



Agenda

Board of Commissioners Regular Meeting

7:00 PM May 11, 2026

Board Meeting Room, Town Hall Annex, 105 E. Corbin St.

1. Public charge

The Hillsborough Board of Commissioners pledges to the community of Hillsborough its respect. The board asks community members to conduct themselves in a respectful, courteous manner with the board and with fellow community members. At any time should any member of the board or attendee fail to observe this public charge, the mayor or the mayor's designee will ask the offending person to leave the meeting until that individual regains personal control. Should decorum fail to be restored, the mayor or mayor's designee will recess the meeting until such time that a genuine commitment to the public charge is observed.

2. Audience comments not related to the printed agenda

3. Agenda changes and approval

4. Appointments

A. Tourism Board – Reappointment of Megan Kimball as the Alliance for Historic Hillsborough Representative serving a partial term expiring August 1, 2026 and Appointment of Blake Tedder as the Alliance for Historic Hillsborough Representative serving a full term starting August 2, 2026 and expiring August 2, 2028

5. Items for decision – consent agenda

A. Minutes

– Regular meeting April 13, 2026

– Work session April 27, 2026

B. Miscellaneous budget amendments and transfers

C. Proclamation – Police Week and Peace Officers Memorial Day

D. Proclamation – National Public Works Week 2026

E. Proclamation – Heat Awareness Week

F. Proclamation – Memorial Day 2026

G. Proclamation – Community Home Trust Day

H. Special Event Permit – The Big Run 5K by Fleet Feet

I. SecureNC Partnership with the North Carolina Department of Information Technology

J. Resolution Authorizing the Submission of the Fiscal Year 2026 - 2027 HOME Annual Action Plan and Program Design for Orange County, North Carolina

6. Items for decision - regular agenda

A. Strategic Plan Update

B. Fiscal Year 2027-29 Recommended Budget Presentation

C. Discussion of Data Centers and Land Use Matters

D. Hot topics for work session May 27, 2026

7. Updates

101 E. Orange St., PO Box 429, Hillsborough, NC 27278
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- A. Board members
- B. Town manager
- C. Staff (written reports in agenda packet)

8. Adjournment

Interpreter services or special sound equipment for compliance with the American with Disabilities Act is available on request. If you are disabled and need assistance with reasonable accommodations, call the Town Clerk's Office at 919-296-9443 a minimum of two business days in advance of the meeting.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Planning and Economic Development
Agenda Section: Appointments
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Planning and Economic Development Manager Shannan Campbell

ITEM TO BE CONSIDERED

Subject: Tourism Board – Reappointment of Megan Kimball as the Alliance for Historic Hillsborough Representative serving a partial term expiring August 1, 2026 and Appointment of Blake Tedder as the Alliance for Historic Hillsborough Representative serving a full term starting August 2, 2026 and expiring August 2, 2028

Attachments:

Volunteer Board Application – Blake Tedder

Summary:

The Tourism Board has a seat reserved for a representative from the Alliance for Historic Hillsborough. Megan Kimball is currently serving a partial term in that seat; however, her term expires May 13, 2026. She is coming off the Alliance's board soon and the Alliance has recommended Blake Tedder as her replacement, however the Tourism Board is in the middle of their grant and budget deliberations, so it's not a good time to onboard a new member. Megan has agreed to continue serving through budget adoption with her replacement, Blake Tedder, starting effective August 2, 2026 and running the standard two-year term, expiring on August 2, 2028.

Financial impacts:

None, except for occasional board training opportunities or conferences.

Staff recommendation and comments:

None.

Action requested:

Appointment.



TOWN OF HILLSBOROUGH

Page 1

Personal Information

*** Full name**

Blake Tedder

*** Home address**

4726 Old Lake Trl.
Hillsborough NC 27278

*** Primary phone**

[REDACTED]

Secondary phone

SKIPPED

*** Email**

[REDACTED]

Employer

Duke University

Job title

Project Manager

*** Birth date**

[REDACTED]

*** Gender**

Male

*** Preferred pronouns**

He/him/his

*** Hispanic, Latino or Spanish ancestry**

No

*** Race**

White

*** Have you attended Government 101 for community members?**

No

Page 2

Board Selection

You must meet at least one of the eligibility criteria for each board you would be willing to serve on:

Board of Adjustment

- Live in town
- Live in the extraterritorial jurisdiction area

Historic District Commission

- Live in town
- Live in the extraterritorial jurisdiction area

Parks and Recreation Board

- Live in town

Planning Board

- Live in town
- Live in the extraterritorial jurisdiction area

Tourism Board

- Own or operate a restaurant in town
- Live, own property or be employed in town

Tourism Development Authority

- Own or operate a business collecting lodging tax

*** First choice board**

Section 4, Item A.

Second choice board

****SKIPPED****

Third choice board

****SKIPPED****

Short-Answer Questions

*** Have you served or are you serving on a town board? Which ones and when?**

No

*** Why do you want to serve on a town board? What would you specifically like to accomplish?**

I want to fill the Alliance for Historic Hillsborough's seat on the Tourism Board. I have a deep desire to see Hillsborough retain its unique sense of place and history, which is also its greatest asset for sustained interest and tourism to the town as a foundation for events, festivals, and B2B connection. I would like to see the Board continue its great work of supporting meaningful projects around town and remaining a respected and trusted body with a shared interest of increasing visits to our special town.

*** Do you have relevant work, volunteer or educational experience for the boards you selected?**

I serve as Vice Chair on the Alliance for Historic Hillsborough's board. Until recently, I have been an active volunteer with WHUP. I have a background in community practice social work and nonprofit management, communications, and process improvement. I once interned and later worked for the Chapel Hill-Carrboro COC.

*** How are you connected to Hillsborough?**

Hillsborough is my home. We live north of town. It is the epicenter of our lives. I stay connected to the local news. I have volunteered at WHUP for years as a show host (my show is still on the air) and am regular patron of many of our commercial businesses and all of our restaurants in town.

*** Have you reviewed town plans and other documents available on the town website?**

Yes, briefly.

*** What challenges facing the town could be addressed by the board or boards on which you wish to serve?**

Hillsborough has a very unique position in the Triangle. I am concerned about the wave of homogenization that is coming our way from the Triangle and from society at large. As Franklin St. in Chapel Hill's rents have sky rocketed, it has left a street almost (not entirely) devoid of the soul it once had. Hillsborough has a continued opportunity to strengthen it's brand as a historic and thriving destination for visitors escaping the monotony of urbanization. The town still has a vibe, and our restaurants and businesses and nonprofit partners to the Tourism Board play a vital role. Supporting projects that further the depth of Hillsborough's sense of place and soul is important. Equally important is continuing to bring our historic African American and Indigenous communities into the fuller frame of what we mean when we are speaking about the town by supporting projects that encourage participation of the whole community.

*** How did you hear about this opportunity?**

Town staff member or elected official
Other: Alliance for Historic Hillsborough

I have been advised that I am committing to attend the appointed board's regular meetings. Attendance at the regular meetings is required for me to maintain membership on the board. The Board of Commissioners may declare a vacancy on the board because of non-attendance.

View the complete code in the Hillsborough Code of Ordinances: [Appointed Boards, Task Forces and Authorities](#).

Confirm understanding of attendance policy

Confirm



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Town Clerk
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Town Clerk Sarah Kimrey

ITEM TO BE CONSIDERED

Subject: Minutes

Attachments:

1. Regular meeting April 13, 2026
2. Work session April 27, 2026

Summary:

None.

Financial impacts:

None.

Staff recommendation and comments:

Approve minutes as presented.

Action requested:

To approve minutes of the Board of Commissioners regular meeting April 13, 2026 and work session April 27, 2026.



Minutes

Board of Commissioners Regular Meeting

7 p.m. April 13, 2026

Board Meeting Room, Town Hall Annex, 105 E. Corbin St.

Present: Mayor Mark Bell and commissioners Meaghun Darab, Robb English, Kathleen Ferguson and Matt Hughes

Absent: Commissioner Evelyn Lloyd

Staff: Assistant Town Manager and Community Services Director Matt Efird, Town Attorney Bob Hornik, Town Manager Eric Peterson, Senior Communications Specialist Cheryl Sadgrove, Human Resources Manager Haley Thore, Public Space and Sustainability Manager Stephanie Trueblood, Chief of Police Jason Winn, Police Management and Accreditation Coordinator Marshall Grayson, Diversion Social Worker Yazmin Washington

Opening of the meeting

Mayor Mark Bell called the meeting to order at 7:01 p.m.

1. Public charge

Bell did not read the public charge.

2. Audience comments not related to the printed agenda

There were none.

3. Agenda changes and approval

Motion: Commissioner Kathleen Ferguson moved to approve the agenda as presented. Commissioner Meaghun Darab seconded.

Vote: 4-0.

4. Appointments

A. Parks and Recreation Board – Reappointment of Paul Weinberg for a term ending April 13, 2029

Motion: Commissioner Matt Hughes moved to approve the appointment. Ferguson seconded.

Vote: 4-0.

5. Items for decision – consent agenda

A. Minutes

- Regular meeting March 9, 2026
- Regular meeting closed session March 9, 2026
- Work session March 23, 2026

B. Miscellaneous budget amendments and transfers

C. Proclamation – Volunteer Appreciation Week

D. Resolution declaring surplus property and donation

- E. Resolution adopting the Principles of Universal Design for Public Spaces
- F. Resolution Opposing a Proposed Constitutional Amendment Limiting Local Property Tax Authority
- G. Capital Project Ordinance Amendment – Sodium Hypochlorite Conversion
- H. Capital Project Ordinance Amendment – Cates Creek Outfall Upgrade
- I. Capital Project Ordinance Amendment – Elizabeth Brady Pump Station Upgrade
- J. Contract for year-end audit services in connection with fiscal year ending June 30, 2026
- K. Town Attorney Legal Services Memorandum of Understanding with The Brough Law Firm
- L. Updates on East Corbin Street Parking

Motion: Ferguson moved to approve all items on the consent agenda. Hughes seconded.
Vote: 4-0. Nays: None.

6. Items for decision - regular agenda

- A. Trespassing issues with the unhoused community at the Hillsborough Youth Athletic Association field

Patrick Cummings, representing the Hillsborough Youth Athletic Association, raised concerns about four recurring individuals near Collins Field engaging in behaviors including drug use, leaving paraphernalia, and approaching patrons threateningly.

Chief of Police Jason Winn explained that a property representative must issue a trespass warning in the officer's presence, which can later lead to charges upon further violations. Diversion Social Worker Yazmin Washington stated one individual had moved after being connected to services, highlighting the difficulty in resolving issues due to a lack of local shelter options.

Town Attorney Bob Hornik suggested ordinance-based solutions—such as implementing facility hours or placing no-camping signs—which might aid enforcement, though not eliminate the problem. Public Space and Sustainability Manager Stephanie Trueblood emphasized focusing on problematic behaviors rather than unsheltered status across town properties. Assistant Town Manager Matt Efirm said clearing abandoned encampments require hazmat contractors, not town staff.

The board tasked staff to explore practical solutions, including lease-consistent signage, potential ordinance changes, and encampment clean-up protocols, and come back with suggestions.

- B. General use rezoning request and development agreement for 715 US HWY 70 East (PIN 9874490155); Assistive Living Neighborhood (ALN) to Multifamily (MF) – **to be tabled** (please see 'action requested' at the end of the abstract for more information)
This item was discussed first.

Motion: Hughes moved to table per written agenda. Ferguson seconded
Vote: 4-0

- C. Proposal for Community Services Department Reorganization
Assistant Town Manager and Community Services Director Matt Efirm presented a proposal to reorganize the Community Services Department following the resignation of the public works manager in February. Rather than directly replace the position, the proposal splits the department into two: a Community Services and Sustainability Department, to be directed by Stephanie Trueblood, and a Planning and Development Services Department, with Efirm continuing as part-time department head. The former public works manager position would be converted into two lower-cost positions: an equipment operator and a transportation project coordinator, the latter to be hired no earlier than December pending budget conditions.

The estimated Year 1 cost is approximately \$60,000, with a cumulative three-year impact of roughly \$220,000 — significantly less than the estimated \$600,000 cost of filling the identified personnel gaps through conventional hiring. Town Manager Eric Peterson endorsed the proposal and noted that if the town is only able to add one position in the next three years given forecast budget pressures, this reorganization represents the best use of that capacity.

The board expressed support for the proposal and agreed to proceed with the reorganization.

D. Appointment of a voting delegate for the North Carolina League of Municipalities Board of Directors Election

Motion: Hughes moved to appoint Commissioner Ferguson as Hillsborough’s voting delegate. English seconded.

Vote: 4-0.

E. Hot topics for work session April 27, 2026

Town Manager Eric Peterson said the April 27 work session agenda would include a quick budget update, presentations from nonprofit funding partners, and a possible update on a fiber project alternative.

7. Updates

A. Board members

Board members gave updates on the committees and boards on which they serve.

B. Town manager

Peterson said that he and Fire Chief Jeff Cabe met to begin drafting a memo on a potential fire station alternative focused on long-term cost savings to be emailed to the board when complete. He also confirmed that the budget document will be delivered to the board by May 8, with an overview on May 11 and a public hearing and budget workshop on May 18.

C. Staff (written reports in agenda packet)

There were no additional updates.

8. Adjournment

Motion: Hughes moved to adjourn at 8:33 p.m. Ferguson seconded.

Vote: 4-0.

Respectfully submitted,

Sarah Kimrey
Town Clerk
Staff support to the Board of Commissioners

Budget Adjustment Report

Adjustment Detail

For Date Range: 04/13/2026 - 04/13/2026

Town of Hillsborough, NC

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 10 - GENERAL						
Revenue						
Department: 3100 - TAX LEVY						
10-00-3100-3101216	2016 TAX LEVY			0.00	-546.00	-546.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-546.00	
10-00-3100-3101217	2017 TAX LEVY			0.00	-529.00	-529.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-529.00	
10-00-3100-3101218	2018 TAX LEVY			0.00	-2,139.00	-2,139.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-2,139.00	
10-00-3100-3101219	2019 TAX LEVY			0.00	-2,027.00	-2,027.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-2,027.00	
10-00-3100-3101220	2020 TAX LEVY			0.00	-1,897.00	-1,897.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-1,897.00	
10-00-3100-3101221	2021 TAX LEVY			0.00	-3,204.00	-3,204.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-3,204.00	
10-00-3100-3101222	2022 TAX LEVY			0.00	-1,852.00	-1,852.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-1,852.00	
10-00-3100-3101223	2023 TAX LEVY			0.00	-6,729.00	-6,729.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-6,729.00	
10-00-3100-3101224	2024 TAX LEVY			-40,000.00	16,554.00	-23,446.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		16,554.00	
10-00-3100-3101225	2025 TAX LEVY			-10,899,000.00	-10,450.00	-10,909,450.00
BA0000349	Adj per actual	GLPKT03208	04/13/2026		-10,450.00	
Department 3100 Total:				-10,939,000.00	-12,819.00	-10,951,819.00
Department: 3300 - RESTRICTED REVENUES						
10-30-3300-3301000	POWELL BILL TAX			-330,000.00	-8,553.00	-338,553.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-8,553.00	
Department 3300 Total:				-330,000.00	-8,553.00	-338,553.00
Department: 3400 - FEE REVENUES						
10-30-3400-3401200	ENGINEERING SERVICES FEES			0.00	-55,000.00	-55,000.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-55,000.00	
Department 3400 Total:				0.00	-55,000.00	-55,000.00
Department: 3800 - NON-DEPARTMENTAL						
10-00-3800-3800510	NR FINGERPRINTING FEE			0.00	-360.00	-360.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-360.00	
Department 3800 Total:				0.00	-360.00	-360.00
Department: 3880 - NON-DEPARTMENTAL						
10-80-3880-3887000	INSURANCE PROCEEDS			0.00	-710,165.57	-710,165.57
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-710,165.57	
Department 3880 Total:				0.00	-710,165.57	-710,165.57
Department: 3900 - FUND BALANCE APPROPRIATION						
10-00-3900-3900000	FUND BALANCE APPROPRIATION			-207,819.00	733,816.57	525,997.57
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		736,316.57	
BA0000364	A250 Banners	GLPKT03317	04/13/2026		-2,500.00	
Department 3900 Total:				-207,819.00	733,816.57	525,997.57

