to engage in . . . the marking and preservation of historic, architectural, or archaeological structures and sites of great importance . . . and other activities in historical and allied fields."

[5] The official designations for these sites, recorded by the NC Office of State Archaeology, are: 31SK1 (Early Upper Sauratown or Hairston site), 31SK1a (Upper Sauratown site), 31SK6 (William Kluttz site), 31SK8, 31SK9, 31SK15 (Nifong site), 31SK16, and 31SK28. All contain an abundance of artifacts and archaeological contexts indicative of substantial Saura and ancestral Saura occupations. Collections from all sites are curated by the UNC Research Laboratories of Archaeology.

[6] At the Early Upper Sauratown Site, the archaeologists excavated 1,000 square feet of site, uncovering 82,000 total artifacts & samples, including 57,800 pottery fragments, as well as 46 archaeological features (e.g., pits). At Upper Sauratown Site, in 16,000 square feet excavated (representing only a third of the site), they found 668,630 total artifacts & samples, including 250,000 pottery fragments, and an additional 335 archaeological features. At the William Kluttz Site, within 2,018 square feet, they found 52,220 total artifacts & samples, including 37,272 pottery fragments, as well as 66 archaeological features. See H. Trawick Ward and R. P. Stephen Davis, Jr., *Indian Communities on the NC Piedmont, A.D. 1000 TO 1700*, Mono. No. 2, Research Laboratories of Anthropology, UNC at Chapel Hill, 1993; R.P. Stephen Davis, Jr., Patricia M. Lambert, Vincas P. Steponaitis, Clark Spencer Larsen, and H. Trawick Ward, *An Abbreviated NAGPRA*

carefully arranged gravesites adjacent to family homes rested the remains of more than 150 individuals, many buried with precious funerary offerings of glass beads and copper ornaments. In all, excavations at the three sites revealed eight separate villages dating from AD 800 and extending through AD 1710, covering a period of over 900 years of Saura habitation, including during the period of initial European settlement and expansion into what then became North Carolina.

The western banks of the Dan River offer a unique window into Piedmont history. Typically, says Dr. Steve Davis, the UNC archaeologist whose teams excavated the three sites, "significant contributions to the archaeological record come from sites widely scattered across the landscape." This area, however, offers "a critical body of information from a single locality" about the Saura, one of the more dominant tribes in the North Carolina Piedmont—and therefore state history. The villages that Davis and his team uncovered are exceptional, representing not bits of evidence but entire communities. "And the architectural details of those communities are still relatively intact," Davis adds. What's more, the sites concentrated in this location relate to a critical period at the end of the 1600s and early 1700s, when Indigenous people first lived and then migrated away from the area because of European settlers. Historically, the banks of the Dan River at precisely this location are very important because those archaeological resources are finite. Says Davis, "There are no archaeological resources for understanding the Saura at that period anywhere else."

Despite what has already been learned from extensive excavations at the Early Upper Sauratown, Upper Sauratown, and William Kluttz sites, most of all three sites remain unexcavated. Additionally, surveys of the region by Davis and other UNC archaeologists identified evidence of more Saura villages along the western banks of the Dan River, both north and south of the three active dig sites. In 2026, these locations have yet to be excavated and studied. With the many hundreds of Saura who lived on this land in the seventeenth and early eighteenth centuries, archaeologists are confident that the three excavated sites do not

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Inventory of the North Carolina Archaeological Collection. Research Laboratories of Archaeology. UNC, 1998. https://archaeology.sites.unc.edu/wp-content/uploads/sites/187/2024/03/RLA-NAGPRA-Inventory-1996.pdf. After Congress enacted the Native American Graves Protection and Repatriation Act, these sites and artifacts were recorded in *Notices*, Federal Register 71, no. 175 (Monday, Sept. 11, 2006), 53473. Stokes county Historical Society's president notes, "Remains in cooking pits revealed a wide variety of plants and animals such as: maize, grapes, persimmon, plum, squash, hazelnuts, hickory nuts, walnuts and chestnuts, bear, deer, bison and mountain lion." Patti Dunlap, *Local Historian Provides Indigenous History of Stokes County*, Stokes County News (Oct. 9, 2024, updated Nov. 14), https://www.thestokesnews.com/online_features/community_cares/local-historian-provides-indigenous-history-of-stokes-county/article_595ca448-819a-11ef-8a0f-0b15b8004318.html.

represent the sum-total of scientific and cultural materials still hidden along the banks of the Dan River.

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All of these sites—the excavated villages and sites of future exploration—are within the footprint of the proposed data center, on Parcel #6964918321. The proposal to rezone this land from agricultural-residential to heavy-industrial will seriously endanger these sites and put an end to any possibility of further exploration.

Rezoning these acres along the Dan River for heavy-industrial use is both dangerous and unnecessary. By the loose guidelines of Text Amendment R (which, in opposition to residents and the county's Planning Board, the Commissioners enacted as part of the county's ordinance code on July 13, 2026), ELS would have free license to develop the land in ways fundamentally destructive to the fragile archaeological record. Amendment R "does not require a developer to identify what historic, cultural, or sacred sites sit on a property before the county allows a data center there as a conditional use," local historian Chad Bailey notes, pointing to the known Saura habitations in the proposed data center parcels where the Saura lived. "A massive proposal like Project Delta could move forward without the Board ever knowing what's on that site or what would be lost once it's covered in concrete and put behind a fence." Once that land is disturbed by development, Bailey adds, the chance to study it is "gone for good, and the Saura name becomes nothing more than a memory of what used to be here."

Residents like Bailey echo well-established state law and policy, which support the preservation of sites of cultural, archaeological, and historical significance to promote the shared humanity and dignity of our ancestors. North Carolina's Historic Preservation Plan emphasizes "the importance of historic preservation – and by extension, the shared humanity and dignity of the individuals who have come before us."[7] The Historical Commission's Plan constitutes "official State policy for preservation, or the encouragement of the preservation, of important historic, architectural, archaeological, and other cultural properties" in the state.[8] The Plan emphasizes how the state's "historic and cultural resources reflect the long and varied history of human habitation in North Carolina, spanning more than 12,000 years of human habitation, and includes Indigenous settlements and sacred sites, places associated with the earliest European and African contact."[9] Nowhere are the state's rich and layered archaeological resources more clearly present than in the Walnut Cove and Sauratown region of Stokes County.

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[7] *The State of NC 2025-2034 State Hist. Preservation Plan*, NC Dept. of Nat. & Cultural Resources, Off. Of Archives & Hist., Div. of Hist. Resources, NC State Hist. Preservation Off. (Dec. 2024), 10.
[8] N.C. Gen. Stat. § 121-8(d).
[9] *Preservation Plan*, *supra*, 10.

Indeed, the state of North Carolina already formally recognizes the historical significance of the Saura Tribe's inhabitation of the lands that would be irreversibly altered should the proposed data center be built. State Highway Markers officially recognize the statewide significance of Saura inhabitation in the pre-European and colonial period. The "Upper Saura Town" marker (J-43) is located at the US311 bridge over the Dan River, commemorating "a village of the Saura Indians" nearby. The state's Historical Highway Marker Program recognizes "sites of statewide historical significance" selected by the Department of Natural and Cultural Resources ("DNCR"). According to the program, the state defines "statewide historical significance" as "events, persons, or sites of prominence over and above those of local or regional note" and assigns this designation based on factors including "the relationship of the subject to North Carolina's history," "the subject's contributions to North Carolina," and the subject's "consequence" to state history.[10] The history of the Saura Tribe in Stokes County is the history of North Carolina.

By its own admission, the developer of Project Delta has not conducted detailed studies to identify and assess the archaeological resources located on the parcels on which it will construct heavy-industrial buildings. Limiting its interest to "known archaeological sites, those that have been determined eligible for the National Register [of Historic Sites]," ELS claims that these sites located in the floodplain "are being avoided," while failing to offer details or guarantees for protection.[11]

Rezoning the floodplain to heavy-industrial without imposing severe development and use restrictions will expose the riverbanks to Project Delta's largely unrestricted use. By the limitations of state statute, permitted use of floodplain land includes agricultural development, which is more than sufficient to destroy the archaeological evidence of Saura habitation that archaeologists discovered close to the surface. State statute also allows development of the floodplain to include parking lots, aircraft ports, golf courses, septage applications, and other uses, even mining.[12] A county or local municipality, however, may enact stricter zoning requirements than the State requires.

ELS's request for heavy-industrial conditional permitting appears to limit its permitted use of roughly 800 floodplain acres; in the floodplain areas designated by FEMA (Map Nos. 3710696200K and 3710696400K), ELS's request states that "development and uses" may include "infrastructure improvements and recreational, agricultural, conservation, preservation, and open space uses."[13] ELS

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[10] N.C. Gen. Stat. §§ and 136-42(3); 07 NCAC 04T .0101(2), and .0104, Highway Historical Marker Program, at 2.

[11] Stokes County Board of Commissioners Meeting, Jan. 12, 2026.

[12] N.C. Gen. Stat. § 143-215.54.

[13] *Proposed Zoning Conditions* at 5, ELS Project Delta Application, July 20, 2026. The request continues: "Except as expressly provided *above*, no other development shall be permitted within the designated floodplain areas" (emphasis added). ELS's use of "above" introduces ambiguity; it is not sufficiently limiting to the uses specified in Section 5 alone

claims that "The reason for including the floodplain areas within the rezoning request [is] to establish enforceable protections not currently provided under the existing zoning."[14] This is not accurate: in Residential-Agricultural districts, the County's Zoning Ordinance already permits the uses ELS mentions in its July 2026 application.[15]

The North Carolina statute that governs the treatment of Native American artifacts as well as sites of habitation provides that private owners of property "containing Indian relics, artifacts, mounds or burial grounds are urged to refrain from excavation or destruction thereof and to forbid such conduct by others."[16] This language has the force of recommendation, not requirement; the law merely encourages a private landowner to notify and consult appropriate state agency experts. In short, state law provides few protections against private landowners removing or relocating artifacts found on their property or building over the sites and contexts where those artifacts were discovered. While the NC Archaeological Record Program provides support and resources to owners of "archaeological resources" on private lands, the program is voluntary. A private landowner who does not, however, wish to preserve the "irreplaceable historic and prehistoric resources of the State" discovered on his land can damage or destroy them at will.[17]

In sum, state protections for artifacts, habitation sites, and archaeological excavation sites found on private property are largely advisory.[18] The private property owner of the floodplain along the western side of the Dan River, which includes three known Saura Tribe excavation sites and many more habitation sites north and south of the dig sites, can permit a lessor to do with its land and archaeological resources as it wishes, including develop the land for industry and generally to repurpose the land for any private or public use.

Stokes County has the authority and power to head off the certain destruction of these precious and sacred sites of statewide historical, archaeological, and cultural significance. Instead of rezoning these acres to the extreme of heavy-

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and allows the exception to apply to every use in the zoning request listed in Sections 1 through 5. Given the community's concern for the floodplain's preservation, and that Courts have clearly established how lack of specificity of a single word in a provision can lead to wildly divergent interpretations of that provision, ELS's placement of an ambiguous term here is reckless.

[13] N.C. Gen. Stat. § 70-49.

[14] Applicant's Public Information Meeting Report § 4(c) (Jul. 20, 2026), https://cms9files.revize.com/stokescountync/(5)%20PIM%20Written%20Report.pdf?t=20260 7220850020.

[15] See *Zoning Ordinance*, Stokes County, https://cms9files.revize.com/stokescountync/Planning%20&%20Inspections/Documents/Stok esCountyZoningOrdinance26.pdf, 40-45.

[16] N.C. Gen. Stat. § 70(1).

[17] N.C. Gen. Stat. § 70-49.

[18] See Section 2 below for State law guidance for human remains.

industrial usage, the county should designate them as protected land and enact stringent requirements for their use and upkeep.

The County can honor its history—and its unique contribution to the rich and layered history of the state—by refusing to rezone the floodplain for heavy-industrial use. Instead, to securely protect the historical record and the opportunity for experts to study these sites in the future, the western banks of the Dan River should be placed under the management of a nonpolitical historical preservation organization.