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Department: 3980 - DEBT ISSUANCE PROCEEDS						
<u>10-30-3980-3900100</u>	POWELL BILL FUND BALANCE APPROPRIATION			0.00	4,000.00	4,000.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		4,000.00	
Department 3980 Total:				0.00	4,000.00	4,000.00
Revenue Total:				-11,476,819.00	-49,081.00	-11,525,900.00
Expense						
Department: 4000 - DISASTER						
<u>10-10-4000-5120050</u>	FICA			0.00	15.00	15.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		15.00	
<u>10-10-4000-5300161</u>	MAINT - VEHICLES			0.00	367.00	367.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		367.00	
<u>10-10-4000-5300570</u>	MISCELLANEOUS			0.00	-382.00	-382.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		-382.00	
Department 4000 Total:				0.00	0.00	0.00
Department: 4100 - GOVERNING BODY						
<u>10-10-4100-5100031</u>	SALARIES - MAYOR			8,400.00	1,045.00	9,445.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,045.00	
<u>10-10-4100-5110010</u>	SALARIES - COMMISSIONERS			36,000.00	5,000.00	41,000.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		5,000.00	
Department 4100 Total:				44,400.00	6,045.00	50,445.00
Department: 4200 - ADMINISTRATION						
<u>10-10-4200-5100020</u>	SALARIES			633,343.00	21,657.00	655,000.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		21,657.00	
<u>10-10-4200-5120050</u>	FICA			44,836.00	1,164.00	46,000.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,164.00	
<u>10-10-4200-5127070</u>	RETIREMENT			90,361.00	3,639.00	94,000.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		3,639.00	
<u>10-10-4200-5127071</u>	401(K) RETIREMENT SUPP			31,398.00	1,302.00	32,700.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,302.00	
Department 4200 Total:				799,938.00	27,762.00	827,700.00
Department: 4400 - ACCOUNTING						
<u>10-10-4400-5100020</u>	SALARIES			499,835.00	19,265.00	519,100.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		19,265.00	
<u>10-10-4400-5127070</u>	RETIREMENT			67,276.00	2,624.00	69,900.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		2,624.00	
<u>10-10-4400-5127071</u>	401(K) RETIREMENT SUPP			23,376.00	924.00	24,300.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		924.00	
<u>10-10-4400-5300110</u>	TELEPHONE/INTERNET			2,760.00	1,080.00	3,840.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,080.00	
<u>10-10-4400-5300112</u>	POSTAGE			2,500.00	142.00	2,642.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		142.00	
<u>10-10-4400-5300338</u>	SUPPLIES - DATA PROCESSING			500.00	73.00	573.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		73.00	
<u>10-10-4400-5300570</u>	MISCELLANEOUS			10,210.00	-215.00	9,995.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		-215.00	
Department 4400 Total:				606,457.00	23,893.00	630,350.00
Department: 4500 - HUMAN RESOURCES						
<u>10-10-4500-5100020</u>	SALARIES			241,757.00	14,743.00	256,500.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		14,743.00	
<u>10-10-4500-5120050</u>	FICA			18,495.00	855.00	19,350.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		855.00	

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
10-10-4500-5125060	INSURANCE - HEALTH			24,828.00	772.00	25,600.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		772.00	
10-10-4500-5125062	INSURANCE - DENTAL			836.00	19.00	855.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		19.00	
10-10-4500-5127070	RETIREMENT			32,832.00	2,923.00	35,755.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		2,923.00	
10-10-4500-5127071	401(K) RETIREMENT SUPP			11,408.00	1,007.00	12,415.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,007.00	
Department 4500 Total:				330,156.00	20,319.00	350,475.00
Department: 4600 - COMMUNICATIONS						
10-10-4600-5100020	SALARIES			282,876.00	14,724.00	297,600.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		14,724.00	
10-10-4600-5120050	FICA			21,640.00	960.00	22,600.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		960.00	
10-10-4600-5127070	RETIREMENT			40,275.00	2,330.00	42,605.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		2,330.00	
10-10-4600-5127071	401(K) RETIREMENT SUPP			13,994.00	806.00	14,800.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		806.00	
Department 4600 Total:				358,785.00	18,820.00	377,605.00
Department: 4900 - PLANNING						
10-10-4900-5100020	SALARIES			587,602.00	34,898.00	622,500.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		34,898.00	
10-10-4900-5120050	FICA			44,952.00	648.00	45,600.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		648.00	
10-10-4900-5125060	INSURANCE - HEALTH			68,512.00	2,388.00	70,900.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		2,388.00	
10-10-4900-5127070	RETIREMENT			84,125.00	5,375.00	89,500.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		5,375.00	
10-10-4900-5127071	401(K) RETIREMENT SUPP			29,231.00	1,894.00	31,125.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		1,894.00	
10-10-4900-5300467	CS - MINUTES PREPARER			6,500.00	-6,500.00	0.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		-6,500.00	
Department 4900 Total:				820,922.00	38,703.00	859,625.00
Department: 5000 - FACILITY MANAGEMENT						
10-10-5000-5100020	SALARIES			91,450.00	520.00	91,970.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		520.00	
10-10-5000-5120050	FICA			6,996.00	34.00	7,030.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		34.00	
10-10-5000-5125061	INSURANCE - LIFE/DISABILITY/VISION			150.00	5.00	155.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		5.00	
10-10-5000-5127070	RETIREMENT			13,160.00	65.00	13,225.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		65.00	
10-10-5000-5127071	401(K) RETIREMENT SUPP			4,573.00	27.00	4,600.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		27.00	
10-10-5000-5300145	MAINT - BUILDINGS			275,809.00	18,450.00	294,259.00
BA0000342	Move expense to Maintenance - Building ac...	GLPKT03132	04/13/2026		18,450.00	
10-10-5000-5700735	CAPITAL - BUILDINGS & IMPROVEMENTS			67,800.00	-18,450.00	49,350.00
BA0000342	Move expense to Maintenance - Building ac...	GLPKT03132	04/13/2026		-18,450.00	
Department 5000 Total:				459,938.00	651.00	460,589.00

Budget Adjustment Report

Account Number	Account Name	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description	Packet Number	Post Date	Amount
Department: 5100 - POLICE				
10-20-5100-5100020	SALARIES			2,834,502.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026	55,918.00
10-20-5100-5127070	RETIREMENT			441,985.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026	22,015.00
10-20-5100-5127071	401(K) RETIREMENT SUPP			138,827.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026	6,823.00
10-20-5100-5127075	SEPARATION ALLOWANCE			117,128.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026	11,872.00
10-20-5100-5300161	MAINT - VEHICLES			3,000.00
BA0000344	Move non-capitalized expense	GLPKT03177	04/13/2026	8,491.00
10-20-5100-5300310	GASOLINE			65,000.00
BA0000352	Cover HPD vest purchases	GLPKT03244	04/13/2026	-5,000.00
10-20-5100-5300350	UNIFORMS			24,000.00
BA0000352	Cover HPD vest purchases	GLPKT03244	04/13/2026	5,000.00
10-20-5100-5700740	CAPITAL - VEHICLES			180,000.00
BA0000344	Move non-capitalized expense	GLPKT03177	04/13/2026	-8,491.00
Department 5100 Total:				3,804,442.00
				96,628.00
				3,901,070.00
Department: 5400 - ENGINEERING SERVICES				
10-30-5400-5100020	SALARIES			274,860.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	13,490.00
10-30-5400-5120050	FICA			21,027.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	1,298.00
10-30-5400-5127070	RETIREMENT			39,553.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	1,992.00
10-30-5400-5127071	401(K) RETIREMENT SUPP			13,743.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	707.00
Department 5400 Total:				349,183.00
				17,487.00
				366,670.00
Department: 5550 - FLEET MAINTENANCE				
10-30-5550-5100020	SALARIES			276,065.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	16,560.00
10-30-5550-5120050	FICA			21,119.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	266.00
10-30-5550-5127070	RETIREMENT			39,079.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	4,421.00
10-30-5550-5127071	401(K) RETIREMENT SUPP			13,579.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	1,271.00
10-30-5550-5300110	TELEPHONE/INTERNET			840.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	480.00
Department 5550 Total:				350,682.00
				22,998.00
				373,680.00
Department: 5600 - STREETS				
10-30-5600-5100010	OVERTIME COMPENSATION			3,000.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	10.00
10-30-5600-5100020	SALARIES			232,997.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	28,063.00
10-30-5600-5120050	FICA			17,825.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	975.00
10-30-5600-5125060	INSURANCE - HEALTH			42,446.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	3,954.00
10-30-5600-5125062	INSURANCE - DENTAL			1,253.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	232.00

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
10-30-5600-5127070	RETIREMENT			30,356.00	7,944.00	38,300.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		7,944.00	
10-30-5600-5127071	401(K) RETIREMENT SUPP			10,548.00	2,712.00	13,260.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		2,712.00	
10-30-5600-5300110	TELEPHONE/INTERNET			1,608.00	42.00	1,650.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		42.00	
10-30-5600-5300583	MISC - TAX, TAGS, ETC			0.00	25.00	25.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		25.00	
10-30-5600-5300760	POWELL BILL			330,000.00	4,553.00	334,553.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		4,553.00	
10-30-5600-5700741	CAPITAL - EQUIPMENT			45,000.00	10,450.00	55,450.00
BA0000349	Radar Speed Signs	GLPKT03208	04/13/2026		10,450.00	
Department 5600 Total:				715,033.00	58,960.00	773,993.00
Department: 5800 - SOLID WASTE						
10-30-5800-5100020	SALARIES			317,225.00	-47.00	317,178.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-47.00	
10-30-5800-5120050	FICA			24,268.00	22.00	24,290.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		22.00	
Department 5800 Total:				341,493.00	-25.00	341,468.00
Department: 6300 - PUBLIC SPACE						
10-10-6300-5300080	TRAINING/CONF/CONV			1,000.00	400.00	1,400.00
BA0000360	Cover training expense	GLPKT03275	04/13/2026		400.00	
10-10-6300-5300330	SUPPLIES - DEPARTMENTAL			44,000.00	-400.00	43,600.00
BA0000360	Cover training expense	GLPKT03275	04/13/2026		-400.00	
Department 6300 Total:				45,000.00	0.00	45,000.00
Department: 6510 - RAIL STATION						
10-71-6510-5982006	TRANSFER TO FUND 60 - GEN CAP IMPROV			50,000.00	-50,000.00	0.00
BA0000347	Adj per FY26 Budget	GLPKT03192	04/13/2026		-50,000.00	
Department 6510 Total:				50,000.00	-50,000.00	0.00
Department: 6600 - SAFETY & RISK MANAGEMENT						
10-10-6600-5100020	SALARIES			105,040.00	3,510.00	108,550.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		3,510.00	
10-10-6600-5125060	INSURANCE - HEALTH			10,548.00	157.00	10,705.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		157.00	
10-10-6600-5127070	RETIREMENT			15,116.00	494.00	15,610.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		494.00	
10-10-6600-5127071	401(K) RETIREMENT SUPP			5,252.00	178.00	5,430.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		178.00	
Department 6600 Total:				135,956.00	4,339.00	140,295.00
Department: 6610 - INFORMATION TECHNOLOGY						
10-71-6610-5982006	TRANSFER TO FUND 60 - GEN CAP IMPROV			0.00	50,000.00	50,000.00
BA0000347	Adj per FY26 Budget	GLPKT03192	04/13/2026		50,000.00	
Department 6610 Total:				0.00	50,000.00	50,000.00

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Department: 6900 - SPECIAL APPROPRIATIONS						
<u>10-60-6900-5300570</u>	MISCELLANEOUS			637,500.00	-287,499.00	350,001.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		-96,839.00	
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		-135,982.00	
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-57,178.00	
BA0000364	A250 Banners	GLPKT03317	04/13/2026		2,500.00	
Department 6900 Total:				637,500.00	-287,499.00	350,001.00
Expense Total:				9,849,885.00	49,081.00	9,898,966.00
Fund 10 Total:				-1,626,934.00	0.00	-1,626,934.00
Fund: 30 - WATER/SEWER						
Revenue						
Department: 3500 - NON-DEPARTMENTAL						
<u>30-80-3500-3528000</u>	ENGINEERING REVIEW FEES			-5,000.00	-120,000.00	-125,000.00
BA0000351	Recognize developer contribution	GLPKT03242	04/13/2026		-120,000.00	
<u>30-80-3500-3528001</u>	WATER & SEWER INSPECTION FEES			-500.00	-56,986.00	-57,486.00
BA0000357	Adj per actual	GLPKT03264	04/13/2026		-56,986.00	
Department 3500 Total:				-5,500.00	-176,986.00	-182,486.00
Department: 3850 - INTEREST EARNED						
<u>30-00-3850-3850000</u>	INTEREST EARNED			-300,000.00	-52,004.00	-352,004.00
BA0000357	Adj per actual	GLPKT03264	04/13/2026		-52,004.00	
Department 3850 Total:				-300,000.00	-52,004.00	-352,004.00
Department: 3870 - TRANSFER FROM						
<u>30-71-3870-3870010</u>	TRANSFER FROM UTILITIES CAPITAL IMP			-252,884.00	-795,600.00	-1,048,484.00
BA0000358	Refund WSF for Adron Thompson Design Cos...	GLPKT03265	04/13/2026		-795,600.00	
Department 3870 Total:				-252,884.00	-795,600.00	-1,048,484.00
Department: 3880 - NON-DEPARTMENTAL						
<u>30-80-3880-3887000</u>	INSURANCE PROCEEDS			0.00	-205,609.00	-205,609.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		-64,599.00	
BA0000357	Adj per actual	GLPKT03264	04/13/2026		-141,010.00	
Department 3880 Total:				0.00	-205,609.00	-205,609.00
Department: 3900 - FUND BALANCE APPROPRIATION						
<u>30-80-3900-3900000</u>	FUND BALANCE APPROPRIATION			-675,666.00	795,600.00	119,934.00
BA0000358	Refund WSF for Adron Thompson Design Cos...	GLPKT03265	04/13/2026		795,600.00	
Department 3900 Total:				-675,666.00	795,600.00	119,934.00
Revenue Total:				-1,234,050.00	-434,599.00	-1,668,649.00
Expense						
Department: 7200 - ADMINISTRATION OF ENTERPRISE						
<u>30-80-7200-5300570</u>	MISCELLANEOUS			145,000.00	-144,949.00	51.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		-144,949.00	
Department 7200 Total:				145,000.00	-144,949.00	51.00
Department: 7220 - UTILITIES ADMINISTRATION						
<u>30-80-7220-5100020</u>	SALARIES			217,547.00	12,453.00	230,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		12,453.00	
<u>30-80-7220-5120050</u>	FICA			16,643.00	957.00	17,600.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		957.00	
<u>30-80-7220-5125061</u>	INSURANCE - LIFE/DISABILITY/VISION			347.00	10.00	357.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		10.00	
<u>30-80-7220-5127070</u>	RETIREMENT			31,090.00	2,010.00	33,100.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		2,010.00	
<u>30-80-7220-5127071</u>	401(K) RETIREMENT SUPP			10,803.00	2,727.00	13,530.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		2,727.00	
Department 7220 Total:				276,430.00	18,157.00	294,587.00

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Department: 7240 - BILLING AND COLLECTIONS						
30-80-7240-5100020	SALARIES			350,581.00	10,564.00	361,145.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		10,564.00	
30-80-7240-5120050	FICA			26,820.00	540.00	27,360.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		540.00	
30-80-7240-5125060	INSURANCE - HEALTH			52,347.00	883.00	53,230.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		883.00	
30-80-7240-5127070	RETIREMENT			47,282.00	4,368.00	51,650.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		4,368.00	
30-80-7240-5127071	401(K) RETIREMENT SUPP			16,429.00	1,571.00	18,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		1,571.00	
30-80-7240-5300411	CS - SOUTH DATA			40,000.00	4,500.00	44,500.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		4,500.00	
30-80-7240-5300585	ELECTRONIC PAYMENT FEES			188,000.00	17,000.00	205,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		17,000.00	
Department 7240 Total:				721,459.00	39,426.00	760,885.00
Department: 8120 - WATER TREATMENT PLANT						
30-80-8120-5100010	OVERTIME COMPENSATION			25,000.00	16,000.00	41,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		16,000.00	
30-80-8120-5100020	SALARIES			599,103.00	16,497.00	615,600.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		16,497.00	
30-80-8120-5120050	FICA			45,832.00	4,818.00	50,650.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		4,818.00	
30-80-8120-5127070	RETIREMENT			78,039.00	5,671.00	83,710.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		5,671.00	
30-80-8120-5127071	401(K) RETIREMENT SUPP			27,116.00	1,999.00	29,115.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		1,999.00	
Department 8120 Total:				775,090.00	44,985.00	820,075.00
Department: 8140 - WATER DISTRIBUTION						
30-80-8140-5100020	SALARIES			588,148.00	15,852.00	604,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		15,852.00	
30-80-8140-5120050	FICA			44,994.00	1,506.00	46,500.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		1,506.00	
30-80-8140-5127070	RETIREMENT			82,865.00	11,135.00	94,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		11,135.00	
30-80-8140-5127071	401(K) RETIREMENT SUPP			28,793.00	5,607.00	34,400.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		5,607.00	
Department 8140 Total:				744,800.00	34,100.00	778,900.00
Department: 8200 - WASTEWATER COLLECTION						
30-71-8200-5982001	TRANSFER TO FUND 69 - UTIL CAP IMPROV			75,000.00	370,000.00	445,000.00
BA0000351	Recognize developer contribution	GLPKT03242	04/13/2026		120,000.00	
BA0000357	Apply Developer Contribution to Elizabeth B...	GLPKT03264	04/13/2026		250,000.00	
30-80-8200-5100010	OVERTIME COMPENSATION			12,000.00	2,000.00	14,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		2,000.00	
Department 8200 Total:				87,000.00	372,000.00	459,000.00
Department: 8220 - WASTEWATER TREATMENT PLANT						
30-80-8220-5100010	OVERTIME COMPENSATION			5,000.00	3,478.00	8,478.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		3,478.00	
30-80-8220-5100020	SALARIES			576,124.00	45,676.00	621,800.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		45,676.00	
30-80-8220-5120050	FICA			44,074.00	5,426.00	49,500.00