2. <u>Concern for damage to cemeteries of historical and spiritual significance to descendants and to others with reasonable interest in the sites.</u>

ELS's proposed data center would sprawl over nearly 1,900 acres of land whose character is defined by its layered history. This land and history include the burial sites of hundreds—potentially thousands—of enslaved people and freed people of color from the seventeenth through the nineteenth centuries. Building a hyperscale data center around and atop these grave sites will expose human burial sites to damage by industrial equipment and potentially destroy descendants' and others' ability to access and upkeep these graves. North Carolina public policy strongly favors preserving and honoring gravesites. The Board of Commissioners must not allow industrial development to destroy and dishonor such sites.

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The land east of the historic town of Walnut Cove and west of the Dan River that construction and operation of data center will fundamentally alter is not only naturally stunning but also rich in state and national history. Following European colonization and the forced displacement of Indigenous peoples in the early eighteenth century, Scottish immigrants converted the fertile lands along the Dan River into plantation agriculture reliant on enslaved labor. Large plantations dominated the agricultural landscape of the region, but none so successful and influential as the Hairston family. Through the labor of enslaved people and the natural fertility of the soil, the Hairstons became one of the wealthiest families in the colonies and—after the Revolution—one of the wealthiest families in the country.[19] The history of the Hairston plantation, encompassing interactions and relationships between Indigenous tribes, European settlers, and enslaved then later freed blacks, is the history of early America.

[19] By 1851, the head of the Hairston family had become the wealthiest man in Virginia and one of the wealthiest men in the United States. The Hairston family owned ten major plantations, approximately 40 smaller plantations, and 10,000 slaves in Virginia, North Carolina, and Mississippi, including more than 12,000 acres of tobacco farmland in North Carolina alone. See the definitive study by Henry Wiencek, *The Hairstons: An American Family in Black & White* (2000).

After the Civil War, formerly enslaved families acquired farmland in southeastern Stokes County during Reconstruction. Many of these families established independent farming communities rooted in land ownership, agriculture, and church-centered community life. Descendants of those families, including members of the Hairston and Bailey families, continue to maintain generational ties to the land in and around the proposed data center site. One such community was Baileytown, a historically Black rural settlement established by formerly enslaved families. The community takes its name from the Bailey family, one of the founding families who acquired land in the area and helped establish a farming community that persisted for generations along the Dan River. Like many Reconstruction-era freedmen's settlements, Baileytown developed as a close-knit agricultural community in which families farmed small tracts of land, maintained churches and cemeteries, and built deep intergenerational ties to the surrounding landscape. Members of the Bailey family still live in Baileytown today.

A historic graveyard, containing the remains of dozens of individuals believed to be people enslaved on the Hairston Plantation, sits in a wooded area at the intersection of Highway 311 and Tuttle Road, on Parcel # 6964918321 within the planned data center site. While no definitive study of these graves has yet been made, Stokes County identifies this site as a cemetery. A 1991 North Carolina Cemetery Survey of the burial ground detailed specific features of the cemetery. Census takers identified approximately 65 graves located on the site, with an estimated 15% of the graves marked with stones. Local historians agree that the graveyard is the burial place of those who were enslaved on the land; oral tradition from the late nineteenth century onward identified it as a "slave cemetery." The 1991 survey speculates, without evidence, that the cemetery might also be a burial ground for members of the Saura tribe, pointing to the need to preserve this burial site for future study, as well.

This gravesite holds critical importance to community memory and connection to the past. Residents of Stokes County today trace their ancestry to individuals buried there. Members of the local Bailey family and the National Hairston Clan nationwide are intimately bound to this sacred site as a place of remembrance and shared history. This intimate connection to the unwritten past is crucial not only for the descendants of enslaved people but for all North Carolinians—White, Black, Indigenous, and all others. "Cemeteries can embody ideas about eternal dignity and redemption," notes anthropologist and human rights scholar Adam Rosenblatt, "but they can also serve a more practical purpose: they can make an argument about the status of the dead who are buried there, their fundamental equality with people who held more power in life."[20] Cemeteries can also foster "forms of belonging," binding the living to the past as well as to each

[20] Adam Rosenblatt, *Cemetery Citizens: Reclaiming the Past and Working for Justice in American Burial Grounds* (2024), 10.

other.[21] The cemetery at 311 and Tuttle Road is a vital site of cultural and spiritual resonance between the present and the past.

For more than a century, this cemetery has been accessible by a footpath located at the intersection of Highway 311 and Tuttle Road. Lifelong Hairston and Bailey family residents of the neighborhood recall untroubled access to the cemetery throughout their lives. Upon information and belief, in February 2026, shortly after the Board of County Commissioners' (subsequently retracted) rezoning decision on January 12, a metal gate appeared at the entrance to the path that leads directly to this cemetery, impeding access to the gravesites. The new barrier makes a clear statement that descendants are no longer welcome to visit the graves of their ancestors.[22] Rezoning this land for construction and operation of a data center would validate, rather than relieve, the anxieties of the concerned communities who are connected to this land and fear for the erasure of their history.

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Heavy-industrial development of these parcels will also likely endanger human remains, despite State protections. The NC Unmarked Human Burial and Human Skeletal Remains Protection Act offers protections to unmarked graves and cemeteries.[23] State law details how descendants of those interred on private property may access and maintain "abandoned public cemeteries." The law ensures that descendants of those interred, designees of those descendants, or anyone with a "special personal interest" may visit the cemetery, but, absent a judicial determination, they may only do so with the landowner's consent.[24] Moreover, State law entrusts County commissioners with the responsibility to care for so-called

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[21] *Ibid*., 150.

[22] It should be noted that in the context of burial grounds and other African American heritage sites, "descendant" does not refer narrowly to direct biological descent. See, in general, Michael Blakey's many works on "descendant community." "In its most fundamental form, a 'descendant community' is a group of people whose ancestors were enslaved at a particular site, but it can transcend that limited definition. A descendant community can include those whose ancestors were enslaved not only at a particular site, but also throughout the surrounding region, reflecting the fact that family ties often crossed plantation boundaries. A descendant community can also welcome those who feel connected to the work the institution is doing, whether or not they know of a genealogical connection." *Engaging Descendant Communities in the Interpretation of Slavery at Museums & Historic Sites: A Rubric of Best Practices Estab'd by the Nat. Summit on Teaching Slavery*, African American Cult. Heritage Action Fund, Nat. Trust for Hist. Preservation (Oct. 19, 2018), https://montpelierdescendants.org/wp-content/uploads/2024/07/Interpreting-Slavery-10_19_18.pdf.

[23] See especially N.C. Gen. Stat. § 70-29, 70-37, and 70-40; Useful NC Cemetery Laws, NC DCNR, https://archaeology.ncdcr.gov/programs/cemeteries/nclaws.

[24] N.C. Gen. Stat. § 65-101. Without the landowner's consent, an individual must hire an attorney to file a verified petition in County Superior Court to obtain an Order allowing access. N.C. Gen. Stat. 65-102. This renders access to ancestors' gravesites accessible to only those who can afford the expense of time and funds.

"abandoned cemeteries," requiring each county to maintain a list of such cemeteries within its jurisdiction.[25] In defiance of the General Assembly's intentions regarding the protection and preservation of human remains and sacred burial sites, Stokes County maintains no such list. This bodes ill for the cemetery at 311 and Tuttle Road.

North Carolina public policy strongly favors preserving and honoring grave sites. The North Carolina Supreme Court called burial sites "hallowed ground," emphasizing that once suitably buried a person's remains should generally remain undisturbed. Indeed, after interment, human remains are in the custody of the law, and disturbance or removal are subject to the court's review. Except in cases of necessity, landowners should respect and maintain the gravesites' sanctity. [26]

In its Project Delta application submitted on July 20, 2026, ELS states that if it encounters "[c]ultural, historical, and archaeological resources . . . before or during construction," it will follow "applicable state and federal review and reporting requirements" and it will act in "coordination with the State Historic Preservation Office." During ELS's July 8, 2026, public informational session, Drew Nations stated that the possibility of discovering such "resources" during construction is "why the pre-work is important to avoid" having to pause construction. In its January 12, 2026, presentation to the Board of County Commissioners, however, ELS admitted that it had not yet completed "detailed analyses" of the parcels rezoned for heavy-industrial use. In its July public information session and subsequent reapplication, it made no indication of having done that "pre-work" yet, nor did it provide an explanation of that pre-work in its re-application. What's more, despite the County's easily discoverable record of the cemetery at 311 and Tuttle Road, ELS's application does not acknowledge the presence of this graveyard on its proposed building site.

ELS's failure to expressly promise to protect all cultural resources, or to ensure access to known cemeteries located on the property, strongly suggests that

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[25] N.C. Gen. Stat. § 65-111. The State privileges the wishes of private landowners, even in the case of human burials. Through N.C. Gen. Stat. § 121-8(g), the State authorizes the DNCR "to take appropriate measures to record and permanently preserve information of significant historical genealogical or archaeological value when, in the opinion of the Department, any such information located within an abandoned cemetery is in imminent danger of loss or destruction because of the condition or circumstances of the cemetery." Note that this authority is at the department's discretion, not statutorily mandated, and it is merely to collect information, not to halt any damage or destruction to artifacts. Moreover, any such measures must be done "in such a manner as to cause as little inconvenience or disruption as possible to the owners of the land upon which the abandoned cemetery is located." When ELS asserts that it has no say in the fate of antiquities discovered during construction, the assurance is without strength.

[26] See *Mills v. Carolina Cemetery Park Corp.*, 242 N.C. 20 (1955) and subsequent cases that built on this precedent, reinforcing the State's priority of preserving and honoring the sanctity of gravesites.

its intentions regarding these sites is do as little as possible to satisfy statutory requirements.

Heavy-industrial development will likely endanger the historic, socially, and spiritually significant cemetery at Highway 311 and Tuttle Road. First, the presence of nearby industrial traffic would fundamentally alter the sacrality of the site. "Even when the boundaries of a cemetery itself are well drawn and protected," Dr. Rosenblatt notes, "a nearby road … can make a mockery of the idea of preservation." "[D]egradations" to "the marginalized dead"— the graves of enslaved people—include "[c]ars and trucks, rushing by with speed or wailing noise—noise that has been planned, mapped out, authorized to be near some people's dead and not others."[27] Second, physical damage to sacred sites and human remains located close to roads can easily occur, and has in fact already occurred to gravesites on the proposed data center site. As the 1991 survey of the "slave cemetery" reported, when the State regraded the side of the road, construction equipment unearthed graves far beyond the recognized boundaries of the cemetery. The surveyors noted that "<u>any</u> more grading done" would be a hazard "imperiling [the] cemetery's existence."[28]

The "slave cemetery" at Highway 311 and Tuttle Road is not atypical. A large proportion of Black-owned land throughout North Carolina is privately owned by non-descendants.[29] Consequently, many Black family cemeteries are located on private land now owned by another individual. Additionally, the law currently focuses on providing visitation rights for ancestors, but ancestry is determined in the present day through gravestone labels. Enslaved peoples' lack of access to commercial markers as well as to literacy meant that most cemeteries of enslaved people have no inscriptions. Instead, field stones were often used to mark burial sites, like the stones in the cemetery at Highway 311 and Tuttle Road. Moreover, the details of burials in these cemeteries—names, dates, etc.—tend to exist in the oral historical record alone. Often, however, lawmakers and local authorities ignore such non-written records.[30] Protecting the historic cemetery at Highway 311 and Tuttle Road by refusing to rezone the parcel for heavy-industrial use would be a statement of respect for both the "marginalized dead" buried there and for their living descendants in the area and nationwide.

If the Commissioners permit heavy-industrial development of these parcels, including the historic slave cemetery at 311 and Tuttle Road, this cemetery could

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[27] Rosenblatt, *supra*, 10.

[28] Double underlining in the original.

[29] From the late nineteenth through the twenty-first centuries, Black families have been systematically displaced from their land and cheated of property rights—often with the approval of local authorities—through loopholes in "heirs' property" laws. In *The Case for Reparations*, The Atlantic (June 2014), Ta-Nehisi Coates refers to this systematic theft of land as "plunder."

[30] Chicora Foundation, *Grave Matters: The Preservation of African-American Cemeteries* (1996), 4.

suffer irreparable harm – harm which impacts the living community as well as the dead.

3. Concern over the artificial distinction between known archaeological sites and other sites of ancestral significance to the county, state, and nation, which include unmarked graves and architectural remains.

Experts agree that "Stokes County's history is inseparable from its geography."[31] This geography includes a fertile river valley and rolling hills liberally dotted with the unmarked graves of Indigenous people and enslaved people, as well as architectural remains from the vast plantation that once dominated Stokes and surrounding counties. ELS has indicated it will "avoid" any "known" sites of historical significance.[32] As archaeologist and historic preservation expert Dr. Michael O. Hartley points out, ELS seeks to impose heavy-industrial use on "a massive tract of land that absolutely contains evidence that goes beyond what is already known."

First, the distinction between the uplands, where ELS proposes major construction, and the bottomlands (the floodplain)—on which it claims it will avoid industrial development—is a false distinction in determination of significance in the prehistoric record, the historic record, and present-day cultural meaning. Second, the entire acreage of the historic Hairston Plantation should be considered avital landscape; in the thousands of people, White and Black, who lived there over centuries, this land is ancestral not only to the local community but to the whole county too.[33] Finally, architectural remnants on Hairston Plantation lands—hugely important to state and national economic ascendancy in the eighteenth and nineteenth centuries—provide essential connections to that past and underscore the richness and depth of shared history. This broad expanse of land, laden with memory and meaning, should not be paved over for the sake of momentary and uncertain economic gain.

A. False distinction between lowlands (floodplain) and uplands (outside the floodplain)

The danger that heavy-industrial development poses to human burials at the historic cemetery located at the intersection of Highway 311 and Tuttle Road (Section 2 above) also threatens the burials of Indigenous people on the parcels that will be rezoned. All village sites are, by their very nature, Indigenous cemeteries. The common cultural practice of the Saura and other related and ancestral groups

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[31] Laura Philips, *Stokes County Hist. Inventory: Final Report* (1989), 3.

[32] Repeated use in its January 2026 presentation to the Board of County Commissioners of the word "known" suggests ELS only intends to preserve archaeological and cultural sites which have already been excavated and officially acknowledged.

[33] See especially Laura Philips, *Stokes County Hist. Inventory: Final Report* (1989); and Henry Weincheck, *Hairston Plantation: A History in Black & White* (20??).

was to bury their dead *within* their villages. This goes for the three excavation sites, which themselves are only partial excavations of known villages, but also for the as-yet unexplored habitation sites in the floodplain that archaeologists identified. Because epidemic diseases (introduced through contact with Europeans) and increased warfare led to extremely high mortality rates among Indigenous people, the density of graves within villages is expected—and in fact in two of the three dig sites was found to be—substantial.

In short, while archeologists identified the remains of more than 150 individuals on the three excavation sites, including Saura Woman, there are many more yet to be discovered. To be crystal clear: numerous *human remains* are *still in the ground*. Like the remains of individuals unearthed by grading equipment on Highway 311 at Tuttle Road, these Saura burials are also close to the surface. Construction equipment will inevitably unearth, damage, and potentially destroy the remains of people who lived and labored on this land for centuries and whose descendants today live, work, and spiritually connect with their ancestors through these sacred sites.

Furthermore, the presence of major prehistoric Native and Native American occupations in the floodplain—extending over many centuries—cannot be fully or meaningfully understood if prehistoric human activity in the uplands is not also taken into account. Humans have occupied the Dan River's western banks as well as the uplands above the floodplain for at least twelve thousand years. Preliminary archeological surveys of the area performed by UNC archeologists, including surface testing and systematic soil auguring, revealed evidence of habitation from ancient times forward, including within the uplands; however, archaeologists have not yet had the opportunity to adequately study the uplands within the project area.

ELS seeks to build one of the largest data centers in the country on these uplands, more than 45 million square feet in surface area.[34] ELS's CEO Drew Nations claims that "if anything is encountered during construction, we will call in the state and get it taken care of."[35] That is not a realistic proposal for any kind of

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[34] In its July 2026 application to the County, ELS proposes to develop the entire 1,848.74 acres. The proposal fails to specify how many multi-story data center buildings it will construct on the approximately 1050 acres not in the floodplain. For perspective, however, based on images ELS provided in its January 2026 application, and estimating conservatively, the rooftops of the data center buildings alone would provide enough space for every team in the NFL to play at the same time.

[35] Questioner (Q): "If you find artifacts, what do you do? Once you report them, then what do you do?" Drew Nations (DN): "It goes to the State Historical Preservation Office [SHPO] to come out, and then they do testing, . . . and then there's kind of a— a decision tree from there that they ultimately will implement. It's not even up to me." Q: "So, if it's under the middle of one of the buildings, what happens?" DN: "We can't get to that point. We will get stopped before that happens. So if we are grading for a building, we—" Q: "That's not what I'm talking about." DN: "Oh, mid-process." Q: "Yes." DN "Oh, not after pouring concrete. Oh, got it, got it. Um, yeah, then at that point, um, the construction teams raise their hand,

preservation. The loose plan to call in State archaeologists to "handle" any resources encountered in the processes of construction relies on an unrealistic understanding of State capabilities. State Archaeology experts have limited ability to actively address potentially significant remains. The State can indeed examine remains and confirm the probability of potential significance. If State employees deem archaeological fieldwork necessary for proper treatment of a substantial resource, however, the assembly of a trained archaeology crew can be required. This process, which normally depends on contracted consultants, is both expensive and time consuming. ELS's proposal that the State Historic Preservation Office will take care of any historic resource issues that emerge (which may be significant), is hollow.

In sum, the use of heavy ground-moving equipment, with operators whose focus is to accomplish construction goals, is by no way a reasonable means of recognizing and saving significant historic and prehistoric remains. The best immediate treatment of a significant resource is to record the location and leave it undisturbed *until such time as* the information contained there may be wanted. Building on the uplands at the enormous scale ELS proposes will destroy forever any chance of exploring prehistoric and historic human activity. That cannot be expected in the case of hyper datacenter construction. The Commissioners should include *as a condition of rezoning* that ELS perform a throughout study of all sites of archaeological significance *prior to* any development activity.[36]

B. Unmarked graves of enslaved people

All parcels rezoned for the proposed Data Center were once part of a vast complex of farms that comprised the Hairston family's plantation. Today, many Black residents of the area trace their ancestry back to the Hairston Plantation. After Emancipation in 1863, many freedmen and freedwomen remained on the land as sharecroppers. Their descendants still live on the former plantation land today in

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it goes straight to SHPO, SHPO representative has to come out, we have to pause construction and then address the items there. That's why the pre-work is important to avoid this from the get-go. But if we find anything, SHPO comes out, they handle it, and, and then again, there's that decision tree from there on exactly what they do, relocate, remove entirely, you know…and it depends on what it is, too. So there's, that's really for a state office—I don't really have say in what happens." Q: "Where is that decision tree? Where could we find that?" DN: "If you call the SHPO office, and I think they're based in Raleigh, I would talk to, um, we've been, I forget the gal's name— sorry, I've got a tickle in my throat. I forget the gal's name we would talk to, but the SHPO office, um, has a whole process for how they handle this, um, pre-development and during construction." ELS Public Information Meeting, Jul. 8, 2026, at 4:29 PM.

[36] The federal government recently substantially degraded the ability of State Preservation employees to address datacenter development. An executive order to streamline permitting and environmental review processes for datacenter construction, particularly for projects requiring over 100 megawatts of new electricity, significantly curtails federal tools available to state agencies to address historic preservation needs impacted by data center construction.

the tight-knit Baileytown neighborhood of extended family immediately adjacent to the rezoned property.

The strength of historical communal ties to the area finds powerful cohesive expression in the National Hairston Clan, Inc. ("NHC"). Originating at a family reunion of black Hairstons in 1931, the annual gathering now attracts more than 1000 members from across the country. It is a unique community, comprised of the Black lineal descendants of one of the largest slaveholding plantation families in the country. As such, the NHC's cultural connection to the rezoned land is deep and historically significant.[37] All members of NHC trace their roots to the property on which ELS proposes to build a hyperscale data center. Many members of the NHC still live in Stokes County—some still in the Walnut Cove and Sauratown neighborhoods. The proposed data center would irretrievably damage the peace and enjoyment of their ancestral property.

Construction would also disturb numerous burial sites. Local tradition identifies multiple gravesites throughout the former plantation property, particularly in wooded areas, as the burial places of enslaved people. The County recognizes two cemeteries as community burial sites: the graveyard at 311 and Tuttle Road, and a cemetery north of the proposed data center site owned by the NHC.[38] The latter is the final resting place of both Peter Hairston, plantation family patriarch, and his common-law Black wife Sally Blagg.

These two cemeteries are not, however, the only known burial places in the area. Current residents attest to wandering freely across this farmland during their childhoods, encountering graves which their grandparents and great-grandparents knew to be the resting places of their own parents, grandparents, and great-grandparents. Oral historical sources maintain that numerous enslaved people were buried near the old plantation house (see Section 2C below), and residents have identified more graves along Wicker Road.

"Marginalized burial grounds," states Dr. Rosenblatt, "are places of structural violence and systemic vandalism, impacting both the dead and the living communities connected with them."[39] Constructing a hyperscale data center atop

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[37] In 1973, the extended family incorporated with the goal of bringing about "a greater involvement of family solidarity and kinship among surnamed white and black relatives whose origins begin in the [Hairston family's] nine plantations." *History*, Nat. Hairston Clan, Inc., www.nationalhairstonclan.org (last visited July 24, 2026).

[38] In 2003, the NHC purchased Peter Hairston Cemetery, a 1.029-acre parcel less than 800 feet north of the proposed data center location. In the early 1800s, one member of the White plantation-owning Wooded and peaceful, the NHC's cemetery is the final resting place of Peter and Sally's descendants.

[39] Rosenblatt, 3. Criminal statutes threaten felony offense to persons who "knowingly and willfully… [o]pen, disturb, destroy, remove, vandalize, or desecrate" human remains," as well as anyone who covers, obliterates, or removes any grave or portion of a grave, or engages in any conduct that disturbs or defaces markers, fences, plants, flowers, or other cemetery articles without legal authorization or family consent. N.C. Gen. Stat. §§ 14-148,

countless unmarked graves of enslaved people to whom locals and people nationwide trace their cultural and familial lineage would be vandalism on a huge, irreversible scale, destroying the sacred connection between the living and the dead that should instead be respected.

C. Architectural sites and plantation history

The uplands west of the Dan River boast a rich history of agricultural labor and success that fundamentally defines the County and State's importance to early America, including numerous architectural remains. These sites and objects of physical memory should be protected from the destructive force of industrial development.

For centuries, the thousands of acres now targeted for heavy industry were Hairston family land.[40] In the early eighteenth century, Scotsman "Peter the Immigrant" Hairston landed in Pennsylvania, traveled the Great Wagon Road to Virginia, and began buying slaves and growing tobacco.[41] Peter's children enlarged the family's planting operations south and across the Dan River into what later became Stokes, Rockingham, Forsyth, Davie, and Davidson counties. The soil on the banks of the Dan proved exceedingly fertile and the Hairston tobacco empire expanded through central North Carolina, providing capital for land purchases in Mississippi as well, and eventually making the head of the family one of wealthiest people in the country. The history of the Hairston Plantation is the history of American agricultural ascendency.[42]

14-149. Nevertheless, burials near the excavation sites have been willfully destroyed: archaeologists report witnessing individuals plowing up human remains to reach a fertile layer of soil for crops, and "Saura Woman" was discovered during a period of intense looting.

[40] By the nineteenth century, the Hairston family was the largest land and slave owners in Stokes County. Phillips, 6, 53. Although the original plantation house on the east side of the Dan River burned sometime before 1870, the nearby Hairston family cemetery—now owned by NHC—includes the burials of Peter and his wife Aylcie Perkins (1766-1814). In 1989, several support buildings still survived.

[41] During the Works Progress Administration in 1927, the Great Wagon Road received federal grant support and became US 311. The proposed data center would use this historic country highway as its principal construction route and thereafter for ingress and egress to the site: "Primary access from US-311; additional road connections may be added during plan review." Stokes Co. Rezoning Application, 9. Notably, ELS's July 2026 application does not address routes of access to the site for construction or otherwise.

[42] The nearly two thousand acres in question here were part of the Saura Town Plantation, first established by "Saura Town Peter" Hairston in 1786. Saura Town Peter built the family's first manor home in North Carolina east of the river while amassing thousands of acres of land. Operations on the early plantation included an iron forge, general store, roadhouse, tobacco inspection station, and distillery. Saura Town Peter went on to serve four terms as a State Senator. Wiencek, 277.