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		5,426.00	
30-80-8220-5125060	INSURANCE - HEALTH			72,520.00	2,480.00	75,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		2,480.00	
30-80-8220-5127070	RETIREMENT			81,620.00	10,180.00	91,800.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		10,180.00	
30-80-8220-5127071	401(K) RETIREMENT SUPP			28,360.00	3,640.00	32,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		3,640.00	
30-80-8220-5300145	MAINT - BUILDINGS			14,200.00	560.00	14,760.00
BA0000362	Cover plumbing repairs at WWTP	GLPKT03296	04/13/2026		560.00	
30-80-8220-5300158	MAINT - EQUIPMENT			130,380.00	-3,200.00	127,180.00
BA0000363	Replace gate fence	GLPKT03310	04/13/2026		-3,200.00	
30-80-8220-5300165	MAINT - INFRASTRUCTURE			38,630.00	3,200.00	41,830.00
BA0000363	Replace gate fence	GLPKT03310	04/13/2026		3,200.00	
30-80-8220-5300323	SUPPLIES - CHEMICALS			102,090.00	-560.00	101,530.00
BA0000362	Cover plumbing repairs at WWTP	GLPKT03296	04/13/2026		-560.00	
Department 8220 Total:				1,092,998.00	70,880.00	1,163,878.00
Expense Total:				3,842,777.00	434,599.00	4,277,376.00
Fund 30 Total:				2,608,727.00	0.00	2,608,727.00

Fund: 60 - GENERAL CAPITAL IMPROVEMENTS

Expense

Department: 5600 - STREETS

60-05-5600-5700570	MISCELLANEOUS			0.00	49.66	49.66
BA0000348	Adj per actual	GLPKT03193	04/13/2026		49.66	
60-05-5600-5700774	NC86 - DESIGN			325,982.00	-49.66	325,932.34
BA0000348	Adj per actual	GLPKT03193	04/13/2026		-49.66	
Department 5600 Total:				325,982.00	0.00	325,982.00
Expense Total:				325,982.00	0.00	325,982.00
Fund 60 Total:				325,982.00	0.00	325,982.00

Fund: 69 - UTILITIES CAPITAL IMPROVEMENTS

Expense

Department: 8120 - WATER TREATMENT PLANT

69-45-8120-5700863	WTP PAVING & CURBING			90,000.00	-29,987.60	60,012.40
BA0000359	Apply remaining funds to other needs	GLPKT03269	04/13/2026		-29,987.60	
69-45-8120-5970920	TRANSFER TO FUND 30 - WATER & SEWER			0.00	29,987.60	29,987.60
BA0000359	Apply remaining funds to other needs	GLPKT03269	04/13/2026		29,987.60	
Department 8120 Total:				90,000.00	0.00	90,000.00
Expense Total:				90,000.00	0.00	90,000.00
Fund 69 Total:				90,000.00	0.00	90,000.00

Fund: 78 - COMMITTED FUNDS - GENERAL FUND

Revenue

Department: 3870 - TRANSFER FROM

78-71-3870-3870402	TRANSFER FROM GF - CONNECTIVITY			-40,000.00	-40,103.00	-80,103.00
BA0000346	Adj per FY26 Budget	GLPKT03190	04/13/2026		-40,103.00	
78-71-3870-3870410	TRANSFER FROM GF - SUSTAINABILITY			-647,000.00	-519,500.00	-1,166,500.00
BA0000346	Adj per FY26 Budget	GLPKT03190	04/13/2026		-519,500.00	
Department 3870 Total:				-687,000.00	-559,603.00	-1,246,603.00
Revenue Total:				-687,000.00	-559,603.00	-1,246,603.00

Expense

Department: 6300 - PUBLIC SPACE

78-71-6300-5970911	TRANSFER TO GF - SUSTAINABILITY			647,000.00	519,500.00	1,166,500.00
BA0000346	Adj per FY26 Budget	GLPKT03190	04/13/2026		519,500.00	

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
78-71-6300-5970917	TRANSFER TO GF - CONNECTIVITY			40,000.00	40,103.00	80,103.00
BA0000346	Adj per FY26 Budget	GLPKT03190	04/13/2026		40,103.00	
Department 6300 Total:				687,000.00	559,603.00	1,246,603.00
Expense Total:				687,000.00	559,603.00	1,246,603.00
Fund 78 Total:				0.00	0.00	0.00
Budget Code 2025-2026 Total:				1,397,775.00	0.00	1,397,775.00

APPROVED: 4/0

DATE: 4/13/26

VERIFIED: _____

Smah E. Kimrey

DRAFT

Budget Adjustment Report

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026				
	10	-1,626,934.00	0.00	-1,626,934.00
	30	2,608,727.00	0.00	2,608,727.00
	60	325,982.00	0.00	325,982.00
	69	90,000.00	0.00	90,000.00
	78	0.00	0.00	0.00
Budget Code 2025-2026 Total:		1,397,775.00	0.00	1,397,775.00

DRAFT



PROCLAMATION

Recognizing Volunteer Appreciation Week

April 19-25, 2026

WHEREAS, National Volunteer Week is an opportunity to recognize and honor the countless individuals who selflessly invest in the lives of others in our nation and in Hillsborough; and

WHEREAS, volunteers are finding unique and innovative ways to spread joy and meet the emotional, physical, and educational needs of others; and

WHEREAS, volunteering one's time, talents and resources has been an integral part of our heritage since the early days of our nation and it is essential that we continue this tradition of giving and sharing to preserve and improve the quality of life for all members of our community; and

WHEREAS, Hillsborough is home to a multitude of volunteer opportunities that serve our residents, visitors, and businesses and raise the overall quality of life in Hillsborough; and

WHEREAS, since 1974 a special week in April each year is designated in our nation for the dual purpose of recognizing those who give of themselves and of encouraging all to become involved in volunteer work; and it is fitting at this time that we say, "THANK YOU!" to all individuals, groups, boards and committees, and businesses who have given time, energy, and resources in the Town of Hillsborough through volunteer service;

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim April 19-25, 2026 as Volunteer Appreciation Week in the Town of Hillsborough.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 13th day of April in the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough



RESOLUTION

Declaring Surplus Property and Donation

WHEREAS, it has been determined by the Board of Commissioners that certain personal property described on Exhibit A attached hereto and owned by the Town of Hillsborough is obsolete, unused or surplus; and

WHEREAS, it has been determined that the property can be utilized by Alamance Community College; and

WHEREAS, the Board of Commissioners approves the donation of the property to Alamance Community College; and

WHEREAS, North Carolina General Statute 160A-280 authorizes municipalities to donate personal property to nonprofit organizations and governmental units; and

WHEREAS, pursuant to North Carolina General Statute 160A-280, the town published notice of this resolution at least five days prior to the board's adoption;

NOW, THEREFORE, be it resolved by the Hillsborough Board of Commissioners as follows:

- The property is hereby declared surplus.
- The property shall be donated to Alamance Community College in accordance with a Donated Assets Indemnification Agreement attached hereto as Exhibit B.
- The town manager is hereby authorized to take steps necessary to donate said items to the Alamance Community College in accordance with this resolution.

Approved this 13th day of April of the year 2026.

Mark Bell

Mark Bell, Mayor
Town of Hillsborough



Attestation:

Sarah E. Kimrey

Sarah Kimrey, Town Clerk



RESOLUTION

Adopting the Principles of Universal Design for Public Spaces

WHEREAS, Universal Design is a philosophy that advocates for the creation and composition of environments that can be accessed, understood, and used by all people, to the greatest extent possible, without the need for adaptation or specialized features; and

WHEREAS, Universal Design creates inclusive solutions and promotes accessibility and usability, allowing people with all levels of ability to live independently; and

WHEREAS, this approach seeks to proactively remove barriers that could limit participation in social, economic, and cultural life; and

WHEREAS, the implementation of universal design principles—including equitable use, flexibility, simplicity, and safety—enhances accessibility for all individuals regardless of their age, size, ability or disability, and the general public; and

WHEREAS, designing for accessibility from the outset reduces the need for costly, reactive retrofitting of public spaces; and

WHEREAS, incorporating universal design principles improves the quality of life, fosters independence, and supports inclusion in community life;

NOW, THEREFORE, be it resolved that the Hillsborough Board of Commissioners hereby adopts the principles of Universal Design as a standard for all future planning, and construction of public spaces.

Approved this 13th day of April in the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough

RESOLUTION# 20260413-5.F



RESOLUTION

Opposing a Proposed Constitutional Amendment Limiting Local Property Tax Authority

WHEREAS, property taxes are the primary source of revenue for Hillsborough and municipalities in North Carolina and are essential to funding core public services, including police, fire protection, roads, solid waste, and transportation; and

WHEREAS, in North Carolina cities and towns, property tax revenues fund, on average, approximately 50% of municipal budgets for police and fire protection and approximately 20% for streets and transportation infrastructure; fire and police services in Hillsborough comprise 41.% of the General Fund budget; streets make up nearly 10% of the budget and when combined with public works, operations total 20%; and

WHEREAS, these services are fundamental to public safety, economic stability, and quality of life for residents, businesses, and visitors; and

WHEREAS, the House Select Committee on Property Tax Reduction and Reform is advancing a potential constitutional amendment that would impose rigid and inflexible constraints on local property tax authority; and

WHEREAS, such constraints would undermine local fiscal stability by increasing borrowing costs through reduced bond ratings, limiting the town's ability to respond to rising costs, and restricting the capacity to recover from natural disasters and other emergencies; and

WHEREAS, municipalities across North Carolina are already facing substantial cost increases in delivering essential services, including approximately an 80% increase in street resurfacing costs, a 33% increase in entry-level police officer market-rate salaries, and a 50% increase in the cost of fire trucks and other public safety vehicles over the past five years; Hillsborough has also experienced significant increases similar to other North Carolina local governments; and

WHEREAS, these fiscal pressures require local governments to retain flexibility to responsibly manage revenues in order to maintain service levels and meet community expectations; and

WHEREAS, property taxes fund the basic services and infrastructure that support businesses, attract investment, and sustain economic growth across North Carolina; and

WHEREAS, undermining local revenue authority risks shifting costs, reducing service quality, and weakening the economic competitiveness of North Carolina communities;

NOW, THEREFORE, be it resolved that the Hillsborough Board of Commissioners strongly opposes any open-ended constitutional amendment that lacks clear parameters and would significantly restrict local government revenue authority and the ability to provide essential services; and

BE IT FURTHER RESOLVED that the Hillsborough Board of Commissioners calls on the North Carolina General Assembly to reject proposals that would impose inflexible and subjective constraints on municipal property tax authority and instead work in partnership with local governments to support sustainable economic growth and service delivery; and

RESOLUTION# 20260413-5.F

BE IT FURTHER RESOLVED should a constitutional amendment be placed on the November 2026 ballot, the Town of Hillsborough urges voters to vote against the amendment; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be transmitted to the Chapel Hill Town Council, the Carrboro Town Council, the Mebane City Council, and the Orange County Board of Commissioners; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be transmitted to Senator Jonah Garson and Representative Renee Price; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be provided to the House Select Committee on Property Tax Reduction and Reform.

Approved this 13th day of April in the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough

DRAFT

Budget Adjustment Report

Adjustment Detail

For Date Range: 04/13/2026 - 04/14/2026

Town of Hillsborough, NC

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 69 - UTILITIES CAPITAL IMPROVEMENTS						
Revenue						
69-47-3870-3870522	TRANSFER FROM WSF SODIUM HYPOCHLORITE			0.00	-79,453.00	-79,453.00
BA0000353	Apply remaining project funds	GLPKT03259	04/14/2026		-79,453.00	
Revenue Total:				0.00	-79,453.00	-79,453.00
Expense						
69-00-8100-5700720	CONSTRUCTION			0.00	79,453.00	79,453.00
BA0000353	Apply remaining project funds	GLPKT03259	04/14/2026		79,453.00	
Expense Total:				0.00	79,453.00	79,453.00
Fund 69 Total:				0.00	0.00	0.00
Budget Code 2025-2026 Total:				0.00	0.00	0.00

DRAFT

APPROVED: 4/0

DATE: 4/13/26

VERIFIED: *Saman E. Kinney*



ORDINANCE

Capital Project Amendment

Sodium Hypochlorite Conversion

The Hillsborough Board of Commissioners ordains that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. Revenues anticipated to be available to the town to complete the project are hereby adopted as follows.

	<i>Current Budget</i>	+/-	<i>Amended Budget</i>
Sodium Hypochlorite Conversion	\$375,000	\$79,453	\$454,453

Section 2. Amounts appropriated for the capital project are hereby adopted as follows.

	<i>Current Budget</i>	+/-	<i>Amended Budget</i>
Sodium Hypochlorite Conversion	\$375,000	\$79,453	\$454,453

Section 3. This ordinance shall be amended in any manner to add additional appropriations, modify or eliminate existing capital projects, and/or add new capital project, so long as it continues to fulfill the requirements of G.S. 159-13.2 and other applicable laws.


Section 4. This capital project will close automatically upon projection completion.

Section 5. Copies of this ordinance should be furnished to the clerk, budget officer and finance officer to be kept on file by them for their direction in carrying out this project.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 13th day of April in the year 2026.

Ayes: 4
 Noes: 0
 Absent or excused: 1





 Sarah E. Kimrey, Town Clerk

Budget Adjustment Report

Adjustment Detail

For Date Range: 04/15/2026 - 04/15/2026

Town of Hillsborough, NC

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 69 - UTILITIES CAPITAL IMPROVEMENTS						
Revenue						
69-48-3870-3870523	TRANSFER FROM WSF - CATES CREEK OUTFALL UPGRADE			0.00	-120,000.00	-120,000.00
BA0000354	Apply Developer Contribution	GLPKT03262	04/15/2026		-120,000.00	
Revenue Total:				0.00	-120,000.00	-120,000.00
Expense						
69-00-8100-5700745	DESIGN			0.00	120,000.00	120,000.00
BA0000354	Apply Developer Contribution	GLPKT03262	04/15/2026		120,000.00	
Expense Total:				0.00	120,000.00	120,000.00
Fund 69 Total:				0.00	0.00	0.00
Budget Code 2025-2026 Total:				0.00	0.00	0.00

APPROVED: 4/0

DATE: 4/13/26

VERIFIED: *Sarah E. Kinney*

DRAFT

Budget Adjustment Report

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026		Fiscal: 2025-2026		
	69	0.00	0.00	0.00
Budget Code 2025-2026 Total:		0.00	0.00	0.00

DRAFT



ORDINANCE

Capital Project Amendment

Cates Creek Outfall Upgrade

The Hillsborough Board of Commissioners ordains that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. Revenues anticipated to be available to the town to complete the project are hereby adopted as follows.

	<i>Current Budget</i>	+/-	<i>Amended Budget</i>
Cates Creek Outfall Upgrade	\$75,000	\$120,000	\$195,000

Section 2. Amounts appropriated for the capital project are hereby adopted as follows.

	<i>Current Budget</i>	+/-	<i>Amended Budget</i>
Cates Creek Outfall Upgrade	\$75,000	\$120,000	\$195,000

Section 3. This ordinance shall be amended in any manner to add additional appropriations, modify or eliminate existing capital projects, and/or add new capital project, so long as it continues to fulfill the requirements of G.S. 159-13.2 and other applicable laws.


Section 4. This capital project will close automatically upon projection completion.

Section 5. Copies of this ordinance should be furnished to the clerk, budget officer and finance officer to be kept on file by them for their direction in carrying out this project.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 13th day of April in the year 2026.

Ayes: 4
 Noes: 0
 Absent or excused: 1





 Sarah E. Kimrey, Town Clerk

Budget Adjustment Report Adjustment Detail

For Date Range: 04/16/2026 - 04/16/2026

Town of Hillsborough, NC

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 69 - UTILITIES CAPITAL IMPROVEMENTS						
Revenue						
69-36-3870-3870524	TRANSFER FROM WSF - ELIZABETH BRADY PS UPGRADE			0.00	-250,000.00	-250,000.00
BA0000356	Apply Developer Contribution	GLPKT03263	04/16/2026		-250,000.00	
Revenue Total:				0.00	-250,000.00	-250,000.00
Expense						
69-00-8100-5700720	CONSTRUCTION			0.00	250,000.00	250,000.00
BA0000356	Apply Developer Contribution	GLPKT03263	04/16/2026		250,000.00	
Expense Total:				0.00	250,000.00	250,000.00
Fund 69 Total:				0.00	0.00	0.00
Budget Code 2025-2026 Total:				0.00	0.00	0.00

DRAFT

APPROVED: 4/0

DATE: 4/13/26

VERIFIED: *Shan & Kimrey*

Section 5, Item A.