At the height of its tobacco empire, the Hairston family built at least two large homes between Walnut Cove and the Dan. Hairston Sauratown Plantation House, built in 1870 and located at the end of Saura Farm Road off Tuttle Road, still stands today. [43] In 1989, County architectural historian Laura Phillips described its construction as a "sophisticated" building whose "design and detail are unique in Stokes County."[44] While the main house saw some renovation, the original Gothic Revival design persists in an outbuilding.[45] The family built another house, as well, a "Summer House" on Coon Joyce Road south of US 311. Continually inhabited, this home succumbed to fire in the later part of the twentieth century.

Although these two grand houses are no longer around to reveal the rich layered-ness of the plantation economy that dominated the County for centuries—embracing both planters and enslaved people—burials on these sites are an important marker of that complex past. Residents whose families have farmed the area for generations are confident that the remains of Hairston and Bailey family members are located on these parcels, close to the remnants of the family homes. What's more, archaeological information about the planters and the people they enslaved (such as domestic sites and work places) may still be present just beneath the surface of the soil. In short, the ancestry of thousands of Hairston descendants—both White and Black—is tied to this land. Both house sites are

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[43] In 1995 (DB386 PG1430), ownership of 1062 acres with the house went out of the Hairston family (Saura Town Plantation, Inc.) to Norman & Kaye Nifong (Forsyth County lawyer). In 2012 (DB629 PG173), Nifong sold the 1062 acres to JP Farms LLC (VA) and DFC Stokes, LLC (NC). In 2013 (DB640 PG2484), these acres were part of several large tracts from JP Farms LLC to DFC Stokes. Roughly twenty years ago, the house stood vacant but basically stable. Subsequently, architectural salvagers removed the trim, doors, and other detachable antiquities.

[44] "It is a one-and-a -half-story structure with an unusually long façade, interior chimneys, and a cross plans consisting of two central back-to-back rooms flanked by mirror-image stair halls with single rooms beyond. The porch which nearly encircles the house and the doors which originally opened to it from each of the first floor rooms provided excellent ventilation for what was used primarily as a summer residence, according to family tradition. The exterior of the Hairston House strongly hints of the Gothic Revival, with its slender fluted and chamfered porch posts, two lance-arched window on the central projecting bay, and multiple gable and dormers with sawnwork and pierced work bargeboards. The handsome interior displays a combination of stylistic influences and includes conservative paneled wainscots, Greek Revival-inspired two-panel doors and post-and-lintel mantels, and other mantels and doors of Italianate and later Victorian inspiration. Adding to the sophistication of the house is a collective of expertly wood-grained doors." Laura Philips, *Stokes County Hist. Inventory: Final Report* (1989), 53.

[45] A "square, weatherboarded log structure is detailed with a scalloped bargeboard and pedimented entrance. Phillips, *supra*, 53. See also Wiencek, *supra*; Wilson and Hairston Family Papers, ca. 1750s-1950s, University Library, UNC at Chapel Hill, https://finding-aids.lib.unc.edu/catalog/04134.

within the parcels rezoned for the proposed data center. Once developed for heavy-industrial use, these mementos of Stokes County's past will be lost.

Additionally, the parcels on which a hyperscale data center would be built are dotted with other buildings of meaningful historical significance to the rural community's residents. To the unconcerned eye, these buildings appear to have no significance but in fact hold lasting importance to residents and to the communal memory of the county's agricultural roots. Longtime residents Tim and Deborah Mabe (whose family has owned this land for generations) purchased an old tobacco barn off a neighbor's property, relocated the building to their own property, and restored it. Historical stewardship was their goal: to ensure that the buildings where enslaved people labored on the Hairston plantation would not be lost to memory. The proposed data center site encompasses many other such architectural and cultural remnants of the community's past, which industrial construction will irreparably harm.[46]

In 2015, after extensive study, surveys, and public input, the County in its *Comprehensive Plan 2035* stated its goal of preserving its "unique cultural identity."[47] Similarly, in 2025, North Carolina trumpeted its historical preservation mission to preserve "the shared humanity and dignity of the individuals who have come before us."[48] The rural landscape on which Hairstons, Baileys, and others lived and labored—the fields, woodlands, farms, and grave sites—define the shared cultural heritage of Hairston descendants as well as all residents of Stokes County today. Should the data center be built, this unique *and uniquely American* landscape will alter significantly, impacting the historical, cultural, natural, and spiritual landscape of Hairston Plantation descendants irreversibly.

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[46] Additionally, Walnut Cove, which is immediately adjacent to the proposed data center site, is an iconic example of small-town America, with a population of fewer than 2,000 people. Officially chartered in 1889, today it is home to a tight-knit community with deep genealogical roots in the surrounding farmlands, boasting historically significant buildings that are still in active use, such as the building that housed the Walnut Cove Colored School, on the National Register of Historic Places, now home to a multi-cultural community center. In 2018, the state deemed the whole town eligible for inclusion in the National Register of Historic Places for its "association with commerce" and because it retains the county's "largest concentration of historic commercial architecture." See MEMORANDUM: Hist. Structures Survey Report, NC DNCR, State Hist. Preservation Off. (Apr. 3, 2018). Residents worry that the proposed data center will loom as an industrial menace over their quiet historic town, destroying its community-centered tranquility and endangering its historically significant architectural and cultural character by complicating efforts at historical preservation.

[47] *Stokes County 2035: Moving Together* (Apr. 14, 2015), https://issuu.com/dbdplanning/docs/stokes_county_2035_vision_plan_04_1/5.

[48] *NC Hist. Preservation Plan 2025-2034*, 10, https://digital.ncdcr.gov/Documents/Detail/state-of-north-carolina-2025-2034-state-historic-preservation-plan/6272639.

4. **Conclusion**

Building a hyperscale data center on this land embedded with rich historic resources will destroy Stokes County's unique cultural identity. Construction of data center buildings on these parcels, including "infrastructure improvements" in the floodplain, will endanger shallow archaeological sites, damage the gravesites of generations of ancestors, and further decimate known architectural resources.

Commissioners, memory is strong. Without extensive preparatory study and careful deliberation over every detail of the irreplaceable archaeological, historic, and cultural resources that construction and operation of a data center will damage, you must not approve this project. If you allow it to go forward now, your names will forever be associated with disregard for your community's remarkable past and disrespect for the ancestors in whose footsteps you now walk.

Sincerely,

Chad Bailey
Vice President, Stokes County Historical Society
President, Walnut Cove Colored School

R. P. Stephen Davis, Jr, PhD
Emeritus Professor of Anthropology and Archaeology
Associate Director Emeritus, Research Laboratories of Archaeology
University of North Carolina at Chapel Hill

Martha Hartley, MUP
Director of Moravian Research, Old Salem Museums & Gardens

Michael O. Hartley, PhD
Historical Archaeologist

Adam Roseblatt, PhD
Professor of the Practice, International Comparative Studies and Cultural Anthropology
Faculty Director, Duke Human Rights Center
Duke University

APPENDIX – BIOGRAPHIES

Chad Bailey

Chad Bailey is a local historian, lifetime resident of Stokes County, and a fifth-generation descendant of Peter Hairston and Sally Blagg. A graduate of South Stokes High School, he first became interested in local history and preservation when he realized how important historical research could be for himself and others who wanted to learn more about their ancestral roots. As Vice President of the Stokes County Historical Society since 2022, he has helped countless community members discover their own history, including their personal and family connections to Stokes County. In particular, he has traced the roots of Hairstons from across the country—from North Carolina to West Virginia to California—connecting individuals and family lines to the former Peter Hairston (Sauratown) Plantation. Mr. Bailey is also the current president of the Walnut Cove Colored School. Built in 1921 as a five-room expansion of an earlier one-room school for Black children during segregation, in 1995 it took its place on the National Register of Historic Places. Mr. Bailey's grandfather attended the school. From his grandparents, Mr. Bailey first absorbed knowledge about this school, the cemetery at US 311 and Tuttle Road, and the rich legacy of his extended family throughout the county and state.

R. P. Stephen Davis, Jr., PhD

Steve Davis is Emeritus Professor of Anthropology and Archaeology, and Associate Director Emeritus in the Research Laboratories of Archaeology, University of North Carolina at Chapel Hill. For more than fifty years, Professor Davis has researched the early history of Native Americans in the American South, particularly the impact of European colonization on native peoples in Virginia and the Carolinas during the seventeenth, eighteenth, and early nineteenth centuries. As head of the Siouan Project with Roy S. Dickens, Jr. and H. Trawick Ward between 1983 and 2002, Davis explored late precontact and early contact-period sites in north-central North Carolina to identify and explain the patterns and processes of culture change that accompanied the first encounters with English explorers and traders. Through the Catawba Project with Brett H. Riggs from 2001 to 2016, Davis documented the Catawba Nation's emergence and social, economic, and political transformation during the late Colonial and early Federal periods. For these projects, Davis won major grants from the National Geographic Society, National Science Foundation, University of North Carolina, South Carolina state government, and private industry. Additionally, since 1992, Davis has undertaken numerous archaeological excavations on the campus of the UNC at Chapel Hill. Usually conducted ahead of construction or renovation projects, these excavations contributed significantly to an understanding of campus life during the university's first 100 years while providing a practical laboratory for training students in archaeological field methods. With a career-long interest in archaeological visualization—ranging from traditional techniques of field photography and mapping to CAD, GIS, and the

creation of 3D models using digital photogrammetry—Davis is particularly interested in the application of emerging technologies to archaeological problems, especially as they relate to the spatial analysis of archaeological data.

Martha Hartley, MUP
Director of Moravian Research at Old Salem Museums & Gardens. She is a Preservation Planner focused on community preservation, advocacy, and public awareness. Her work is based on scholarly investigation of the Moravian experience and community engagement. She lectures regularly and prepares articles. From 2017-2023, Ms. Hartley lead Old Salem's Hidden Town Project to reveal the history of African and African descended people through research and public outreach. Over the course of the Project, she instructed and supervised 33 university interns in archival research and analysis of slavery. She authored "The Changing Landscape of Slavery in Salem and Its Legacy," in *Moravian Americans and Their Neighbors, 1772-1822* (Brill, 2023) and prepared the exhibition "Selections from Across the Creek: Happy Hill" (2022) about Winston-Salem's oldest African American neighborhood. She co-authored the revised and expanded Old Salem National Historic Landmark District Nomination (2016), expanding the district from 62 to 193 acres. She currently serves on the board of the Moravian Unity Cultural Heritage Foundation with representatives from four continents. For the past 40 years, she and her husband MO Hartley PhD, anthropologist and Emeritus Director of Archaeology at Old Salem, have worked together with archaeology, history, landscape, and preservation in the Winston-Salem area, particularly the Moravian context. Honors for their work include the David Schattschneider Award for Excellence from the Center for Moravian Studies in Bethlehem, Pennsylvania; the Robert E. Stipe Professional Award from Preservation North Carolina; and the Archie K. Davis Award from the Wachovia Historical Society. A native of Winston-Salem, Martha Hartley received undergraduate degrees from Hollins College and studied for a year in Paris. From the University of Virginia, she received a Master's in Urban Planning and a certificate in Historic Preservation.

Michael O. Hartley, PhD
"MO" Hartley is a Historical Archaeologist with Master's and PhD degrees in Archaeology and Anthropology from UNC-Chapel Hill. For forty years, Dr. Hartley has researched the archaeology, history, landscape, and preservation of the Moravian communities in North Carolina. Through reports, publications, lectures, and tours for professional and community groups, colleges, and university students, Dr. Hartley advocates for historical preservation and community engagement. From 1991 to the present, he has prepared numerous nominations for the National Register of Historic Places. As Archaeologist and Principal Investigator at the Institute of Archaeology and Anthropology, University of South Carolina 1971-1975 and 1979-1984, he surveyed, researched, and wrote about numerous 16th through 19th-century archaeological sites, including Spanish, French, British, and Revolutionary War-era forts and towns throughout South Carolina. As an

independent consultant, Dr. Hartley has worked on historical preservation sites throughout North Carolina, partnering with local and state agencies to illuminate and protect historic resources. Funders for Dr. Hartley's work include Clive Cussler, National Geographic Society, National Endowment for the Humanities, and the South Carolia Department of Archives and History. As Director of Archaeology at Old Salem Museums and Gardens from 1998 to 2017, he continued his work in historic preservation research, teaching, and advocacy.