Budget Adjustment Report

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026		Fiscal: 2025-2026		
	69	0.00	0.00	0.00
Budget Code 2025-2026 Total:		0.00	0.00	0.00

DRAFT



ORDINANCE

Capital Project Amendment

Elizabeth Brady Pump Station and Force Main Upgrade

The Hillsborough Board of Commissioners ordains that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. Revenues anticipated to be available to the town to complete the project are hereby amended as follows.

	<i>Current Budget</i>	<i>+/-</i>	<i>Amended Budget</i>
Elizabeth Brady Pump Station and Force Main Upgrade	\$750,000	\$250,000	\$1,000,000

Section 2. Amounts appropriated for the capital project are hereby amended as follows.

	<i>Current Budget</i>	<i>+/-</i>	<i>Amended Budget</i>
Elizabeth Brady Pump Station and Force Main Upgrade	\$750,000	\$250,000	\$1,000,000

Section 3. This ordinance shall be amended in any manner to add additional appropriations, modify or eliminate existing capital projects, and/or add new capital project, so long as it continues to fulfill the requirements of G.S. 159-13.2 and other applicable laws.

Section 4. This capital project will close automatically upon projection completion.

Section 5. Copies of this ordinance should be furnished to the clerk, budget officer and finance officer to be kept on file by them for their direction in carrying out this project.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 13th day of April in the year 2026.

Ayes: 4
 Noes: 0
 Absent or excused: 1



Sarah E. Kimrey

 Sarah E. Kimrey, Town Clerk



Minutes

Board of Commissioners Work Session

7 p.m. April 27, 2026

Board Meeting Room, Town Hall Annex, 105 E. Corbin St.

Present: Mayor Mark Bell and commissioners Meaghun Darab, Robb English, Kathleen Ferguson and Matt Hughes

Absent: Commissioner Evelyn Lloyd

Staff: Senior Planner Molly Boyle, Budget Director Emily Bradford, Assistant Town Manager and Community Services Director Matt Efird, Budget and Management Analyst Josh Fernandez, Engineering Services Manager Bryant Green, Town Attorney Bob Hornik, Information Technology Manager Chris Johnston, Town Clerk and Human Resources Technician Sarah Kimrey, Communications Specialist JC Leser-McMinn, Town Manager Eric Peterson

1. Opening of the work session

Mayor Mark Bell called the meeting to order at 7 p.m.

2. Agenda changes and approval

Motion: Commissioner Kathleen Ferguson moved to approve the agenda as presented. Commissioner Matt Hughes seconded.

Vote: 4-0.

3. Presentations

A. Proposed zoning districts – Unified Development Ordinance rewrite project

Senior Planner Tom King presented a summary of proposed zoning district changes developed by consultant Aspire Placemaking, previously shared with the Planning Board in March. The presentation aimed to consolidate the current zoning structure and sought the board's feedback, not as a final proposal.

Residential Districts:

Seven residential zoning districts may be condensed to four: Suburban Neighborhood Residential, Traditional Neighborhood Residential, Compact Neighborhood Residential, and Urban Neighborhood Residential. King noted that areas without sewer service would likely fall under the suburban district, much of the town would be covered by the traditional district, the compact district would suit greenfield development, and the urban district would permit townhomes and taller apartment buildings.

Concerns were raised about potential teardowns of older homes outside historic areas under the Traditional Neighborhood designation. King acknowledged teardowns were ongoing and noted the complexity of mitigation options. The board suggested exploring both horizontal and vertical designs for multi-unit buildings to better suit local context and increase density. Height limits and setbacks were also discussed for their potential impacts on design creativity and density goals.

Commercial Districts:

Plans include reorganizing into Central/Core Commercial, High Intensity Commercial, Industrial, and a new Urban Activity Center district, intended as a floating zone for transit-oriented areas like the future train station development. Feedback included questioning the six-story height in industrial zones as potentially unnecessary. King confirmed that the consultant was viewing the meeting via livestream to receive feedback.

Corner Store Concept:

King introduced a "corner store" concept permitting small-scale neighborhood retail in residential zones, with limitations on size, hours, and proximity to residential properties. The board expressed support but questioned the exclusion of food prep businesses when restaurants were allowed. Members were encouraged to submit additional feedback within two weeks. A draft zoning map is forthcoming for board review.

4. Items for decision - consent agenda

- A. Miscellaneous budget amendments and transfers
- B. Proclamation – Period Poverty Awareness Week
- C. Resolution Adopting the Heat Action Plan for Orange County
- D. Capital Project Ordinance Amendment – Exchange Club Road Bridge Repairs
- E. Capital Project Ordinance Amendment – NC86 Facility Renovation
- F. Capital Project Ordinance – West Fork Eno Reservoir Dam Repairs
- G. Classification and Pay Amendment
- H. Special Event Permit – America 250th Anniversary Celebration

Motion: Ferguson moved to approve all items on the consent agenda. Hughes seconded.

Vote: 4-0. Nays: 0.

5. In-depth discussion and topics

- A. Annexation interest letter for 2101 and 2109 NC 86 S
Senior Planner Molly Boyle presented an annexation interest letter from Tricor Investments, based in Greenville, South Carolina, for two parcels totaling approximately 2.5 acres located on NC 86 South adjacent to Home Depot. The properties are currently zoned rural residential in Orange County. The applicant seeks annexation into the town with a rezoning to High Intensity Commercial for retail development, including quick-service and fast casual restaurants. Staff confirmed the proposed use is consistent with the Unified Development Ordinance and the future land use plan.

The board expressed consensus in favor of the applicant proceeding with a formal annexation and rezoning petition.

- B. Nonprofit Partnership Funding Requests – Public Hearing and Town Board Review (Fiscal Year 2026-27 Budget)
The board received presentations from six nonprofit organizations requesting partnership funding for Fiscal Year 2026-27, totaling approximately \$139,795 against a budget placeholder of \$45,800.

Highlights from Nonprofit Presentations:

- Orange County Disability Awareness Council: Requested \$15,000 for operations and a technology lab at the Human Services building.
- Hillsborough Exchange Club: Asked for \$7,000 to repair storm damage at its community facility.
- Fairview Community Watch: Detailed its community programs, targeting 350 residents, and was encouraged to explore funding from Orange County.

- Food, Fitness and Opportunity Research Collaborative (FFORC): Requested \$51,000 to sustain community programs in Fairview amidst eliminated federal funding.
- Hillsborough Arts Council: Sought \$17,800 for diverse arts programming, noting that planned requests to the Tourism Development Authority could supplement funding.
- Table: Supports 1,200 children county-wide, including 50 in Hillsborough, asking the board to align with sustainability plan goals for food access.

Town Manager Eric Peterson provided financial context, projecting a \$400,000 deficit in Year 1, rising to over \$2.8 million by Year 3. Pressures include \$630,000 in annual increases for personnel and health insurance.

Funding Consensus: The board decided to use a \$100,000–\$110,000 placeholder for Fiscal Year 2026-27 nonprofit partnerships and assumed \$110,000 for subsequent years, adjusting as needed. Final allocations will be decided at the May 18 budget workshop.

C. Fiber Loop Project Update

Information Technology Manager Chris Johnston presented a recommendation to discontinue the long-standing municipal fiber loop construction project and instead contract with a third-party internet service provider to deliver fiber connectivity to all town facilities. The self-build project has been under consideration since 2017 and has accumulated approximately \$500,000 in set-aside funds. Key obstacles to the self-build option include high underground construction costs due to subsurface rock, staffing demands for maintenance and repair, and statutory restrictions on leasing municipal fiber.

The transition would move all facilities from asynchronous DSL service to synchronous gigabit fiber, at an estimated annual cost of roughly \$67,000 — offset by halting the \$50,000 annual capital set-aside.

The board unanimously supported contracting with a third-party provider and directed staff to cease accumulating funds for the self-build project and proceed with upgrading internet service at town facilities.

Motion: Hughes moved to cancel the fiber loop construction project and to reallocate funding to a third-party fiber internet provider. Ferguson seconded.

Vote: 4-0.

6. **Committee updates and reports**

Board members gave updates on the committees and boards on which they serve.

7. **Adjournment**

Motion: Hughes moved to adjourn at 10:32 p.m. Ferguson seconded.

Vote: 4-0.

Respectfully submitted,

Sarah Kimrey
Town Clerk
Staff support to the Board of Commissioners

Budget Adjustment Report

Adjustment Detail

For Date Range: 04/27/2026 - 04/27/2026

Town of Hillsborough, NC

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 10 - GENERAL						
Revenue						
Department: 3100 - TAX LEVY						
10-00-3100-3101221	2021 TAX LEVY			0.00	-584.00	-584.00
BA0000379	Adj per actual	GLPKT03441	04/27/2026		-584.00	
10-00-3100-3101222	2022 TAX LEVY			0.00	-1,323.00	-1,323.00
BA0000379	Adj per actual	GLPKT03441	04/27/2026		-1,323.00	
10-00-3100-3101223	2023 TAX LEVY			0.00	-2,206.00	-2,206.00
BA0000379	Adj per actual	GLPKT03441	04/27/2026		-2,206.00	
10-00-3100-3101224	2024 TAX LEVY			-40,000.00	-4,387.00	-44,387.00
BA0000379	Adj per actual	GLPKT03441	04/27/2026		-4,387.00	
Department 3100 Total:				-40,000.00	-8,500.00	-48,500.00
Department: 3800 - NON-DEPARTMENTAL						
10-00-3800-3800003	TOURISM BOARD			-26,000.00	-12,500.00	-38,500.00
BA0000370	Recognize revenue from TDA & TB for A250	GLPKT03366	04/27/2026		-12,500.00	
10-00-3800-3800004	TOURISM DEVELOPMENT AUTHORITY			-13,000.00	-12,500.00	-25,500.00
BA0000370	Recognize revenue from TDA & TB for A250	GLPKT03366	04/27/2026		-12,500.00	
Department 3800 Total:				-39,000.00	-25,000.00	-64,000.00
Department: 3900 - FUND BALANCE APPROPRIATION						
10-00-3900-3900000	FUND BALANCE APPROPRIATION			-207,819.00	30,189.35	-177,629.65
BA0000366	Reduce per voided PO 25000133-R1	GLPKT03352	04/27/2026		4,629.43	
BA0000367	Reduce per partial voided PO 25000600-R1	GLPKT03353	04/27/2026		24,560.92	
BA0000368	Reduce per partial voided PO 25000601-R1	GLPKT03354	04/27/2026		999.00	
Department 3900 Total:				-207,819.00	30,189.35	-177,629.65
Revenue Total:				-286,819.00	-3,310.65	-290,129.65
Expense						
Department: 4000 - DISASTER						
10-10-4000-5300161	MAINT - VEHICLES			0.00	4,315.00	4,315.00
BA0000374	Chantal Expenses	GLPKT03422	04/27/2026		3,900.00	
BA0000376	Chantal Expenses	GLPKT03431	04/27/2026		415.00	
10-10-4000-5300570	MISCELLANEOUS			0.00	-4,315.00	-4,315.00
BA0000374	Chantal Expenses	GLPKT03422	04/27/2026		-3,900.00	
BA0000376	Chantal Expenses	GLPKT03431	04/27/2026		-415.00	
Department 4000 Total:				0.00	0.00	0.00
Department: 4500 - HUMAN RESOURCES						
10-10-4500-5300454	CONTRACT SERVICES			62,000.00	6,000.00	68,000.00
BA0000388	Move to correct account	GLPKT03513	04/27/2026		6,000.00	
10-10-4500-5300474	RECRUITMENT			37,750.00	-6,000.00	31,750.00
BA0000381	CPRC HR Consortium membership fee	GLPKT03468	04/27/2026		-6,000.00	
10-10-4500-5300530	DUES & SUBSCRIPTIONS			4,542.00	0.00	4,542.00
BA0000381	CPRC HR Consortium membership fee	GLPKT03468	04/27/2026		6,000.00	
BA0000388	Move to correct account	GLPKT03513	04/27/2026		-6,000.00	
Department 4500 Total:				104,292.00	0.00	104,292.00
Department: 4600 - COMMUNICATIONS						
10-10-4600-5300530	DUES & SUBSCRIPTIONS			1,020.00	430.00	1,450.00
BA0000372	Cover increased newspaper sub and professi...	GLPKT03394	04/27/2026		430.00	

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
10-10-4600-5300570	MISCELLANEOUS			6,400.00	-430.00	5,970.00
BA0000372	Cover increased newspaper sub and professi...	GLPKT03394	04/27/2026		-430.00	
Department 4600 Total:				7,420.00	0.00	7,420.00
Department: 5100 - POLICE						
10-20-5100-5300080	TRAINING/CONF/CONV			19,700.00	2,000.00	21,700.00
BA0000365	Cover new Sgt hires and other various expen...	GLPKT03330	04/27/2026		2,000.00	
10-20-5100-5300310	GASOLINE			65,000.00	100.00	65,100.00
BA0000365	Cover new Sgt hires and other various expen...	GLPKT03330	04/27/2026		100.00	
10-20-5100-5300321	SUPPLIES - COMMUNITY POLICING			2,500.00	500.00	3,000.00
BA0000365	Cover new Sgt hires and other various expen...	GLPKT03330	04/27/2026		500.00	
10-20-5100-5300350	UNIFORMS			24,000.00	4,000.00	28,000.00
BA0000365	Cover new Sgt hires and other various expen...	GLPKT03330	04/27/2026		4,000.00	
10-20-5100-5300460	CS - DRIVER SAFTEY TRAINING			4,000.00	100.00	4,100.00
BA0000365	Cover new Sgt hires and other various expen...	GLPKT03330	04/27/2026		100.00	
10-20-5100-5300470	HIRING SELECTION PROCESS			4,200.00	3,500.00	7,700.00
BA0000365	Cover new Sgt hires and other various expen...	GLPKT03330	04/27/2026		3,500.00	
10-20-5100-5300570	MISCELLANEOUS			15,500.00	-10,200.00	5,300.00
BA0000365	Cover new Sgt hires and other various expen...	GLPKT03330	04/27/2026		-10,200.00	
Department 5100 Total:				134,900.00	0.00	134,900.00
Department: 5550 - FLEET MAINTENANCE						
10-30-5550-5300180	VEHICLE REPAIR - SOLID WASTE			25,000.00	8,500.00	33,500.00
BA0000379	Garbage Truck Tarp & Repairs	GLPKT03441	04/27/2026		8,500.00	
10-30-5550-5300330	SUPPLIES - DEPARTMENTAL			30,000.00	-800.00	29,200.00
BA0000377	Uniform Rentals	GLPKT03432	04/27/2026		-800.00	
10-30-5550-5300350	UNIFORMS			3,800.00	800.00	4,600.00
BA0000377	Uniform Rentals	GLPKT03432	04/27/2026		800.00	
Department 5550 Total:				58,800.00	8,500.00	67,300.00
Department: 5600 - STREETS						
10-30-5600-5300166	HOLIDAY DECORATIONS			500.00	-259.00	241.00
BA0000373	Yr-end Adjustment	GLPKT03286	04/27/2026		-259.00	
10-30-5600-5300483	CS - RR CROSSINGS			1,100.00	-41.00	1,059.00
BA0000373	Yr-end Adjustment	GLPKT03286	04/27/2026		-41.00	
10-30-5600-5300570	MISCELLANEOUS			1,500.00	300.00	1,800.00
BA0000373	Yr-end Adjustment	GLPKT03286	04/27/2026		300.00	
Department 5600 Total:				3,100.00	0.00	3,100.00
Department: 5800 - SOLID WASTE						
10-30-5800-5300080	TRAINING/CONF/CONV			5,000.00	-2,204.00	2,796.00
BA0000383	Cover Solid Waste Overages	GLPKT03503	04/27/2026		-2,204.00	
10-30-5800-5300530	DUES & SUBSCRIPTIONS			750.00	354.00	1,104.00
BA0000383	Cover Solid Waste Overages	GLPKT03503	04/27/2026		354.00	
10-30-5800-5300583	MISC - TAX, TAGS, ETC			2,006.00	1,850.00	3,856.00
BA0000383	Cover Solid Waste Overages	GLPKT03503	04/27/2026		1,850.00	
Department 5800 Total:				7,756.00	0.00	7,756.00
Department: 6610 - INFORMATION TECHNOLOGY						
10-10-6610-5300113	LICENSE FEES			202,200.00	-4,629.43	197,570.57
BA0000366	Reduce per voided PO 25000133-R1	GLPKT03352	04/27/2026		-4,629.43	
10-10-6610-5300338	SUPPLIES - DATA PROCESSING			135,000.00	-25,559.92	109,440.08
BA0000367	Reduce per partial voided PO 25000600-R1	GLPKT03353	04/27/2026		-24,560.92	
BA0000368	Reduce per partial voided PO 25000601-R1	GLPKT03354	04/27/2026		-999.00	
Department 6610 Total:				337,200.00	-30,189.35	307,010.65