Together, Martha and MO Hartley have been honored with the 2020 David Schattschneider Award for Excellence from the Center for Moravian Studies in Bethlehem, Pennsylvania, the Archie K. Davis Award (2011) from the Wachovia Historical Society, and Robert E. Stipe Professional Award (2008) from Preservation North Carolina.

Adam Rosenblatt, PhD

Adam Rosenblatt is Professor of the Practice in International Comparative Studies and Cultural Anthropology at Duke University and the Faculty Director of the Duke Human Rights Center. An ethnographer interested in human rights, the ethics of care, and our ongoing ties to the dead, Professor Rosenblatt is the author of *Digging for the Disappeared: Forensic Science after Atrocity* (Stanford University Press, 2015), a winner of *Choice's* 2016 Outstanding Academic Title award, and *Cemetery Citizens: Reclaiming the Past and Working for Justice in American Burial Grounds* (2024). *Cemetery Citizens* focuses on ongoing reclamation efforts in African American burial grounds, using sketches and poetic inquiry to "draw out" the voices and active, embodied presence of descendants, grassroots activists and memory-workers. Rosenblatt serves on the Board of Directors of the Friends of Geer Cemetery, teaches community-engaged courses, and is the co-founder of the Durham Black Burial Grounds Collaboratory, an academic-community-cemetery partnership funded by the Duke Endowment. He has also published pieces on the politics of autism, civic engagement and teaching, and human rights activism in *Disability Studies Quarterly*, *Human Rights Quarterly*, *The Applied Anthropologist*, *Hybrid Pedagogy* and other journals. Additionally, he has served as consultant to the United Nations and other policymakers on questions of missing persons and mass graves. A cartoonist, as well, Rosenblatt shares his work on Instagram at @researchcartoonist.

ATTACHMENT 5

STOKES COUNTY

EXECUTIVE BRIEF TO THE BOARD OF COMMISSIONERS

Planning Board Special Meeting — August 13, 2026

Prepared for:	Board of Commissioners meeting — August 24, 2026
Prepared by:	Bryan Miller, Assistant County Manager
Subject:	Planning Board recommendation on the Conditional Rezoning Application — "Project Delta"
Planning Board vote:	Recommend denial, 5–2 (Ayes: Tilley, Sizemore, Stanley, Whitaker, White; Nays: Flinchum, Turpin)

Conditional Rezoning Application — "Project Delta"

Recommendation

The Planning Board voted 5–2 to recommend denial of the proposed conditional rezoning to M-2-CZ (Heavy Manufacturing — Conditional Zoning) for a proposed data-center development, finding the proposal inconsistent with the Stokes County 2035 Vision Plan. The motion further recommends that, if the Board of Commissioners nonetheless approves the rezoning, it consider the additional conditions stated by Planning Board Chair Ronnie Tilley (summarized below).

Ayes: Tilley, Sizemore, Stanley, Whitaker, White. Nays: Flinchum, Turpin.

Application Summary

- Applicant: Engineered Land Solutions, LLC (Drew Nations, presenter; Mike Fox, attorney).
- Requested action: Conditional rezoning to M-2-CZ limiting permitted uses to a data center and associated accessory uses, with no other M-2 uses permitted.
- Site: Approximately 1,848.74 acres across four parcels in an industrial corridor bisected by U.S. Highway 311, adjacent to a rail line and near Duke Energy's Belews Creek Power Station.
- Applicant-offered conditions address permitted uses; noise; a 300-foot generator setback from the exterior property boundary; cooling systems and water infrastructure; floodplain protection; lighting; a maximum 80-foot principal-building height; and buffer areas, including a 250-foot buffer adjacent to residential properties.
- Applicant projections: 250–500 full-time on-site jobs; more than 1,000 temporary construction jobs; property tax contribution rising from $8,244.32 today to a projected $40 million-plus at full build-out.

Basis for the Planning Board's Recommendation of Denial

- Mr. Sizemore, in moving denial, stated that the proposal is inconsistent with the 2035 Vision Plan's vision of a healthy built and natural environment respecting rural character, preserving the natural environment, supporting small business development, and locating development where infrastructure already exists.
- Concerns raised in Board discussion included the hyper-scale nature of the facility, the phrase "without limitation" in the proposed permitted-uses condition, uncertainty regarding on-site power generation and duration of bridging generation, the location on a

site with historical and cultural significance, and comparability to smaller, grid-connected data centers.

Public Comment

The Chair permitted a three-minute per-speaker public comment period. Two speakers spoke in favor, identifying with Indigenous heritage of North Carolina (Lumbee Tribe and Sauratown ancestry) and citing the floodplain protection condition and its role in preserving culturally significant areas. Nineteen speakers spoke in opposition, raising the following recurring themes:

- Water — source of supply, replenishment frequency, discharge chemistry, and impacts on private wells and municipal supply.
- Air quality and emissions from diesel and natural-gas generators, and ambiguity on how long on-site generation would be required.
- Noise — that the proposed decibel limits are higher than restrictions used in comparable jurisdictions, and that infrasound is not addressed.
- Scale — that a hyper-scale campus is a new land use whose long-term effects are not well established.
- Historic and cultural resources on the site (Upper Sauratown area).
- Decommissioning — the absence of a bond covering removal and site restoration.
- Process — a request that the Board defer action until additional information is available.

Additional Conditions for Board Consideration if Approved

The Planning Board's motion incorporates the following additional conditions, offered by Chair Tilley on August 13, 2026, for consideration by the Board of Commissioners. These conditions were supplemented by two additional conditions developed by the Chair Tilley Committee during a working session on August 19, 2026 (T-13 and T-14 below). Together, the Chair-recommended conditions (T-1 through T-14) are presented for the Board's consideration in the accompanying Consolidated Proposed Conditions memorandum.

- Public water service — a binding agreement with the water provider prior to zoning approval, confirmation of capacity, a remedial sourcing plan for disruption or shortage, and specified and capped consumption requirements.
- Dan River protection — defined and measurable wastewater discharge limits, a clearly defined treatment operation capable of removing biocides, corrosion inhibitors, and chemicals, and quarterly testing and reporting to the appropriate environmental agency.
- On-site power generation — applicant to specifically state the types of generators, total number and generating capacity, and a best estimate of the bridging duration before public utility service comes online.
- Air quality — continuous property-line air-quality monitoring funded by the applicant and operated by an independent entity, with weekly reports to the County; if particulate-matter levels exceed applicable EPA National Ambient Air Quality Standards, the exceedance would trigger a report documenting remedial action, and a violation exceeding 48 hours would invoke a stiff penalty payable to the County.
- Noise / berms — construction of berms around the site on residential exposures, at a minimum elevation of three-quarters the height of the tallest permanent structure, with a vegetative buffer to mimic a natural appearance at maturity.
- Seismic — a limit at the nearest residential site of not more than 0.2 inches per second, established against a pre-construction baseline with post-construction compliance verification.
- Residential community protection — an environmental impairment bond and resident well testing to cover remediation of any spill, leak, or chemical leaching into soil,

groundwater, or private wells; at an owner's request, applicant-funded third-party testing within a one-mile radius of the well before construction and annually thereafter, at no cost to the owner.
- Electric rate protection — a binding agreement with Duke Energy funding additional capacity attributable to the project and restricting residential rate increases to not more than 3% every five years.
- Emergency services — applicant funding of on-site fire and EMS capability with trained, certified personnel for rapid response.
- Decommissioning bond — 100% of the certified cost of equipment removal and site restoration as estimated by a licensed engineer.
- Hazardous spill containment — impervious liners capable of holding the on-site fuel capacity.
- Compliance — a mandatory comprehensive site compliance audit at least annually, conducted by an independent audit organization or an on-site employee with certified auditor training, with formal audit plans and corrective-action tracking communicated through the Planning and Inspections Director.

Planning Board CZ Committee Additional Recommended Conditions (8/19/2026)

- Cultural and historical memorial (T-13) — an applicant-funded, on-site memorial recognizing (i) the Saura (also recorded as Cheraw, Sara, or Saraw), the Siouan-speaking Indigenous people who inhabited the Upper Sauratown village site along the Dan River from approximately A.D. 1450 to 1710, and (ii) the Hairston descendant community, including descendants of persons enslaved on the Upper Sauratown plantation. The memorial includes a permanent marker, a seating and reflection area, and interpretive signage referencing the Sauratown Woman ("Sara") recovered from the Upper Sauratown site in 1972. Interpretive content is to be developed in consultation with the Catawba Indian Nation (as successor to the historic Saura), the National Hairston Clan, Inc., the North Carolina Commission of Indian Affairs, and the Office of State Archaeology.
- Project Compliance Manager, County-directed and applicant-funded (T-14) — a dedicated compliance oversight position, selected and supervised entirely by the County, fully funded by the applicant, for an initial term of five (5) years commencing at issuance of the first building permit. Extensions occur in two-year increments and are mandatory unless the Board finds both that (a) the project is substantially complete (90% + of permitted building area with certificates of occupancy) and (b) no substantial violations are outstanding. The condition includes an express recital that termination of the position does not terminate the applicant's ongoing obligation to comply with each condition of the CZ order; the conditions run with the land under G.S. §160D-703(b), and enforcement continues under G.S. §160D-404 through the Director's inspection authority, notice of violation, and stop-work order remedies.

Statutory Framework

- The Planning Board's recommendation is advisory. Under G.S. §160D-604(b), the governing board is not bound by the planning board's recommendations. Legislative hearing and published-notice requirements are governed by G.S. §160D-601, and the mailed- and posted-notice requirements for a zoning map amendment are governed by G.S. §160D-602.
- Any decision — approval or denial — must be accompanied by a statement of consistency with the adopted comprehensive plan under G.S. §160D-605(a) and a statement analyzing the reasonableness of the proposed rezoning under G.S.

§160D-605(b); the reasonableness analysis may address why the action is in the public interest.

- Under G.S. §160D-703(b), placement of the property in a conditional district must be based on a petition by all owners of the property to be included, and only conditions approved by the local government and consented to in writing by the petitioner may be incorporated into the zoning regulations.

Coordination Request

Mr. Whitaker suggested, and staff agreed to facilitate, a meeting between the Chair of the Planning Board and the Chair of the Board of Commissioners in advance of the Board's decision to discuss the recommendation and the additional conditions.

Action Requested of the Board of Commissioners

- Receive the Planning Board's recommendation of denial and the accompanying list of Chair-recommended conditions.
- Conduct the noticed legislative hearing and, at the conclusion of that hearing, act on the application by approval, approval with modified conditions consented to in writing by the petitioner, or denial, accompanied by the required statement of consistency and reasonableness.
- If the Board is inclined to approve, direct staff and the applicant to reduce the additional conditions to written, applicant-consented conditions prior to the vote, consistent with G.S. §160D-703(b).

Meeting Reference

Special Meeting of the Stokes County Planning Board, Commissioners' Chambers, Reagan Building, Danbury, NC. Called to order at 6:00 p.m. by Chair Ronnie Tilley; adjourned at 8:49 p.m.

Members present: Ronnie Tilley (Chair), Patrick Flinchum, Mark Sizemore, Shannon Stanley, Joe Turpin, Jeff Whitaker, Tommy White. Members absent: Jaden Hall, Ronnie Morris. Staff present: Bryan Miller (Assistant County Manager), Jennifer Michaud (County Attorney), Avery Tew (Planning and Inspections Director), Brandie Fryar (Permitting Office Manager).

This brief summarizes the draft minutes dated August 13, 2026. Full minutes remain the controlling record and are attached under separate cover.

ATTACHMENT 6

Executive Summary: Economic, Spatial, and Fiscal Evaluation of Project Delta in Stokes County, North Carolina

September 2, 2026

Michael J. Hicks, PhD

Introduction and Project Background

Across the United States, the rapid expansion of artificial intelligence and cloud computing infrastructure has caused a wave of capital investment in data centers. Local civic leaders and residents are frequently presented with estimates of transformative economic growth, high-tech job creation, and substantial property tax revenues capable of funding local schools and public services. However, individual data centers and large-scale computing campuses introduce economic trade-offs and spatial disamenities – the negative effects of industrial-scale activity, including noise, emissions and degraded viewscapes. There are also long-term fiscal liabilities that are rarely reflected in initial developer presentations. The scale of these trade-offs is not an indictment of data centers, but should be critically examined in the permitting process.