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
Department: 6900 - SPECIAL APPROPRIATIONS						
10-60-6900-5300570	MISCELLANEOUS			637,500.00		662,500.00
BA0000370	Recognize revenue from TDA & TB for A250	GLPKT03366	04/27/2026		25,000.00	
Department 6900 Total:				637,500.00	25,000.00	662,500.00
Expense Total:				1,290,968.00	3,310.65	1,294,278.65
Fund 10 Total:				1,004,149.00	0.00	1,004,149.00
Fund: 30 - WATER/SEWER						
Expense						
Department: 4000 - DISASTER						
30-80-4000-5300583	MISC - TAX, TAGS, ETC			0.00	1,000.00	1,000.00
BA0000389	TS Chantal: Cover dump truck replace for W...	GLPKT03520	04/27/2026		1,000.00	
30-80-4000-5700740	CAPITAL - VEHICLES			0.00	41,659.00	41,659.00
BA0000389	TS Chantal: Cover dump truck replace for W...	GLPKT03520	04/27/2026		41,659.00	
30-80-4000-5700741	CAPITAL - EQUIPMENT			0.00	-42,659.00	-42,659.00
BA0000389	TS Chantal: Cover dump truck replace for W...	GLPKT03520	04/27/2026		-42,659.00	
Department 4000 Total:				0.00	0.00	0.00
Department: 7240 - BILLING AND COLLECTIONS						
30-80-7240-5300145	MAINT - BUILDINGS			500.00	100.00	600.00
BA0000382	Cover Billing and Collections bldg mainten...	GLPKT03481	04/27/2026		100.00	
30-80-7240-5300570	MISCELLANEOUS			1,000.00	-100.00	900.00
BA0000382	Cover Billing and Collections bldg mainten...	GLPKT03481	04/27/2026		-100.00	
Department 7240 Total:				1,500.00	0.00	1,500.00
Department: 8120 - WATER TREATMENT PLANT						
30-80-8120-5300080	TRAINING/CONF/CONV			2,800.00	78.00	2,878.00
BA0000387	Cover WTP Training	GLPKT03512	04/27/2026		78.00	
30-80-8120-5300158	MAINT - EQUIPMENT			88,400.00	-78.00	88,322.00
BA0000387	Cover WTP Training	GLPKT03512	04/27/2026		-78.00	
Department 8120 Total:				91,200.00	0.00	91,200.00
Department: 8140 - WATER DISTRIBUTION						
30-80-8140-5300351	RENTAL - EQUIPMENT			2,000.00	-900.00	1,100.00
BA0000378	Increase to NC811 invoices	GLPKT03439	04/27/2026		-900.00	
30-80-8140-5300457	CS - NC ONE CALL CENTER			3,000.00	900.00	3,900.00
BA0000378	Increase to NC811 invoices	GLPKT03439	04/27/2026		900.00	
Department 8140 Total:				5,000.00	0.00	5,000.00
Department: 8220 - WASTEWATER TREATMENT PLANT						
30-80-8220-5300145	MAINT - BUILDINGS			14,200.00	650.00	14,850.00
BA0000371	Cover building maintenance at WWTP	GLPKT03393	04/27/2026		650.00	
30-80-8220-5300323	SUPPLIES - CHEMICALS			102,090.00	-650.00	101,440.00
BA0000371	Cover building maintenance at WWTP	GLPKT03393	04/27/2026		-650.00	
Department 8220 Total:				116,290.00	0.00	116,290.00
Expense Total:				213,990.00	0.00	213,990.00
Fund 30 Total:				213,990.00	0.00	213,990.00
Fund: 35 - STORMWATER						
Expense						
Department: 5900 - STORMWATER						
35-30-5900-5300165	MAINT - INFRASTRUCTURE			187,000.00	-3,000.00	184,000.00
BA0000386	Cover collection expense due to Orange Cou...	GLPKT03504	04/27/2026		-3,000.00	
35-30-5900-5300495	COLLECTION EXPENSE			30,000.00	3,000.00	33,000.00

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number BA0000386	Adjustment Description Cover collection expense due to Orange Cou...	GLPKT03504	04/27/2026		3,000.00	
Department 5900 Total:				217,000.00	0.00	217,000.00
Expense Total:				217,000.00	0.00	217,000.00
Fund 35 Total:				217,000.00	0.00	217,000.00
Budget Code 2025-2026 Total:				1,435,139.00	0.00	1,435,139.00

APPROVED: 4/0

DATE: 4/27/26

VERIFIED: _____

Janet E. Kimrey

DRAFT

Budget Adjustment Report

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026				
	10	1,004,149.00	0.00	1,004,149.00
	30	213,990.00	0.00	213,990.00
	35	217,000.00	0.00	217,000.00
Budget Code 2025-2026 Total:		1,435,139.00	0.00	1,435,139.00

DRAFT



PROCLAMATION

Period Poverty Awareness Week

May 11-17, 2026

WHEREAS, approximately half of the population will have a period every month for decades of their lives and period supplies are a necessary product, each month, for millions of people across the country; and

WHEREAS, national surveys and research studies report that one in four menstruating individuals struggle to secure enough period supplies to meet their needs each month due to a lack of income and this lack of period supplies, known as period poverty, can adversely affect the health and well-being of menstruators; and

WHEREAS, national surveys also report that one in five women and girls miss work or school due to lacking a sufficient period supplies, exacerbating the vicious cycle of poverty by forcing menstruators to withdraw from daily life, losing pay or missing educational opportunities; and

WHEREAS, menstruators struggling with period poverty risk infections by using proxy products not intended for this purpose or not changing products as often as needed; and

WHEREAS, the people of Hillsborough recognize that period poverty is a public health issue, and addressing period poverty can enhance economic opportunity for Hillsborough's people and surrounding communities and improved health for women and girls/menstruators, thus ensuring all people have access to the basic necessities required to thrive and reach their full potential; and

WHEREAS, Hillsborough is proud to be home to trusted organizations, including Period Power, a program of the Diaper Bank of North Carolina, that recognize the importance of period products in ensuring health and providing economic stability and thus distribute period products through various channels; and

WHEREAS, the Hillsborough Board of Commissioners extends its sincere gratitude to the aforementioned period supply banks, their staff, volunteers and donors, for their courageous service during the crisis, and encourage the residents of Hillsborough to donate generously to period supply banks, product drives, and those organizations that collect and distribute period products to those struggling with period poverty, so that the Hillsborough community can thrive and reach their full potential;

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim May 11 through May 17, 2026, as "Period Poverty Awareness Week" in the Town of Hillsborough.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 27th day of April in the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough



RESOLUTION

Adopting the 2026 Heat Action Plan for Orange County

WHEREAS, extreme heat is the leading cause of weather-related death in the United States and one of the most significant climate stressors in our community; and

WHEREAS, historical weather data show that Orange County averaged eight days per year above 95 degrees Fahrenheit and that current projections show an increase to between 28-41 days per year by the 2060s; and

WHEREAS, Orange County and the towns of Carrboro, Chapel Hill and Hillsborough collaborated and received expert guidance and national best practice from the North Carolina Office of Recovery and Resilience to develop the first Heat Action Plan for Orange County; and

WHEREAS, the plan was directly informed by community meetings, survey feedback, and the Heat Relief Task Force; and

WHEREAS, the plan provides a framework to increase community awareness, reduce-heat related health risks, and build long-term resilience through eighteen specific actions across three goals: Outreach and Education, Enhanced Emergency Response, and Cooling Homes and Neighborhoods; and

WHEREAS, communications elements of the plan are already underway, starting with last summer's Beat the Heat Campaign and Heat Awareness Week proclamations across the county;

WHEREAS, Orange County's Board of County Commissioners formally adopted the Heat Action Plan for Orange County on March 17, 2026;

NOW, THEREFORE, be it resolved that the Hillsborough Board of Commissioners hereby adopts the 2026 Heat Action Plan for Orange County as described in the April 27, 2026, meeting materials.

Approved this 27th day of April in the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough

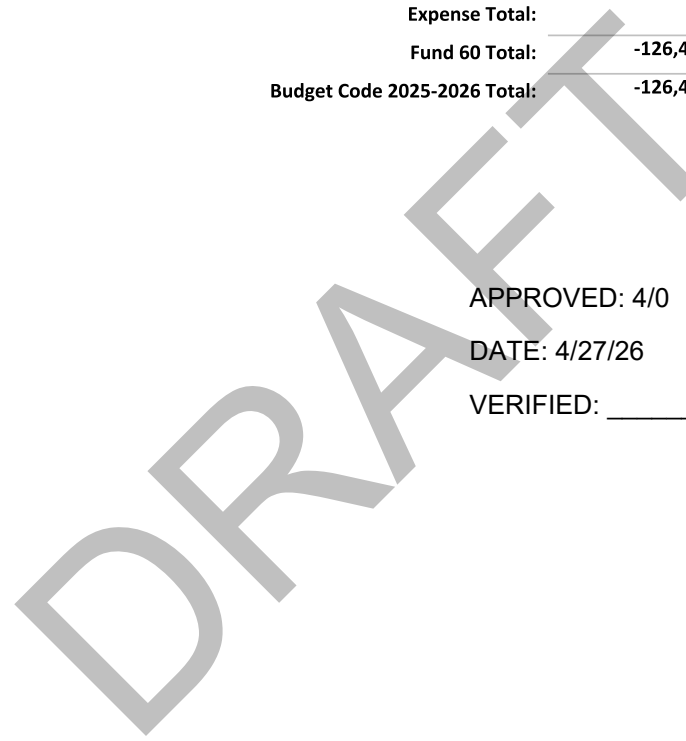
Budget Adjustment Report

Adjustment Detail

For Date Range: 04/28/2026 - 04/28/2026

Town of Hillsborough, NC

Account Number Adjustment Number	Account Name Adjustment Description	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 60 - GENERAL CAPITAL IMPROVEMENTS						
Revenue						
60-32-3800-3201002 BA0000375	FEDERAL - ST-BG Exchange Club Rd Bridge Repair	GLPKT03425	04/28/2026	-126,447.00	-255,219.00 -255,219.00	-381,666.00
Revenue Total:				-126,447.00	-255,219.00	-381,666.00
Expense						
60-00-6100-5700720 BA0000375	CONSTRUCTION Exchange Club Rd Bridge Repair	GLPKT03425	04/28/2026	0.00	255,219.00 255,219.00	255,219.00
Expense Total:				0.00	255,219.00	255,219.00
Fund 60 Total:				-126,447.00	0.00	-126,447.00
Budget Code 2025-2026 Total:				-126,447.00	0.00	-126,447.00



APPROVED: 4/0

DATE: 4/27/26

VERIFIED: *Sharon E. Kinney*



ORDINANCE

Capital Project Amendment

Exchange Club Road Bridge Repairs

The Hillsborough Board of Commissioners ordains that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. Revenues anticipated to be available to the town to complete the project are hereby amended as follows.

	<i>Current Budget</i>	<i>+/-</i>	<i>Amended Budget</i>
Exchange Club Rd Bridge	\$170,000	\$255,219	\$425,219

Section 2. Amounts appropriated for the capital project are hereby amended as follows.

	<i>Current Budget</i>	<i>+/-</i>	<i>Amended Budget</i>
Exchange Club Rd Bridge	\$170,000	\$255,219	\$425,219

Section 3. This capital project will close automatically upon projection completion.

Section 4. Copies of this ordinance should be furnished to the clerk, budget officer and finance officer to be kept on file by them for their direction in carrying out this project.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 27th day of April in 2026.

Ayes: 4
Noes: 0
Absent or excused: 1



Sarah E. Kimrey

Sarah E. Kimrey, Town Clerk

Budget Adjustment Report

Adjustment Detail

For Date Range: 04/29/2026 - 04/29/2026

Town of Hillsborough, NC

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 60 - GENERAL CAPITAL IMPROVEMENTS						
Revenue						
60-05-3850-3850000	INTEREST EARNED			0.00	-14,000.00	-14,000.00
BA0000380	Wash Bay Equipment	GLPKT03446	04/29/2026		-14,000.00	
Revenue Total:				0.00	-14,000.00	-14,000.00
Expense						
60-05-5600-5700775	NC86 - CONSTRUCTION			4,500,000.00	14,000.00	4,514,000.00
BA0000380	Wash Bay Equipment	GLPKT03446	04/29/2026		14,000.00	
Expense Total:				4,500,000.00	14,000.00	4,514,000.00
Fund 60 Total:				4,500,000.00	0.00	4,500,000.00
Budget Code 2025-2026 Total:				4,500,000.00	0.00	4,500,000.00

APPROVED: 4/0

DATE: 4/27/26

VERIFIED: _____

Smah E. Kimrey

DRAFT



ORDINANCE

Capital Project Amendment

NC86 Facility Renovation

The Hillsborough Board of Commissioners ordains that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. Revenues anticipated to be available to the town to complete the project are hereby amended as follows.

	<i>Current Budget</i>	<i>+/-</i>	<i>Amended Budget</i>
NC86 Facility Renovation	\$6,026,650	\$14,000	\$6,040,650

Section 2. Amounts appropriated for the capital project are hereby amended as follows.

	<i>Current Budget</i>	<i>+/-</i>	<i>Amended Budget</i>
NC86 Facility Renovation	\$6,026,650	\$14,000	\$6,040,650

Section 3. This capital project will close automatically upon projection completion.

Section 4. Copies of this ordinance should be furnished to the clerk, budget officer and finance officer to be kept on file by them for their direction in carrying out this project.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 27th day of April in 2026.

Ayes: 4

Noes: 0

Absent or excused: 1



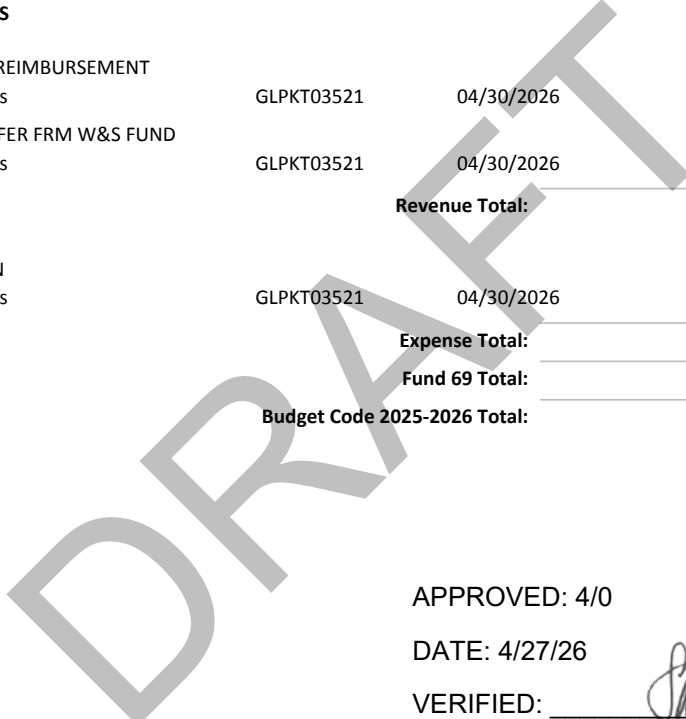
Sarah E. Kimrey, Town Clerk

Budget Adjustment Report Adjustment Detail

For Date Range: 04/30/2026 - 04/30/2026

Town of Hillsborough, NC

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 30 - WATER/SEWER						
Expense						
30-71-8130-5982001	TRANSFER TO FUND 69 - UTIL CAP IMPROV			0.00	23,290.00	23,290.00
BA0000390	WFER Dam Repairs	GLPKT03521	04/30/2026		23,290.00	
30-80-4000-5300570	MISCELLANEOUS			0.00	-23,290.00	-23,290.00
BA0000390	WFER Dam Repairs	GLPKT03521	04/30/2026		-23,290.00	
Expense Total:				0.00	0.00	0.00
Fund 30 Total:				0.00	0.00	0.00
Fund: 69 - UTILITIES CAPITAL IMPROVEMENTS						
Revenue						
69-00-3300-3310100	FEMA REIMBURSEMENT			0.00	-92,550.00	-92,550.00
BA0000390	WFER Dam Repairs	GLPKT03521	04/30/2026		-92,550.00	
69-71-3870-3870300	TRANSFER FRM W&S FUND			0.00	-23,290.00	-23,290.00
BA0000390	WFER Dam Repairs	GLPKT03521	04/30/2026		-23,290.00	
Revenue Total:				0.00	-115,840.00	-115,840.00
Expense						
69-00-8100-5700745	DESIGN			0.00	115,840.00	115,840.00
BA0000390	WFER Dam Repairs	GLPKT03521	04/30/2026		115,840.00	
Expense Total:				0.00	115,840.00	115,840.00
Fund 69 Total:				0.00	0.00	0.00
Budget Code 2025-2026 Total:				0.00	0.00	0.00



APPROVED: 4/0

DATE: 4/27/26

VERIFIED: *Shan & Kimrey*



ORDINANCE

Capital Project

West Fork Eno Reservoir Dam Repairs

The Hillsborough Board of Commissioners ordains that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. This ordinance is a capital project ordinance hereby authorizing the design and construction of repairs to the West Fork Eno Reservoir dam.

Section 2. Revenues anticipated to be available to the town to complete the project are hereby amended as follows.

Dam Repairs	<u>\$115,840</u>
TOTAL	\$115,840

Section 3. Amounts appropriated for the capital project are hereby amended as follows.

Dam Repairs	<u>\$115,840</u>
TOTAL	\$115,840

Section 4. This ordinance shall be amended in any manner to add additional appropriations, modify or eliminate existing capital projects, and/or add new capital projects, so long as it continues to fulfill the requirements of G.S. 159-13.2 and other applicable laws.

Section 5. This capital project will close automatically upon projection completion.

Section 6. Copies of this ordinance should be furnished to the clerk, budget officer and finance officer to be kept on file by them for their direction in carrying out this project.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 27th day of April in 2026.

Ayes: 4
Noes: 0
Absent or excused: 1



Sarah E. Kimrey, Town Clerk



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Administration
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Emily Bradford, Budget Director

ITEM TO BE CONSIDERED

Subject: Miscellaneous budget amendments and transfers

Attachments:

Budget Changes Report

Summary:

To adjust budget revenues and expenditures, where needed, due to changes that have occurred since budget adoption.

Financial impacts:

As indicated by each amendment.

Staff recommendation and comments:

To approve the attached list of budget amendments and transfers.

Action requested:

Consider approving budget amendments and transfers.

Budget Adjustment Report

Adjustment Detail

For Date Range: 05/11/2026 - 05/11/2026

Account Number	Account Name	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description	Packet Number	Post Date	Amount
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026				
Fund: 10 - GENERAL				
Revenue				
10-71-3870-3870900	TRANSFER FROM FUND 78 GF COMMITTED			-691,174.00
BA0000398	Cover increase to solar feasibility study	GLPKT03639	05/11/2026	-1,500.00
		Revenue Total:		-691,174.00
Expense				
10-10-4000-5300154	MAINT - GROUNDS			0.00
BA0000392	TS Chantal: Cover miscellaneous overage	GLPKT03533	05/11/2026	-3,030.96
10-10-4000-5300161	MAINT - VEHICLES			0.00
BA0000392	TS Chantal: Cover miscellaneous overage	GLPKT03533	05/11/2026	-4,315.42
10-10-4000-5300351	RENTAL - EQUIPMENT			0.00
BA0000391	TS Chantal: Cover graphics on garbage truck ...	GLPKT03532	05/11/2026	-1,908.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-83.00
10-10-4000-5300361	RENTAL - VEHICLES			0.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-15.72
10-10-4000-5300570	MISCELLANEOUS			0.00
BA0000392	TS Chantal: Cover miscellaneous overage	GLPKT03533	05/11/2026	7,243.50
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	7,346.38
10-10-4000-5300583	MISC - TAX, TAGS, ETC			0.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-102.88
10-10-4000-5700740	CAPITAL - VEHICLES			0.00
BA0000391	TS Chantal: Cover graphics on garbage truck ...	GLPKT03532	05/11/2026	2,100.00
10-10-4000-5700741	CAPITAL - EQUIPMENT			0.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	1,825.00
10-10-4600-5300080	TRAINING/CONF/CONV			8,000.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-1,898.40
10-10-4600-5300530	DUES & SUBSCRIPTIONS			1,020.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	130.00
10-10-4600-5300570	MISCELLANEOUS			6,400.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	75.00
10-10-5000-5300081	TRAINING/CONF/CONV			2,500.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-205.00
10-10-5000-5300447	CS - COPIER			11,000.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-1,440.00
10-10-6300-5300441	CS - ENGINEERING			0.00
BA0000398	Cover increase to solar feasibility study	GLPKT03639	05/11/2026	1,440.00
10-20-5100-5300161	MAINT - VEHICLES			3,000.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	1,500.00
10-20-5100-5300330	SUPPLIES - DEPARTMENTAL			95,477.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	6,951.00
10-20-5100-5300363	RENTAL - BUILDINGS			42,000.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-2,900.00
10-20-5100-5300447	CS - COPIER			6,000.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	849.00
10-20-5100-5300530	DUES & SUBSCRIPTIONS			700.00
				200.00
				900.00

Budget Adjustment Report

For Date Range: 05/11/2026 - 05/11/2026

Account Number	Account Name	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description	Packet Number	Post Date	Amount
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	200.00
10-20-5100-5300570	MISCELLANEOUS			15,500.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-1,000.00
10-20-5100-5300574	MISC - POLICE DOG			4,100.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-1,600.00
10-30-5600-5300310	GASOLINE			12,500.00
BA0000400	Fuel Increase	GLPKT03661	05/11/2026	4,000.00
10-30-5600-5300441	CS - ENGINEERING			145,000.00
BA0000400	Fuel Increase	GLPKT03661	05/11/2026	-4,000.00
Expense Total:		353,197.00	1,500.00	354,697.00
Fund 10 Total:		-337,977.00	0.00	-337,977.00

Fund: 30 - WATER/SEWER

Revenue				
30-00-3850-3850000	INTEREST EARNED			-300,000.00
BA0000396	Adj per actual	GLPKT03615	05/11/2026	-30,000.00
Revenue Total:		-300,000.00	-30,000.00	-330,000.00

Expense				
30-80-4000-5300570	MISCELLANEOUS			0.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	23,000.00
30-80-4000-5700735	CAPITAL - BUILDINGS & IMPROVEMENTS			0.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-6,000.00
30-80-4000-5700741	CAPITAL - EQUIPMENT			0.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-17,000.00
30-80-7220-5100010	OVERTIME COMPENSATION			500.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	1,000.00
30-80-7220-5300080	TRAINING/CONF/CONV			4,500.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-1,000.00
30-80-7240-5100010	OVERTIME COMPENSATION			5,000.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	750.00
30-80-7240-5300110	TELEPHONE/INTERNET			0.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	300.00
30-80-7240-5300113	LICENSE FEES			42,630.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-1,050.00
30-80-8120-5300080	TRAINING/CONF/CONV			2,800.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	25.00
30-80-8120-5300330	SUPPLIES - DEPARTMENTAL			5,000.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	50.00
30-80-8120-5300570	MISCELLANEOUS			1,200.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	-75.00
30-80-8140-5300154	MAINT - GROUNDS			36,000.00
BA0000395	Tree removal at manhole	GLPKT03547	05/11/2026	-2,000.00
30-80-8140-5300165	MAINT - INFRASTRUCTURE			190,000.00
BA0000393	Cover new pump assembly for Mayo Pump S...	GLPKT03534	05/11/2026	-16,000.00
30-80-8140-5700741	CAPITAL - EQUIPMENT			0.00
BA0000393	Cover new pump assembly for Mayo Pump S...	GLPKT03534	05/11/2026	16,000.00
30-80-8200-5300080	TRAINING/CONF/CONV			5,000.00
BA0000394	Cover NCRWA conference x3	GLPKT03535	05/11/2026	700.00
30-80-8200-5300145	MAINT - BUILDINGS			2,000.00
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026	50.00
30-80-8200-5300154	MAINT - GROUNDS			40,000.00
BA0000395	Tree removal at manhole	GLPKT03547	05/11/2026	2,000.00

Budget Adjustment Report

For Date Range: 05/11/2026 - 05/11/2026

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
BA0000397	Clean up misc overages	GLPKT03635	05/11/2026		-50.00	
30-80-8200-5300351	RENTAL - EQUIPMENT			5,000.00	-700.00	4,300.00
BA0000394	Cover NCRWA conference x3	GLPKT03535	05/11/2026		-700.00	
30-80-8220-5300145	MAINT - BUILDINGS			14,200.00	3,300.00	17,500.00
BA0000399	Cover asphalt crack repair at WWTP	GLPKT03655	05/11/2026		3,300.00	
30-80-8220-5300473	MAINT - CONTRACTS			22,520.00	-3,300.00	19,220.00
BA0000399	Cover asphalt crack repair at WWTP	GLPKT03655	05/11/2026		-3,300.00	
30-80-8220-5300550	SLUDGE REMOVAL			206,000.00	30,000.00	236,000.00
BA0000396	Treatment Basin Grit Removal	GLPKT03615	05/11/2026		30,000.00	
Expense Total:				582,350.00	30,000.00	612,350.00
Fund 30 Total:				282,350.00	0.00	282,350.00
Budget Code 2025-2026 Total:				-55,627.00	0.00	-55,627.00

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026				
	10	-337,977.00	0.00	-337,977.00
	30	282,350.00	0.00	282,350.00
Budget Code 2025-2026 Total:		-55,627.00	0.00	-55,627.00



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Police
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Chief of Police Jason Winn
Mayor Mark Bell

ITEM TO BE CONSIDERED

Subject: Proclamation – Police Week and Peace Officers Memorial Day

Attachments:

Proclamation

Summary:

Since 1786, more than 26,600 law enforcement officers have lost their lives while performing their duties, including 639 in North Carolina. The 87th Congress passed Public Law 87-726, a joint resolution authorizing the president to proclaim May 15 of each year as Peace Officers Memorial Day, and the calendar week during which May 15 occurs as Police Week; this was signed into law by President John F. Kennedy on Oct. 1, 1962.

Financial impacts:

None.

Staff recommendation and comments:

None.

Action requested:

Adopt proclamation in support of Police Week and Peace Officers Memorial Day.



PROCLAMATION

Police Week and Peace Officers Memorial Day

May 10-16, 2026

WHEREAS, there are approximately 900,000 law enforcement officers serving in communities across the United States, including the dedicated members of the Hillsborough Police Department; and

WHEREAS, on April 29, 1786, Sheriff Benjamin Brach of Chesterfield County, Virginia, became the first law enforcement officer to die in the line of duty in the United States; since then, more than 26,600 law enforcement officers in the United States have paid the ultimate price during the performance of their duties, including 639 in North Carolina; and

WHEREAS, over 50,000 assaults against law enforcement officers are reported each year, resulting in approximately 17,000 injuries; and

WHEREAS, the 87th Congress passed Public Law 87-726, a joint resolution authorizing the president to proclaim May 15 of each year as Peace Officers Memorial Day, and the calendar week during which May 15 occurs as Police Week; this was signed into law by President John F. Kennedy on Oct. 1, 1962; and

WHEREAS, the members of the Hillsborough Police Department play an essential role in safeguarding the rights and freedoms of our residents, they protect the innocent against deception and the weak against oppression, they unceasingly provide a vital public service without which our town would not enjoy the peace and liberty that we so dearly value; and

WHEREAS, it is important that community members know and understand the duties and responsibilities of our law enforcement officers and acknowledge the hazards and sacrifices that are a fundamental aspect of their profession;

THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim May 10 through May 16, 2026 as "Police Week" and call upon all organizations and residents to commemorate law enforcement officers, past and present, who have rendered dedicated service to their communities.

NOW, THEREFORE, I proclaim Friday, May 15, 2026 as "Peace Officers Memorial Day" and call upon all residents of Hillsborough to honor those law enforcement officers who made the ultimate sacrifice in service to their community or became disabled in their performance of their duty.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 11th day of May in the year 2026.

Mark Bell, Mayor
Town of Hillsborough



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Community Services
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Matt Efird, Assistant Town Manager
Brian Tatum, Interim Public Works Manager
Mayor Mark Bell

ITEM TO BE CONSIDERED

Subject: Proclamation – National Public Works Week 2026

Attachments:

Proclamation

Summary:

Each year, the American Public Works Association encourages communities all across the country to recognize and appreciate the workers that build and maintain the critical infrastructure that makes the country work. The attached proclamation declares May 17-23, 2026 as National Public Works Week in the Town of Hillsborough in recognition of the town employees who maintain our streets, sidewalks, facilities, solid waste, water and sewer systems and keep our town safe and functional.

Financial impacts:

N/A

Staff recommendation and comments:

N/A

Action requested:

Approval of the attached proclamation.



PROCLAMATION

National Public Works Week 2026

Rooted in Service, Powered by Community

WHEREAS, public works professionals focus on infrastructure, facilities and services that are of vital importance to sustainable and resilient communities and to the public health, high quality of life and well-being of the people of Hillsborough; and

WHEREAS, these infrastructure, facilities and services could not be provided without the dedicated efforts of public works professionals, who are responsible for rebuilding, improving, and protecting our town's transportation, water supply, water and sewer treatment, solid waste systems, and facilities essential for our residents; and

WHEREAS, it is in the public interest for the residents of Hillsborough to gain knowledge of and to maintain an ongoing interest and understanding of the importance of public works and public works programs in our community; and

WHEREAS, the year 2026 marks the 66th annual National Public Works Week sponsored by the American Public Works Association; and

WHEREAS, all residents are urged to join with representatives of the American Public Works Association and Town of Hillsborough to pay tribute to our public works professionals and to recognize the substantial contributions they make to protecting our town's health, safety, and quality of life.

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim May 17 through May 23, 2026 as "National Public Works Week" in the Town of Hillsborough.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 11th day of May in the year 2026.

Mark Bell, Mayor
Town of Hillsborough



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	May 11, 2026
Department:	Governing Body
Agenda Section:	Consent
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Safety and Risk Manager Phil Cundiff
Mayor Mark Bell

ITEM TO BE CONSIDERED

Subject: Proclamation – Heat Awareness Week

Attachments:

1. Governor of the State of North Carolina Proclamation
2. Hillsborough proclamation

Summary:

Hillsborough has partnered with the State of North Carolina, Orange County, and the towns of Carrboro and Chapel Hill to draft a heat action plan to build local resilience to the health impacts of extreme heat and other climate hazards. Each jurisdiction has been asked to adopt a proclamation to designate May 18 through May 22, 2026, as heat awareness week.

Financial impacts:

None.

Staff recommendation and comments:

None.

Action requested:

Adopt proclamation designating the week of May 18 through May 22, 2026, as Heat Awareness Week in Hillsborough.



PROCLAMATION

Heat Awareness Week May 18-22, 2026

WHEREAS, extreme heat causes heat-related illness or death and worsening of cardiovascular, respiratory and cerebrovascular diseases, with the greatest risks occurring in the first weeks of the heat season, which starts in June, as people’s bodies adjust to the heat; and

WHEREAS, climate change causes more frequent and severe heat waves, with Orange County experiencing temperatures greater than 95 degrees on 8 days on average per year between 1983 and 2014, the National Weather Service issuing 12 heat advisories and 1 excessive heat warning in 2024, and the county expected to experience high temperatures on 28 to 41 days per year by the 2060s;

WHEREAS, the summer of 2025 included the second warmest July on record statewide and the warmest month ever recorded based on nighttime low temperatures, North Carolina experienced more than 5,700 heat-related illness emergency department visits, a far higher number than recorded in each of the past five summers; and

WHEREAS, North Carolina’s urban and rural communities now have more nights with temperatures above 70 degrees and heat-related illnesses and deaths increase when temperatures stay high overnight; and

WHEREAS, heat-related illnesses can affect anyone but disproportionately affects infants and children, pregnant women, older adults, outdoor workers, athletes, people with underlying health conditions, and low-income individuals who are more likely to live in locations without easy access to air conditioning; and

WHEREAS, summer temperatures can be up to 11 degrees warmer in urban heat islands than surrounding areas, with these heat islands in low-income communities of color with fewer trees and more pavement; and

WHEREAS, heat-related illnesses are preventable, monitoring and minimizing risks are a shared responsibility, and North Carolina has collaborated with scientists, health experts and community leaders to develop heat resilience resources and has recognized heat’s threat to the health and well-being of residents; and

WHEREAS, the Town of Hillsborough partnered with Orange County and the towns of Carrboro and Chapel Hill to adopt a heat action plan to build local resilience to the health impacts of extreme heat and other climate hazards;

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim May 18–22, 2026, as “Heat Awareness Week” in Hillsborough and commend its observance to all people.

FUTHERMORE, the Hillsborough Board of Commissioners encourages everyone to sign up for OC Alerts, monitor the county’s website and social media for heat advisories and warnings, and take simple steps during heat waves to stay safe, such as reducing time outside, visiting cooling centers if without air conditioning, and staying hydrated.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 11th day of May in the year 2026.

Mark Bell, Mayor
Town of Hillsborough



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Governing Body
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Mayor Mark Bell

ITEM TO BE CONSIDERED

Subject: Proclamation – Memorial Day 2026

Attachments:

Proclamation

Summary:

Proclamation in honor of Memorial Day 2026.