This executive summary synthesizes an empirical economic, spatial, and fiscal evaluation of Project Delta, a proposed 1,850-acre hyperscale data center development in southeastern Stokes County, North Carolina. Situated along the Dan River near Duke Energy's Belews Creek Power Station, Project Delta represents one of the largest single industrial rezoning initiatives in the county's history. Utilizing quasi-experimental econometric models, spatial hedonic pricing frameworks, and local government tax accounting, this analysis evaluates four core dimensions of the proposed new development: local labor market impacts, housing market capitalization, fiscal realities versus revenue claims, and public safety expenditure demands. We summarize these below.

Local Labor Market Effects

A primary justification for zoning, permitting and incentivizing data centers is the potential for local job creation. Economic impact studies often provide transient construction employment with longer-term operational jobs to estimate total employment effects. However, evaluating these claims requires distinguishing between gross staffing figures associated directly with a facility and net employment growth across the host county.

Traditional economic impact assessments rely heavily on Input-Output simulation models such as IMPLAN or RIMS II. These static frameworks operate under the assumption of an infinitely elastic labor supply, assuming that every direct position created represents a net expansion of the local workforce. This is not a realistic assumption. In contrast, quasi-experimental methods evaluate host counties against comparable counties without a data center (control counties) over multi-decade periods to isolate true net labor market effects caused by a data center opening.

To establish an empirical baseline across North Carolina, static Difference-in-Differences models were estimated across four major industry sectors tied to data center operations using panel data

from 1993 through 2025. Total employment demonstrates a statistically significant static post-treatment increase of 2.57 percent, and construction employment experiences a static increase of 1.86 percent. It is not illustrated here, but the information sector demonstrates a static point estimate increase of 4.37 percent. Professional and technical services show a comparable static expansion of 2.42 percent.

Figure 1

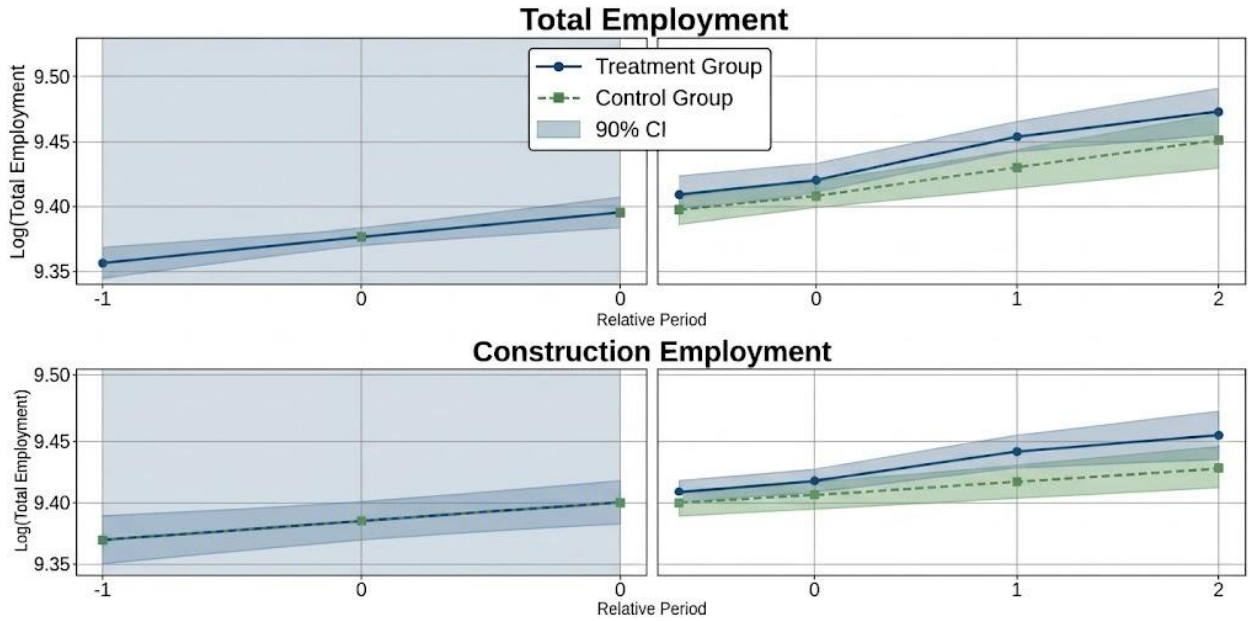


Figure 1 provides a combined two-panel visual summary of these static Difference-in-Differences estimates across total employment and construction employment. Each sub-panel contrasts pre-treatment and post-treatment trajectories between the treatment group and control group, displaying the average post-treatment shift alongside standard error bands.

While static estimates indicate modest positive shifts pooled across the entire post-opening timeframe, static models do not reveal whether employment gains persist over time or fade following construction completion. To capture time-varying labor market dynamics, non-parametric event study specifications using the Callaway and Sant'Anna estimator track county employment from five years prior to facility commissioning to five years post-opening.

Figure 2

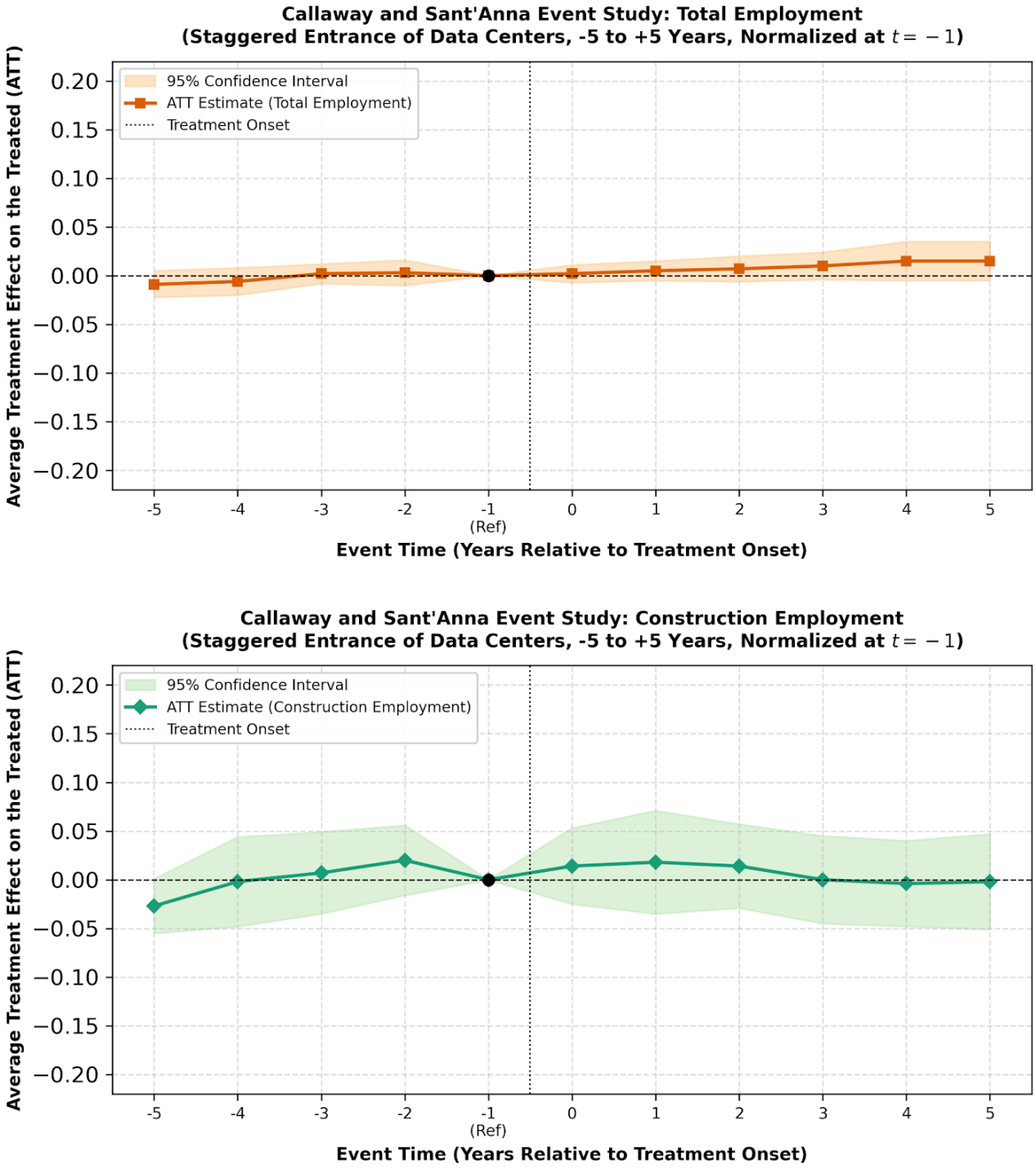


Figure 2 depicts the dynamic Callaway and Sant'Anna event study panels across a ten-year window centered on facility opening. For total employment, pre-treatment estimates hover near zero, while post-treatment gains show a slight positive slope that remains statistically

indistinguishable from zero due to wide confidence bands overlapping baseline. Construction employment reflects a brief temporary surge during active facility construction before rapidly mean-reverting to baseline levels within twelve to twenty-four months. However, this surge is not statistically significant as the 95% confidence interval never rises above zero.

For brevity, it is not illustrated here, but the information and professional services sectors demonstrate wide post-treatment confidence intervals encompassing zero, indicating no statistically reliable dynamic effect on employment in these sectors.

These dynamic results suggest no statistically significant labor market effects, though the variability in experience suggests that some data centers are accompanied by longer-term job growth, while others experience none. Some counties see declining employment in professional and technical services, though again, the average county would experience no effect.

Housing Market Disamenities and Property Value Compression

Introducing a roughly 1,850-acre industrial computing campus into an agricultural and low-density residential environment alters localized land-use dynamics, visual landscape features, and ambient noise profiles. Economists measure these localized environmental externalities through hedonic housing models, which capture how proximity to an industrial facility influences single-family transaction prices while controlling for structural home attributes.

Drawing upon recent national empirical research on hyperscale facilities by Chia et al. (2026), housing price impacts were modeled across concentric distance bands surrounding the Project Delta site centroid out to 7 kilometers, where price effects fully attenuate. Properties within 0 to 1 kilometer experience an average 15.0% price reduction, representing an average loss of $27,750 per home across 40 estimated units. In the 1 to 2 kilometer band, 120 housing units drop by an average 9.50 percent, or $17,575 per home. Home values decline by 8.0%, at 2 to 3 kilometers ($13,600 per home), 9.2% at 3 to 4 kilometers ($14,720 per home), 5.50 percent at 4 to 5 kilometers ($8,525 per home), 7.0% at 5 to 6 kilometers ($11,200 per home), and 6.8% at 6 to 7 kilometers ($11,900 per home). Across the entire 0 to 7 kilometer distance radius (roughly 4.35 miles), the combined long-term capital loss to residential real estate stock is approximately $40.6 million, directly eroding the broader residential property tax base. The average family living within the affected areas would experience an almost $12,000 loss in home value.