Financial impacts:

None

Staff recommendation and comments:

None

Action requested:

To adopt a proclamation in honor of all members of the armed forces who have lost their lives in service to their country and to recognize and support the families and loved ones of the fallen and encourage all residents to reflect on their role in creating a more just, peaceful nation and world.



PROCLAMATION Memorial Day 2026

WHEREAS, Memorial Day is a day of reflection and solemn observance to honor the men and women of the armed forces who have lost their lives in service to their country; and

WHEREAS, what is now known as “Memorial Day” has its roots in Decoration Day – a day first observed on May 1, 1865 and led by Black soldiers including the 54th Massachusetts and the 34th and 104th U.S. Colored Troops, Black veterans, white missionaries, and newly emancipated Black citizens of Charleston, South Carolina to honor the dead Union troops buried at a planters’ racetrack; and

WHEREAS, we honor all men and women of all wars and conflicts who fought and died on behalf of our treasured ideals and do so with the clear-eyed recognition of the horrors war brings to all those it touches; and

WHEREAS, the military service members who have fallen in combat leave behind families and other loved ones who are left with the pain of their loss and carry that loss with them for the remainder of their days, experiencing the true cost of war in ways the majority of their countrymen and women cannot; and

WHEREAS, Memorial Day, in accordance with a joint resolution of Congress passed May 11, 1950, is also a day dedicated as a call to prayer for permanent peace; and

WHEREAS, toward the goal of peace, Memorial Day is a day for somber reflection on lives lost and potentials left unfulfilled, and for holding fast to our earnest hope for and commitment to non-violent solutions to conflict and a true, lasting peace where all people can thrive; and

WHEREAS, from that first Decoration Day until now, we have made much progress as a nation and people to live up to the ideals for which so many have given the ultimate sacrifice, yet have much more work to do; and

WHEREAS, one way to honor the dead is to treat the living well;

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim May 25, 2026 as “Memorial Day” in the Town of Hillsborough in honor of all members of the armed forces who have lost their lives in service to their country and I call on community members to recognize and support the loved ones of the fallen, and encourage all residents to reflect on their role in creating a more just, peaceful nation and world.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 11th day of May in the year 2026.

Mark Bell, Mayor
Town of Hillsborough



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	May 11, 2026
Department:	Governing Body
Agenda Section:	Consent
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Mayor Mark Bell

ITEM TO BE CONSIDERED

Subject: Proclamation – Community Home Trust Day: June 1, 2026

Attachments:

Proclamation

Summary:

Community Home Trust is celebrating 35 years of providing permanently affordable housing opportunities in Orange County. As a Community Land Trust, the organization supports residents of the Orange County, North Carolina area by strengthening communities through the development and stewardship of permanently affordable homes and related community assets.

The organization's roots go back to 1991, when the Orange County Affordable Housing Task Force created the Orange Community Housing Corporation. Over the next decade—and through several transitions—Community Home Trust emerged. By the time the first home was sold in June 2000, the organization had already contributed to nearly 100 affordable housing opportunities in Chapel Hill.

By its 30th anniversary in 2021, Community Home Trust had created 332 permanently affordable homes in Chapel Hill and Orange County. Homeowners include nurses, university employees, teachers, and other community members who serve Orange County but would otherwise be unable to afford homeownership in the area.

Financial impacts:

None

Staff recommendation and comments:

None

Action requested:

Adopt proclamation recognizing June 1, 2026 as Community Home Trust Day in the Town of Hillsborough.



PROCLAMATION

Community Home Trust Day

June 1, 2026

WHEREAS, The Town of Hillsborough recognizes that housing is a foundational element of an adequate standard of living, serving as a precondition for work, health, education and success. It is a key part of sustainability since the health and well-being of community members is dependent on having access to stable housing; and

WHEREAS, The Town of Hillsborough has a number of integrated plans, programs and action items related to addressing the affordable housing needs of the community; and

WHEREAS, The Town of Hillsborough's vision for affordable housing states that all residents in Hillsborough — regardless of age, race or income — should have access to safe and attainable housing; and

WHEREAS, Community Home Trust is celebrating 35 years and has provided permanently affordable housing opportunities for over three decades in Orange County; and

WHEREAS, The Town of Hillsborough partners with and provides financial support for Community Home Trust; and

WHEREAS, Community Home Trust supports diverse populations including working families and essential workers;

WHEREAS, Community Home Trust ensures long-term housing affordability through its community land trust model;

WHEREAS, Community Home Trust recognizes that access to safe and affordable housing strengthens communities and promotes economic stability;

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim June 1, 2026 as Community Home Trust Day in the Town of Hillsborough.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 11th day of May in the year 2026.

Mark Bell, Mayor
Town of Hillsborough



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Planning and Economic Development
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Planning Technician Dakotah Kimbrough

ITEM TO BE CONSIDERED

Subject: Special Event Permit – The Big Run 5K by Fleet Feet

Attachments:

Special Event Permit Application (includes event layout and route)

Summary:

Fleet Feet is to hold their annual "The Big Run 5K" on Wednesday, June 3, 2026. Event setup will start at 3:30 p.m., the 5K will take place from 6:30 to 7:45 p.m., and clean-up will be completed by 8:30 p.m.

Organizers expect around 400 people to attend, with peak attendance between 6 and 8 p.m. Ticket/registration is required for participation. No vendors or alcohol will be present; they will bring food/snacks to give away to participants.

The route will begin at the Farmer's Market Pavilion at River Park, and will follow the Riverwalk to the Speedway Trail, where they will do a loop and return to the start-point. A volunteer will be assisting with road crossing at Elizabeth Brady Rd.

Approximately 5 to 6 10x10 pop-up tents will be set up for registration and other needs. A speaker will be used to broadcast announcements and play music; no other equipment will be brought to the site. Portable restroom facilities will be provided.

Aside from use of the greenway, no other town-sponsored services are being requested.

Financial impacts:

Low, as no additional town-sponsored services are being requested.

Staff recommendation and comments:

Staff recommend approval; the applicant will need to provide a certificate of insurance and permissions from all property owners along the route before the permit is released and abide by greenway use conditions.

Action requested:

Approve, approve with conditions, or deny the special event permit.



TOWN OF HILLSBOROUGH

SPECIAL EVENT PERMIT APPLICATION

Please review the Event Policy Ordinance, Chapter 7 of the Town Code, to determine if your event requires a Special Event Permit. The Permit Application must be received 60 days in advance of the event.

Name of Event: The Big Run 5K

Event Location Address: Eno River Farmers Market Pavilion (144 E Margaret Ln, Hillsborough, NC 27278)

Date(s) of event: June 3, 2026

Event Set Up Time: 3:30 pm Event Hours: 5 hrs Event Break Down: 8:30 pm

Date(s) of event:

Event Set Up Time: Event Hours: Event Break Down:

EVENT ORGANIZER & CONTACT INFORMATION

Name of Organization/Company: Fleet Feet Carrboro & Durham

Organization/Company mailing address:

Organization Status: [checked] Formal [] Informal [checked] For-profit [] Not-for-profit

Event Organizer Name: Nora Ayers

Event Organizer Phone: Event Organizer Email:

On-Site Contact(s) During the Day-of Event

Name: Nora Ayers

Cell Phone:

Name: Jordan Ayers

Cell Phone:

GENERAL EVENT INFORMATION

Type of Event:

- Private Event on Private Property
Private Event on Public Property
Street or Greenway Event (Parades, Marches, Rallies, 5Ks, Bike Races)
Public Event on Public Property
Public Event on Private Property

General Event Description (Narrative outlining event purpose and elements including food trucks, car shows, races, vendors, etc):

5K run starting/finishing at the Hi. Course will follow the path off the Speedway Track

do a loop around the Oconeechee Speedway Tract and then head back on the riverwalk to the Eno River

Farmer's market pavilion.

we will use a volunteer for the Elizabeth Brady Rd Crossing since we don't expect traffic to be heavy.

Estimated total number of people that will attend the event: 400

Estimated peak time(s) of attendance: 6-8

Maximum capacity of event location (number of persons, if applicable): 500

If the event is annual, the estimated attendance of the last event of this kind: 350 in 2025

GENERAL EVENT QUESTIONNAIRE

Will tickets be sold or admission/fees be charged as part of the event? YES NO

Will there be alcohol sold or provided as a part of this event? YES NO

If yes, please indicate the vendor(s) and/or ABC permit holder(s) responsible for the alcohol sales/distribution and attach a copy of the ABC permit(s) for each vendor : _____

Please note: Alcohol may only be sold by vendors with an off-premise permit or by event organizers with a special one-time ABC sales permit. Alcohol sales may be subject to the prepared food & beverage tax.

Will vendors be on-site selling goods/crafts/wares during the event? YES NO

Will vendors be on-site selling food/beverages during the event? YES NO

Please note: All vendors without a physical location in town and/or food trucks that do not have Town of Hillsborough Food Truck Permits that are selling prepared food/beverage will need to [prepay the Food & Beverage Tax](#) with the Finance Department. Please list the name(s) of the food/beverage vendors:

We will have food/snacks to giveaway but all food is included in the registration fee

Will you be soliciting donations as part of the event? YES NO

If yes, for what cause or organization? Girls on the Run of the Triangle

Will you bring additional equipment, stages, microphones, amplification, etc? YES NO

Please Explain: music to be played over a speaker, possibly a live band - TBD

Will any items be left at the event site overnight? YES NO

Please Explain: _____

Will signs or banners be displayed on site or around Town? YES NO

*Please note: [Special event signage](#) must be applied for and permitted separately **BEFORE** signage is placed around town.*

Will tents be erected for the event? YES NO

If yes, how many and what size? 5-6 10X10 pop-up tents

Please note: Tents may require a permit and inspection by the Orange County Fire Marshal's office depending on size and number. Tents should be shown with location and dimensions on event map/layout.

Will you provide (portable) restroom facilities?

YES NO

Please note: Restroom facilities are required to be provided by Special Event organizers depending on attendance numbers and duration. Local Business, Town, and County facility restrooms may compliment, but not become a substitute for, providing adequate restrooms for the event.

Will you provide (portable) handwashing facilities?

YES NO

Please note: Handwashing facilities are required for events that include on site food preparation and/or sales without direct or immediate sink access.

Will the event require any street closures or change in traffic flow?

YES NO

Will the event require additional trash and recycling facilities?

YES NO

Will you request that the Town Board sponsor specific services in conjunction with this event (i.e. Police Coverage, Road Closures, Traffic Control, Trash and Recycling Rollouts)?

YES NO

Please note: Events requesting Town Sponsorship of events must apply at least 90 days in advance of the event to be considered. Event organizers who are able should make every necessary attempt to provide and pay for services at their events as the Town has limited staff and resources to cover the costs of event services.

EVENT MAP/LAYOUT REQUIREMENTS

With this application, you must attach a map of the area where the event is to take place and indicate the following:

- Traffic flow; including any streets requested to be closed or obstructed (locations of barriers and officers will be determined by Law Enforcement).
- If the event includes a parade, greenway closure, etc. then the route of the event should be clearly shown.
- Parking areas where event attendees will be directed that are adequate for event attendance. Please note: The Eno River deck has only 400 parking spaces.
- Pedestrian access and flow.
- The location of any concession stand, food truck(s), booth, or other temporary structures, tents, stages or facilities; and the location of proposed fences, stands, platforms, benches, or bleachers.
- The location of restroom and/or handwashing facilities.

A street map and a map of Gold Park are available on the Town's website. Google Maps is also an excellent resource and can be easily marked up. Contact Staff if you need assistance with providing an event layout or route map.

EVENT LIABILITY INSURANCE

Event organizers and/or property owners need to insure themselves from liability in case an event attendee injures themselves during the course of the event. Events occurring on Public Property (Town or County) are required to carry event liability insurance with the Public Property owner listed as 'additionally insured'.

Copy of event liability Certificate of Insurance is attached: YES NO

Name of insurance company providing liability coverage for the event:

Contact information for broker/agent providing coverage:

EVENT PROPERTY USE PERMISSION

If the event will be located on property that is not owned/managed by the event organizer then the property owner must indicate consent for the use of their property below:

NC State Parks - Occoneechee Speedway

Name of Property Owner

Phone

Signature of Property Owner

Date

TOWN LIABILITY AGREEMENT

I, the applicant, agree to indemnify and hold harmless the Town of Hillsborough, its employees, and its agents from and against any and all liability for any injury which may be suffered in connection with this special event approval or park reservation. I also hold harmless the Town of Hillsborough, its employees, and its agents from and against any liability for any equipment or supplies lost, damaged, or stolen, that are stored or otherwise as a result of this special event.

Applicant Signature

3/11/2026

Date

SUBMITTAL DIRECTIONS:

Please submit electronically to: Evan.Punch@hillsboroughnc.gov

Please submit via paper copy here:

Hillsborough Planning Department
ATTN: Evan Punch
P.O. Box 429
101 E. Orange Street
Hillsborough, NC 27278

FOR OFFICE USE ONLY:

Application received by: Dakotah Kimbrough

Date: 3/16/2026

Fee Paid: NO

Date information emailed out: 4/21/2026

Permit Status

Approved YES NO Explanation: _____

Date Permit Issued: _____

Approved with any conditions: _____

By: _____

Date: _____

Town Staff Member

Forwarded to others for review/information:

OC Fire Marshal: _____

Hillsborough Police Department: _____

OC Sheriff's Department: _____

OC Fire Department: _____

Hillsborough Public Works: _____

Hillsborough Public Space Manager: _____

OC DEAPR (River Park): _____

OC AMS (Visitors Center, Library, Old or New Courthouse): _____

NCDOT (DOT Road Closures): _____

Hillsborough Finance (Food & Beverage Tax 1 Day): _____

Hillsborough Public Information Office: _____

The Big Run 5K Event Schedule - Jun 3, 2026

Start/Finish Line Location: Farmer's Market Pavilion, Downtown Hillsborough, NC

4:00 PM - 5:30 PM: Start Line/Finish Line Set Up with Fleet Feet Vendors and Community Partners

5:30 PM - 6:15 PM: On-Site Registration and Packet Pickup

6:30 PM: Race start (On River Walk)

6:35 PM: First Runners get to Occonechee Speedway

6:55 PM: First Finishers

7:00 PM: Final Walkers off the Occonechee Speedway

7:00 PM: Post-race refreshments and awards ceremony (Pavilion Area)

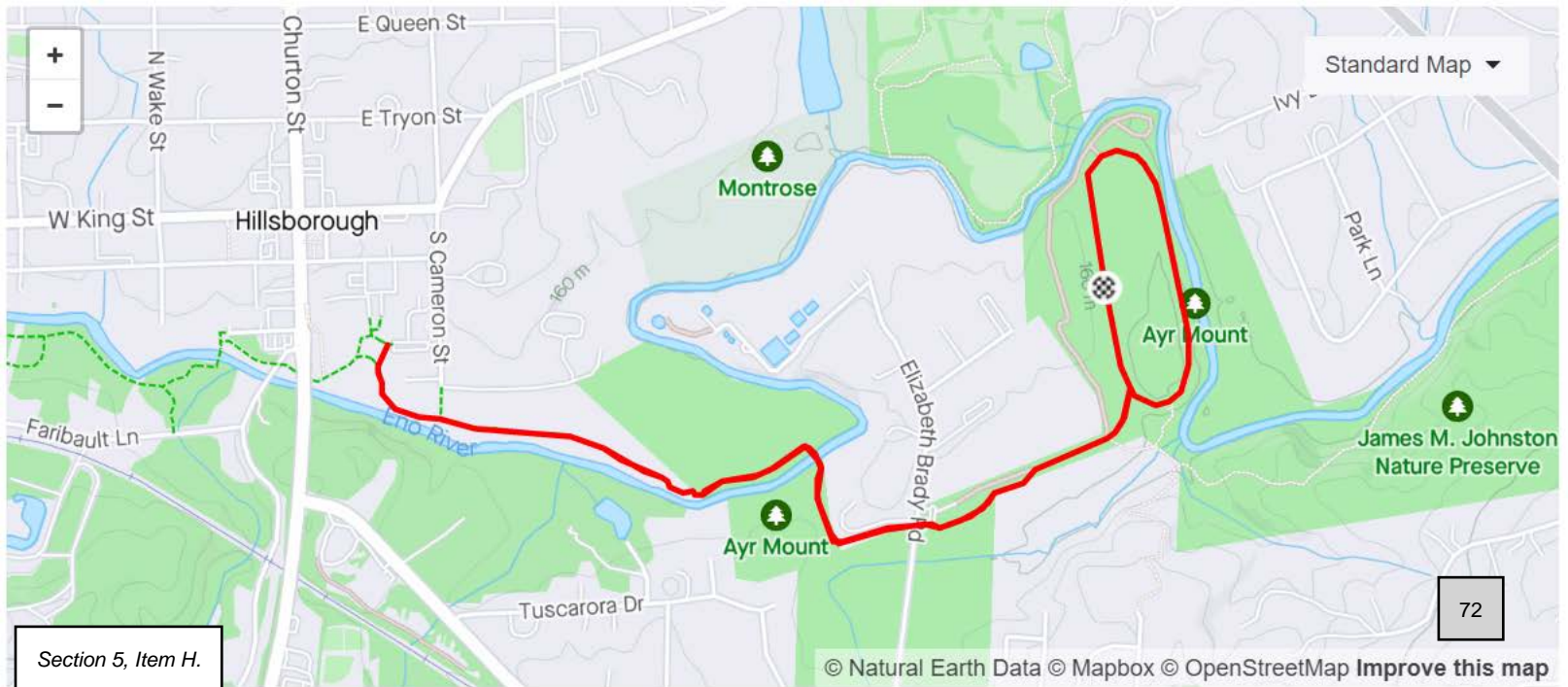
7:45 PM: Final Walkers Finish Race

8:00 PM: Wrap up After Party

8:30 PM: Clean Up Ends

The Big Run 5K - 2023 start/finish line set up





Standard Map ▾

Hillsborough

Montrose

Ayr Mount

James M. Johnston Nature Preserve

Ayr Mount

Section 5, Item H.