Figure 3

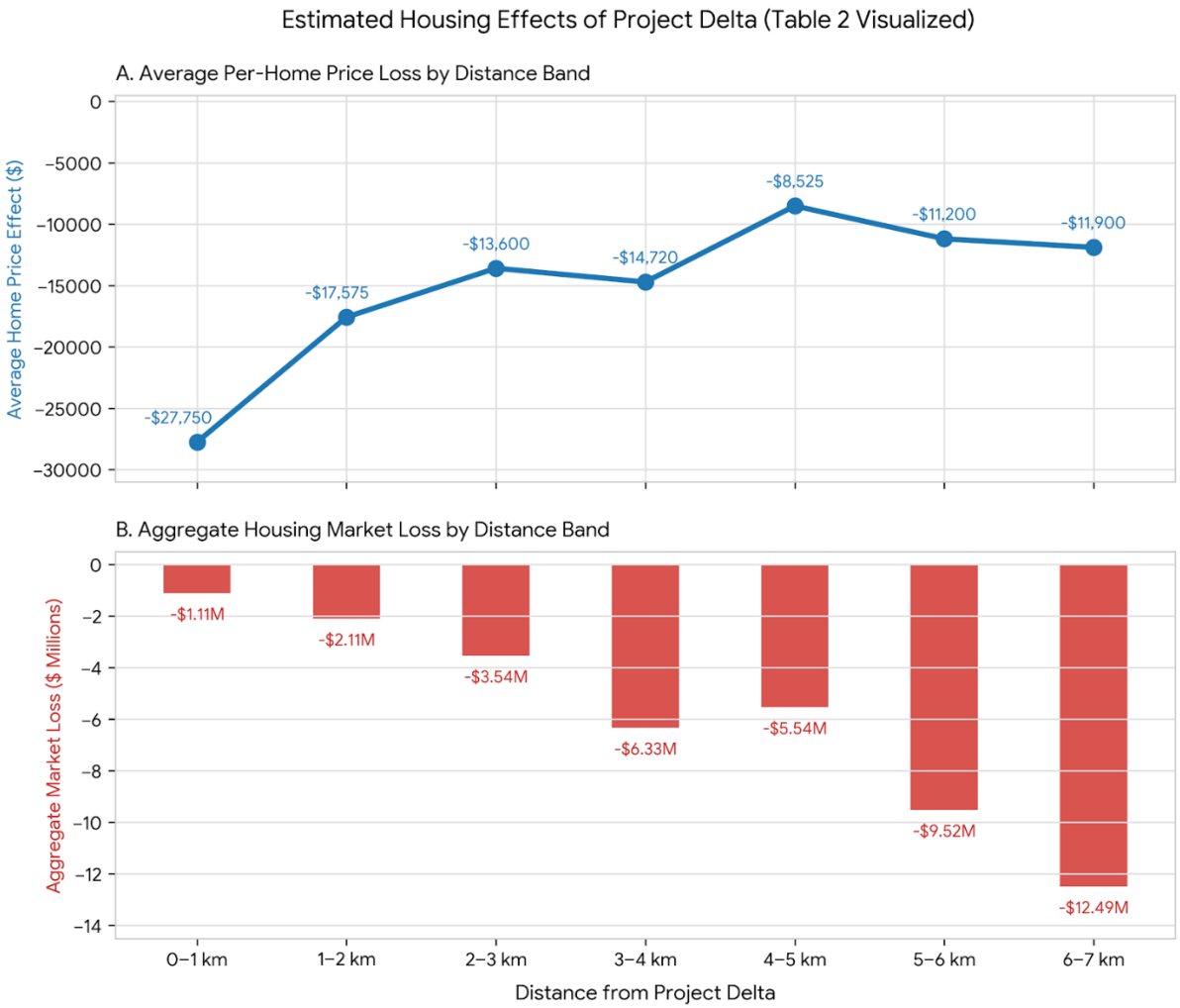


Figure 3 presents a two-panel graphic displaying the housing market impacts across distance bands. The top panel plots the average per-home price loss in dollars, illustrating that individual losses are most severe nearest the site at $27,750, followed by an uneven decline across intermediate rings. The bottom panel displays the aggregate market loss in millions of dollars per ring, demonstrating that total financial damage expands substantially in the outer bands due to increasing residential housing density, peaking at $12.50 million in the 6 to 7 kilometer band.

Across all 3,400 estimated single-family homes located within the 7-kilometer impact radius, Project Delta imposes an estimated cumulative market value loss of $40.6 million. The average family living within the affected areas would experience an almost $12,000 loss in home value. This loss in residential equity erodes the county's residential tax base and represents a direct transfer of wealth away from local property owners.

Local Tax Revenues

Proponents of Project Delta have presented public estimates projecting annual local tax revenues exceeding $50.7 million based on a theoretical full-buildout assessed valuation of $7.09 billion. Evaluating the actual fiscal yield accruing to Stokes County requires examining personal property depreciation schedules, tax base composition, and historical benchmarks from comparable North Carolina data center projects.

Initial developer tax estimates suffer from two major analytical errors. First, the developer's projection derives assessed values by taking a uniform $6.75 million per-acre benchmark from other facilities and multiplying it across all 1,050 developable acres. In practice, hyperscale facilities concentrate extreme capital value within a small physical footprint of 20 to 30 acres housing primary server halls, while the vast majority of master-planned acreage remains greenfield buffer space generating minimal assessed value. Second, over 40 percent of total capital investment consists of short-lived personal property such as servers and cooling hardware. Under North Carolina Department of Revenue Schedule U depreciation rules, personal property tax assessments depreciate rapidly to 72 percent of original cost in Year 1 and down to 15 percent by Year 5.

For a variety of reasons, the full-scale build-out on the Project Delta location is a low probability outcome. A better assessment of the likely level of capital investment comes from a comparable rural North Carolina facility. The most notable comparison is one provided by the developers, Meta's campus in Rutherford County. This comparison yields an inflation-adjusted baseline investment of approximately $1.1 billion for a rural host county.

Figure 4

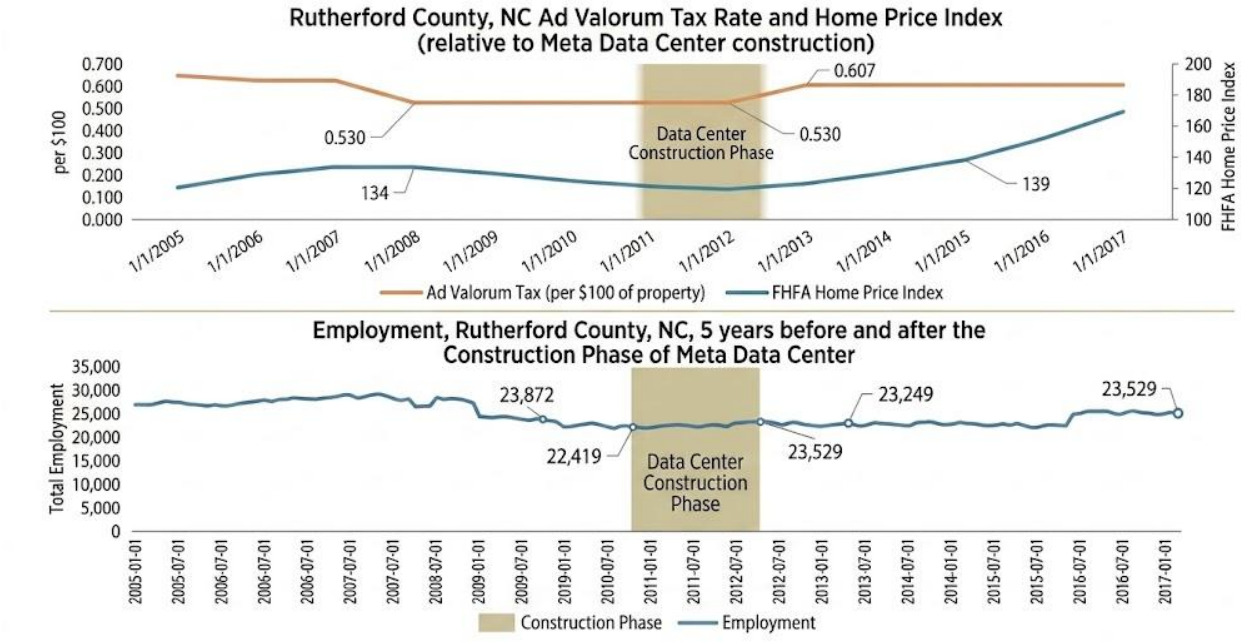


Figure 4 depicts a stacked two-panel graphic tracking historical county-level indicators before, during, and after the construction of Meta's data center in Rutherford County. The top panel plots the ad valorem tax rate alongside the Federal Housing Finance Agency home price index, incorporating callouts for tax rate adjustments and specific index values. The bottom panel displays total monthly county employment over time. Both panels highlight the tan vertical shading marking the active data center construction phase, illustrating that countywide employment and property tax rates remained largely driven by broader macroeconomic cycles, and appear unaffected by the construction and operation of the data center.

Applying North Carolina statutory depreciation schedules to a $1.10 billion capital deployment yields the multi-year tax receipts detailed in Table 5 and 5B (from the main study) below.

Table 5; Tax Collection and Present Value Data

A $1.1 Billion Data Center Investment

Age	Schedule U, 8 (PG 27) for Crypto	Nominal Tax Collections Per Year
0	100%	$6,875,000
1	72%	$4,950,000
2	60%	$4,125,000
3	48%	$3,300,000
4	35%	$2,406,250
5	23%	$1,581,250
6	15%	$1,031,250
7	0%	$0
Total		**$24,268,750**

Table 5B, Tax Collections (nominal dollars), over 10 Years, under §105-130.5,

a $1.1 billion data center investment assuming 40/30/30 personal, real and electric component share

Age	5 year depreciation §105-130.5	Per Year Personal Property, at 40%	39 year depreciation §105-130.5	Per Year Real Property at 30%	15 year depreciation §105-130.5	Per Year Electrical Components at 30%
0	100%	$2,533,080	100.0%	$1,896,780	100.0%	$1,896,780
1	72%	$1,823,818	97.4%	$1,848,145	93.3%	$1,770,328
2	60%	$1,519,848	94.9%	$1,799,509	86.7%	$1,643,876
3	48%	$1,215,878	92.3%	$1,750,874	80.0%	$1,517,424
4	35%	$886,578	89.7%	$1,702,238	73.3%	$1,390,972
5	23%	$582,608	87.2%	$1,653,603	66.7%	$1,264,520
6	15%	$379,962	84.6%	$1,604,968	60.0%	$1,138,068
7	0%	$0	82.1%	$1,556,332	53.3%	$1,011,616
8	0%	$0	79.5%	$1,507,697	46.7%	$885,164
9	0%	$0	76.9%	$1,459,062	40.0%	$758,712
10	0%	$0	74.4%	$1,410,426	33.3%	$632,260
Total		**$8,941,772**		**$18,189,634**		**$13,909,720**

Over a ten-year operational horizon, a $1.1 billion facility results in local tax revenues of between $24.3 million and $41 million cumulative property tax collections, depending on which property tax rules apply to the development. However, this revenue stream must be weighed against offsetting fiscal contractions. The $40.6 million dollar reduction in residential home values reduces annual county property tax receipts by more than $2.5 million in lost property tax collections over the next 10 years.

Public Safety Infrastructure and Emergency Cost Pressures

While data centers place negligible demand on traditional municipal services such as public schools, they introduce unique, highly concentrated demands on rural fire protection and emergency medical response systems. Modern hyperscale facilities rely on utility-scale lithium-ion battery energy storage systems and high-voltage power conversion environments. Thermal runaway incidents in utility battery installations release toxic gases and create intense fires that cannot be extinguished using standard municipal protocols. Rural fire departments relying on volunteer staffing must acquire specialized heavy foam suppression equipment, high-reach aerial ladder trucks, and continuous technical hazard training.

To test whether data center openings trigger expanded municipal public safety payrolls, a static Difference-in-Differences model was estimated across North Carolina counties tracking public safety employment under NAICS 922.

Figure 6

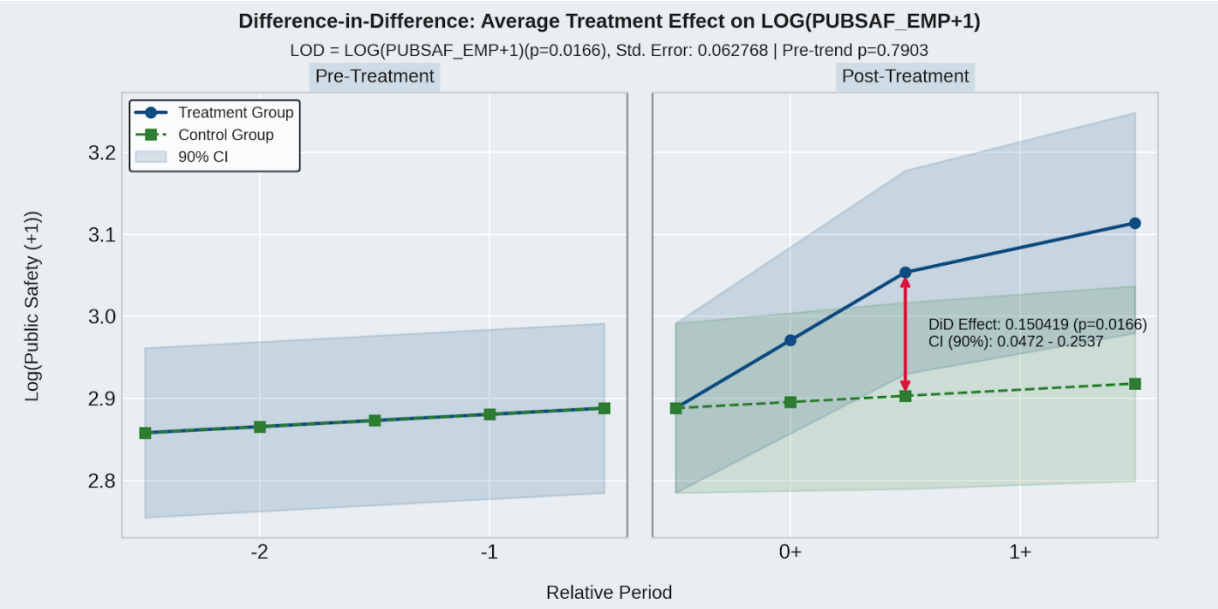


Figure 6 shows the static Difference-in-Differences plot for public safety employment. The graphic highlights a statistically significant average post-treatment increase of 15 percent in

public safety employment following data center openings, supported by a parallel pre-trend test confirming baseline trajectory alignment prior to treatment.

Because rural fire protection districts experience regressive economies of scale, expanding emergency services to manage utility-scale battery risks imposes disproportionate per-capita operating costs on rural taxpayers unless fully underwritten by developer mitigation agreements.

Summary and Recommendations

The empirical findings of this study demonstrate that data center developments present a complex economic trade-off for rural host counties. While developers highlight gross capital investment figures, the true net economic balance is governed by limited labor market effects, capital depreciation, spatial disamenities, and specialized public safety requirements, which result in a clear pattern of effects:

- **Labor Market Effects:** Dynamic event studies reveal that post-treatment employment impacts across all sectors lack statistical significance, as confidence intervals continuously overlap zero. Short-term construction gains mean-revert to baseline within 12 to 24 months, while long-term net job growth remains negligible because permanent operational roles largely cannibalize existing tech positions and draw specialized commuters from neighboring metropolitan areas rather than local labor pools.

- **Property Value Effects:** Spatial hedonic pricing models identify substantial negative capitalization on the 3,400 residential units surrounding the site, with home price declines ranging from 15% ($27,750 per home) within 1 kilometer to 6.8% ($11,900 per home) at 6 to 7 kilometers. The average family living within the affected areas would experience an almost $12,000 loss in home value. In total, the aggregate capital loss to residential property stock within the 7-kilometer radius is estimated at $40.6 million, significantly compressing the local residential property tax base.

- **Tax Revenue Effects:** Developer projections of over $50.7 million annually are heavily inflated by assuming uniform development across 1,050 acres rather than the typical 20-to 30-acre operational footprint. Applying realistic historical benchmarks of $1.1 billion in investment and accounting for rapid Schedule U personal property depreciation (falling to 15% by year five) and those which are provided under NC §105-130.5 yields 10 year total revenue of $24.3 to $41 million, which is further offset by more than $2.5 million in lost residential property taxes over the first decade of operation.

- **Public Service Costs:** Data center operations introduce specialized high-voltage hazards and battery energy storage risks that demand multi-million-dollar equipment upgrades and hazmat training for rural fire departments. Consequently, host counties experience a statistically significant 15% increase in local public safety employment following facility openings, creating substantial uncompensated operational cost burdens for the local jurisdiction.

ATTACHMENT 7

Z:\32870\32870.0008\ENGINEERING\DRAWINGS\EXHIBITS\32870.0008 - BUFFER EXHIBIT - PROJECT DELTA - ELS.DWG - Jul 16, 2026 - 3:53 PM

SITE INFORMATION

PIN(S): 6964-91-8321; 6973-49-0574; 6973-76-7124; 6973-73-4188

TOTAL ACREAGE: +/- 1,848.74

JURISDICTION: STOKES COUNTY

EXISTING ZONING: RESIDENTIAL AGRICULTURAL (R-A)
PROPOSED ZONING: HEAVY MANUFACTURING CONDITIONAL ZONING (M 2-CZ)

MINIMUM SETBACKS -

ROW / FRONT: 40'
REAR: 0' UNLESS LOT ABUTS A RESIDENTIAL DISTRICT THEN 25'
SIDE: 0' UNLESS LOT ABUTS RESIDENTIAL DISTRICT THEN 15'
IN CASES WHERE A SIDE YARD, NOT REQUIRED, IS PROVIDED, IT SHALL BE AT LEAST 8'.

100KV DUKE POWER TRANSMISSION LINE
100' POWER EASEMENT
NORTHERN TRACT
100' VEGETATIVE BUFFER
100' BUFFER FROM EDGE OF PAVEMENT
EXISTING PUBLIC ROW (TUTTLE ROAD)
250' VEGETATIVE BUFFER
PROPERTY BOUNDARY
US 311 HWY N
100' VEGETATIVE BUFFER
100' POWER EASEMENT
US 311 HWY N
100 KW DUKE ENERGY TRASMISSION LINE
250' VEGETATIVE BUFFER
OLDTOWN ROAD
SOUTHERN TRACT
OLDTOWN ROAD
PROPERTY BOUNDARY
100' VEGETATIVE BUFFER
RAILROAD
250' VEGETATIVE BUFFER
RAILROAD

SITE PLAN IS CONCEPTUAL IN NATURE AND IS ONLY INTENDED TO DEMONSTRATE GENERAL COMPLIANCE WITH ZONING REGULATIONS APPLICABLE TO THE CONDITIONAL REZONING.

IF ANY EXISTING PUBLIC ROAD IS RELOCATED, REALIGNED, OR ABANDONED, THE ADJACENT BUFFER SHOWN SHALL NO LONGER BE REQUIRED ALONG THE FORMER ALIGNMENT. TO THE EXTENT A NEW PUBLIC ROAD ALIGNMENT IS LOCATED WITHIN OR ALONG THE BOUNDARY OF THE PROJECT, THE BUFFER SHALL INSTEAD BE PROVIDED AT THE SAME DESIGNATED WIDTH ALONG EACH SIDE OF THE NEW ALIGNMENT THAT ADJOINS THE PROJECT.

THE FLOODPLAIN BOUNDARIES DEPICTED WERE PREPARED USING THE EFFECTIVE FEMA FLOOD INSURANCE RATE MAP (FIRM), COMMUNITY PANEL NO(S). 3710696400K AND 3710696200K, EFFECTIVE DATE 6/10/2026 AND ARE SOLELY CONCEPTUAL TO DEMONSTRATE THE PROPOSED DEVELOPMENT STANDARDS OF THE CONDITIONAL REZONING. THE PRECISE BOUNDARIES OF THE FLOODPLAIN SHALL BE VERIFIED AT THE TIME OF CONSTRUCTION PLAN REVIEW AND PERMITTING.

BUFFER ZONE EXHIBIT

PROJECT DELTA

STOKES COUNTY, NC

PREPARED FOR:

ELS

PREPARED BY:

THOMAS & HUTTON
5553 Peachtree Road • Suite 175
Chamblee, GA 30341 • 470.893.1700
www.thomasandhutton.com

800 0 400 800
1 INCH = 800 FEET

JOB NO:	J-32870.0008
DRAWN:	JSC
REVIEWED:	RM
DATE:	07/16/2026
SCALE:	1" = 800'
SHEET:	EXH OVRL

Board of County Commissioners
November 9, 2026

Item number: X.a

Rezoning Case #26-0902: M-1-CZ to R-A (unaddressed lots off Oldtown Road, Farmer Road, and Ethan Lane)

Drafter: Olivia Jessup

Summary:
Rezoning Case #26-0902: M-1-CZ to R-A (unaddressed lots off Farmer Road, Oldtown Road, and Ethan Lane)

The subject property consists of three lots located off Farmer Road, Oldtown Road, and Ethan Lane (PINs 6973-43-5270, 6973-33-1081, and 6973-51-4188 in Sauratown Township). The lots comprise 229.91 acres in total (34.21 acres, 78.02 acres, and 117.66 acres).

This is a request to rezone the subject property from M-1-CZ (Light Manufacturing – Conditional Zoning) to R-A (Residential – Agricultural).

The existing M-1-CZ district is subject to the following conditions:

Permitted Uses: Utility scale solar photovoltaic facility.

Conditions:
1. Decommissioning: Within 6 months after the solar energy facility has ceased to produce electricity and the facility has reached its useful life, the owner of the facility shall immediately initiate the decommissioning plan for the facility.
2. Recycling: As part of decommissioning, the owner of the facility shall fully recycle all materials as reasonably possible.
3. Landscaping: The panels shall be reasonably concealed from view by either natural vegetation or planted evergreen vegetation. When relying on existing vegetation, the buffer shall be no less than 50 feet in width. When using planted vegetation to conceal the fence and panels in locations where there is no view from a residential structure, the applicant shall plant a staggered double row of evergreens. In locations where the facilities can be viewed from a residential structure, the applicant shall use three rows of evergreens, staggered. When using planted vegetation to conceal the facility, the vegetative buffer shall be no less than 20 feet in width. The final landscaping plans shall be approved by the Planning Director or his designee to ensure compliance with this condition.
4. Setbacks: Fifty feet from any property line.

Board of County Commissioners
November 9, 2026

Item number: X.b

Rezoning Case #26-1007: R-A to H-B (6103 NC Hwy 66, King, NC 27021)

Drafter: Olivia Jessup

Summary:
Rezoning Case #26-1007: R-A to H-B (6103 NC Hwy 66, King, NC 27021)

The subject property is located at 6103 NC Hwy 66, King, NC 27021 (PIN 6903-74-8571 in Yadkin Township), and comprises 11.03 acres.

This is a request to rezone the subject property from R-A (Residential – Agricultural) to H-B (Highway Business).

This application was submitted in response to a zoning violation case. The property owner is seeking a rezoning to bring an existing landscaping supply and equipment rental business into compliance.

Board of County Commissioners
November 9, 2026

Item number: X.c

Rezoning Case #26-1020: R-A and H-B-CZ to H-B (1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052)

Drafter: Olivia Jessup

Summary:
Rezoning Case #26-1020: R-A and H-B-CZ to H-B (1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052)

The subject property is located at 1075 and 1111 Dodgetown Rd, Walnut Cove, NC 27052 (PIN 6955-16-7445 in Meadows Township), and comprises 9.6 acres.

This is a request to rezone the subject property from R-A (Residential – Agricultural) and H-B-CZ (Highway Business – Conditional Zoning) to H-B (Highway Business).

The existing H-B-CZ zoning is subject to the following conditions:

Permitted Uses: Commercial/Private Outdoor Kennel – Humane Animal Shelter

Board of County Commissioners
November 9, 2026

Item number: X.d

TEFRA Request Hearing

Drafter: Olivia Jessup

Summary:
Dr. Lindsey Duch is the President of Coastal Affordable Senior Housing Foundation (CASHF), a North Carolina nonprofit organization formed to preserve and operate senior-living communities for the benefit of older adults, including residents with limited incomes. CASHF is preparing to acquire the real estate and operating assets, one of which are located within Stokes County.
Federal tax law requires a local public hearing and approval—commonly called a “TEFRA approval”—from an eligible governmental unit where the project is located.

This is a limited federal tax-law approval. CASHF is not asking the County to issue the bonds, provide funding, guarantee repayment, pledge its taxing authority, or assume any financial or operational responsibility for the project. The bonds will be payable solely from the nonprofit borrower’s revenues and collateral. The approval also does not replace any applicable licensing, zoning, permitting, or regulatory requirements.

A detailed explanatory memorandum is attached from Dr. Duch.

Board of County Commissioners
November 9, 2026

Item number: X.e

Project Delta - Development Agreement

Drafter: Bryan Miller

Summary:

Board of County Commissioners
November 9, 2026

Item number: XI.a

Rationales

Drafter: Olivia Jessup

Summary:
Per NC GS 143-318.11 we will enter closed session for the following rationale:

- To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee. General personnel policy issues may not be considered in a closed session. A public body may not consider the qualifications, competence, performance, character, fitness, appointment, or removal of a member of the public body or another body and may not consider or fill a vacancy among its own membership except in an open meeting. Final action making an appointment or discharge or removal by a public body having final authority for the appointment or discharge or removal shall be taken in an open meeting.