72



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Information Technology
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

IT Manager Chris Johnston

ITEM TO BE CONSIDERED

Subject: SecureNC Partnership with the North Carolina Department of Information Technology

Attachments:

Tanium Memorandum of Understanding

Summary:

The North Carolina Department of Information Technology (NCDIT) is moving forward with their [SecureNC program](#). One of the facets of this program is the managed deployment of a tool called [Tanium](#), which provides overview of IT assets, categorization and update status of installed software, and update management. This is being provided by the state to local governments for free to increase security and visibility into local government IT infrastructure.

Financial impacts:

The town would not be charged for using the Tanium tool, which is provided for free by NCDIT.

Staff recommendation and comments:

Staff suggests working with NCDIT to deploy Tanium, not only for the security and visibility component, but also for an opportunity for better working relations and inroads with the state IT department.

Action requested:

Per recommendation from the town attorney, action requested is to authorize the town manager to sign the agreement and allow the Tanium deployment project to proceed.

Memorandum

To: Eric Peterson, Town Manager
From: Chris Johnston, IT Manager
Date: May 4th, 2026
Subject: SecureNC Tanium Deployment



Context

The North Carolina Department of Information Technology (NCDIT) is pushing to expand cooperation and integration with local government IT deployments through a program called SecureNC, which is an offering that provides, at no cost to the local government, a tool called Tanium, which provides for better visibility into the security of local government technology assets.

From the NCDIT Website:

[SecureNC](#) is a cybersecurity initiative led by the State Chief Information Security Officer to help North Carolina state and local governments strengthen their security posture to protect North Carolina systems and data. The program provides tools, resources and expert guidance to improve visibility, control and resilience across your environment.

And

[Tanium](#) is a converged endpoint management and security platform designed to give agencies real-time visibility, control and remediation across all endpoints (servers, laptops, cloud instances, etc.). It unifies IT operations and cybersecurity into a single platform, enabling:

- Endpoint management: Provision, patch, update, and manage endpoints at scale
- Security operations: Detect, investigate, and remediate threats in real time
- Vulnerability management: Continuous monitoring and automated patching
- Asset discovery: Maintain accurate hardware/software inventory
- Compliance and risk management: Enforce policies and monitor sensitive data

The IT manager and the contracted VCISO sat in on both a presentation and a separate question and answer meeting where we discussed what the deployment of this tool would mean for the Town. An MOU was provided by NCDIT and Tanium that goes over the expectations. See attached. The Town Attorney recommended that the Board be made aware before the Town Manager signed the MOU.

Where We Are Now

Currently we rely on our Managed Service Provider (MSP) to provide insight into our IT Assets based on a tool they provide, manage, and control. This information is limited to the data available through their tools, which they manage and control. Patch management is performed on their standard schedule, and vulnerability reporting is provided only upon request.

Additionally, our relationship with NCDIT is minimal beyond required NCID account management, leaving us with few shared resources or direct contacts at the state level.

Our Options

The Tanium SecureNC solution is being provided for free to local governments. Their goal in doing so is two-fold:

1. Strengthening the security posture of local governments and agencies.
2. Increase visibility by NCDIT into local government vulnerabilities for reporting purposes.

Tanium is providing a project manager and support team free of charge to assist in the deployment, which will be over the course of a month. They will work with our MSP to make sure that the tool does not conflict with existing tools, and that it is configured correctly.

We also see this as an opportunity to further integrate and associate with NCDIT, which is looking to expand its partnerships with non-state agencies to increase visibility and cooperation between state and local government organizations.

Risks/Costs

The program is free to the Town of Hillsborough. The only costs incurred would be the time needed to interact with the Tanium project manager and our own MSP to set up, configure, and deploy the tool.

This tool is owned and operated by NCDIT, and the data stored will be in their environment. To be clear, NCDIT will have a sanitized visibility into our environment that they are using for reporting purposes. They will NOT have the ability to make changes, push updates, or otherwise externally affect our environment.

This tool is funded through state funds and could be pulled if it is not showing the success that state legislators or NCDIT are looking for. If that were the case we would revert to the tools currently in place.

Recommendation

Staff recommend moving forward with the SecureNC deployment. The program is free to us, support is provided through the state, and we can pull out at any time. Having access to this tool would:

- Improve our visibility into Town owned IT assets
- Allow faster identification and remediation of vulnerabilities
- Provides an avenue for us to strengthen our relationship with our state level peers.

Cc: Jen Della Valle, Administrative Services Director
Matt Efird, Assistant Town Manager

DEPARTMENT OF INFORMATION TECHNOLOGY
P.O. Box 17209
Raleigh, NC 27619-7209



STATE OF NORTH CAROLINA

North Carolina Department of Information Technology

MEMORANDUM OF AGREEMENT

BETWEEN

**NC DEPARTMENT OF INFORMATION TECHNOLOGY,
ENTERPRISE SECURITY RISK MANAGEMENT OFFICE**

AND

[EXEMPT ENTITY NAME]

REGARDING

SECURE NC – TANIUM PROGRAM

April 30, 2026

1. Definitions

Effective Date - This Agreement is effective upon the signature of both parties. The date of the last signature shall be deemed this Agreement's Effective Date.

Eligible Participant(s) - Local Government Entities defined by N.C.G.S. 143B-1320(13) and the University of North Carolina and its constituent institutions.

Local government entity - A local political subdivision of the State, including a city, a county, a local school administrative unit as defined in G.S. 115C-5, or a community college.

Security Features – Information that describes security features of electronic data processing systems, information technology systems, telecommunications networks, or electronic security systems, including hardware or software security, passwords, or security standards, procedures, processes, configurations, software, and codes, is confidential (N.C.G.S 132-6.1(c)).

2. Background

G.S. §143B-1321(a)(2) authorized the North Carolina Department of Information Technology (NCDIT) to provide information technology support to local entities and others. NCDIT is further empowered to identify and develop projects to facilitate the consolidation of information technology support, and projects. G.S. §143B-1322(c)(2) further authorizes the State Chief Information Officer (State CIO) to ensure that information technology support is provided to local government entities and others as appropriate.

Under a Statewide IT Term Contract (STC) with Tanium, NCDIT is permitted to share software licenses with Eligible Participants. Pursuant to G.S. §143B-1321, NCDIT has developed a Program (Program) to allow Local government entities and the University of North Carolina System and its constituent institutions (Participants) to leverage Tanium, an endpoint and security management platform that provides real time visibility into vulnerabilities and threats. Tanium is designed to identify and patch vulnerabilities, reduce blind spots, and enable proactive risk management by consolidating security and operational data in one platform.

NCDIT will timeshare its Tanium software licenses with Participants for the term of this Agreement, licenses may only be used within NCDIT's cloud-hosted infrastructure. The Programs objective is to allow Participants the opportunity to use Tanium's capabilities during the term of this Agreement and enhance its cybersecurity environment at no cost for the term of this Agreement. The Program further allows for collaboration with other North Carolina entities on effective ways to support securing the state. Upon expiration of this agreement, there will be opportunities for continued renewal at no charge, contingent upon ongoing product usage and sustained program funding.

3. Purpose and Scope.

In conformity with G.S. §143B-1321, the purpose of this Agreement is to establish the terms and conditions under which NCDIT will share its software licenses, provide information technology support to Participants, operate the Program, and assist the Participant in the implementation and use of Tanium.

4. Responsibilities of NCDIT

NCDIT (DIT) agrees to:

- a. Provide temporary access to its Tanium software licenses solely for use within DIT's State-managed Tanium Cloud instance during the Program;
- b. Manage Tanium within the State-managed Tanium Cloud instance in accordance with the Statewide Information Security Manual;

- c. Activate and deactivate licenses as needed including but not limited upon termination of this Agreement, and ensure access is limited to designated Participant personnel;
- d. Provide reasonable operational and technical support related to the Program, and engage Tanium for escalated issues as needed;
- e. Notify the Participant in writing of all significant changes to the Program that could affect the Participant;
- f. Only use, share, or disclose Program Data to the extent necessary to fulfill its responsibilities under this Agreement or as expressly authorized in writing by the Participant.

5. Responsibilities of Program Participant

The Participant understands and acknowledges that participation in the Program is voluntary and contingent on DIT having available software licenses. Additionally, there is no requirement that the Participant procure any Tanium products upon the completion of the Program.

The Participant agrees to:

- a. Assign a primary point of contact to coordinate with DIT regarding all software licenses, and related assistance as set forth in this Agreement, and promptly report any changes in such contact to DIT in a timely manner;
- b. Participate in monthly touchpoint meetings with DIT to be scheduled over the course of the Program to share feedback and discuss progress;
- c. Use Tanium solely within DIT's state-managed environment;
- d. Submit all Participant personnel that need admin access to Tanium during the Program in writing to DIT's primary point of contact, and ensure that only designated, authorized personnel have access to Tanium during the Program;
- e. Provide any technical information required to configure and integrate its systems with DIT's state-managed environment, including but not limited to network range addresses and installation of the Tanium client agent on the Participant's workstations and servers, as directed by DIT;
- f. Provide to the DIT primary point of contact the names and email addresses of its designated personnel authorized to access and use the Tanium software during the Program. This information will be used solely for the purpose of managing access to the Tanium software;
- g. Comply with all applicable terms and conditions of the Tanium Negotiated License Agreement as if the Participant were the "Customer," but only to the extent such terms are relevant to the Participant's use of the Tanium software during the Program. **See Appendix A.** The Participant acknowledges and agrees that it is not a Tanium customer and is not afforded any rights, benefits, or remedies under the Tanium STC, and Tanium shall have no direct obligations to the Participant as a result of the Participant's compliance with such terms;
- h. Allow DIT to report aggregated and anonymized information, including but not limited to threat intelligence and technical indicators to other strategic partners for the purposes of information sharing and furthering the mission of Enterprise Risk Management Office and the Program;
- i. Allow DIT to report summary Program metric data to State executive leadership for the purposes of demonstrating the effectiveness and completeness of implementation of the Program;
- j. Not copy, transfer, or use licenses outside the DIT secure environment;
- k. Allow DIT to disclose and provide access to Participant's Security Feature data only to its employees and contractors who have a legitimate need to know such information to fulfill their

obligations under this Agreement. All DIT employees and contractors are bound to protect the Security Feature data from unauthorized use and disclosure in accordance with this Agreement, the SISM, and Statewide Data Classification & Handling Policy;

- I. If applicable, comply with G.S. 143B-1320(b), including obtaining any necessary approvals to participate in this DIT Program;
Cooperate with DIT in completing all required offboarding activities and comply with written offboarding instructions provided by DIT upon termination of this Agreement or expiration of the Program term.

6. Information to Be Shared

For purposes of the Program, the following information (Program Data) will be visible or shared with DIT:

- a. Authorized Personnel Data: The names and contact information of the Participants designated personnel authorized to access and use the Tanium software during the Program.
- b. Technical Integration Data: Participant system data and related technical information necessary to configure and integrate with DIT's state-managed infrastructure.
- c. Security Features: As a result of this Agreement, due to the functionality of the Tanium platform DIT will have visibility into cybersecurity information that Tanium makes available to the Participant related to its environment for oversight, reporting, and awareness. This information assists with continuous monitoring activities conducted by the Enterprise Security and Risk Management office to ensure awareness and remediation of vulnerabilities.

Confidentiality and Data Protection of Program Data

- a. DIT will handle all Program Data in accordance with the Statewide Information Security Manual, the Statewide Data Classification & Handling Policy, and all applicable state and federal laws. Security Features shall be classified as Restricted Data pursuant to the Statewide Data Classification & Handling Policy.
- b. The Participant retains full ownership of all data generated by or related to its environment during the Program. DIT may only access and use this data for the limited purposes set forth in this Agreement.
- c. Both Parties must comply with all applicable federal and state privacy and security laws, including but not limited to Chapter 132 of the North Carolina General Statutes, regarding the protection of confidential information where applicable.

7. Primary Point of Contact.

DIT Point of Contact

Participant Point of Contact

Name: Jen Fix

Name:

Email: jennifer.fix@nc.gov

Email:

Mobile: 919-754-6317

Mobile:

8. Term. The Program will have a term starting the Effective Date and will run until license true-up occurs on September 14, 2026.

9. Potential Continuation. DIT may, at its discretion, seek recurring legislative funding to continue the Program beyond the current term. Any continuation shall be subject to legislative appropriation and DIT maintaining an active underlying agreement with Tanium permitting this use.

10. Modifications to this Agreement. Any amendments or changes to this Agreement, must be in writing executed by both parties.

11. Termination. Either Party may terminate this Agreement by giving ten (10) business days written notice to the other Party. Such termination notice period shall not commence until receipt of the written notice by the other Party.

12. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.

13. Audit. The State Auditor shall have access to all persons and records in accordance with N.C.G.S. § 147-64.7 and other applicable laws or regulations.

14. Liability. The Participant acknowledges that NCDIT provides access to the Tanium software solely for the evaluation purposes under this Program. NCDIT makes no representations or warranties regarding the Tanium software and shall not be liable for any damages arising out of the Participant's use of Tanium software.

Each Party agrees to assume its own liability for any and all claims of any nature including all costs, expenses, and attorneys' fees that may in any manner result from or arise out of this Agreement.

15. Signatures

WHEREFORE, intending to be bound hereby, this Memorandum of Agreement is executed by the undersigned authorized representatives of each Party, effective as of the last date of execution by the Parties hereto. Each individual signing below warrants that they are authorized to execute this MOA and bind their respective entity to its terms.

Participating Entity: [Entity Name]

Signature

Date

Printed Name

Title

NC Department of Information Technology

Signature

Date

Printed Name _____

Title _____

Appendix A – Amendment 3 State Term Contract 208T – Tanium, Inc. Negotiated License Addendum

**AMENDMENT 3
STATE TERM CONTRACT 208T
TANIUM, INC. NEGOTIATED LICENSE ADDENDUM
DIT 400791-012**

THIS AMENDMENT is entered into by and between the **State of North Carolina Department of Information Technology (DIT)**, located at 3700 Wake Forest Road, Raleigh, North Carolina 27609, and Tanium, Inc. located at located at 1320 Ridder Park Dr San Jose CA 95131 (Vendor), collectively known as the Parties.

Whereas the Parties acknowledge that they entered into a Negotiated License Agreement (“Agreement”) for an initial term from the effective date of May 19, 2021, through and including July 31, 2024, with two optional one (1) year terms.

Whereas in Amendment #1, the Parties exercised the first optional one (1) year renewal from August 1, 2024, through and including July 31, 2025.

Whereas in Amendment #2, the Parties exercised the second optional one (1) year renewal from August 1, 2025, through and including July 31, 2026.

Whereas the Parties wish to amend the Agreement through this Amendment #3 in connection with the Pilot Program, as more fully described herein

The Parties hereby agree to amend the Agreement as set forth below.

1. The Parties agree to initiate a Pilot Program (“**Program**”) under which DIT may permit Eligible Participants to access and use the Tanium Software that DIT has procured or will procure pursuant to DIT’s Contract with Tanium’s Reseller, World Wide Technology LLC (RFQ DIT 400791-005). Eligible Participants are Local Government Entities defined by N.C.G.S. 143B-1320(13) and the University of North Carolina and its constituent institutions.
2. The Program allows Eligible Participants to test Tanium’s Software’s capabilities, evaluate Tanium’s Software firsthand, and experience the enhancements made to the Eligible Participants’ cybersecurity environment. The Parties acknowledge that the Program is intended to facilitate collaboration among North Carolina entities in identifying and implementing effective strategies to support a whole-of-state approach to cybersecurity.
3. Vender acknowledges and agrees that DIT has purchased licenses from Vendor’s Reseller, and that such licenses may be used by Eligible Participants. Use of the Licensed Software by these Eligible Participants, solely under DIT infrastructure and for the Eligible Participant’s internal purposes, shall not be deemed a violation of any term of this Agreement.
4. The State will incur no additional costs associated with the Program which has limited scope and duration and will be subject to the terms and conditions of the original Agreement, as modified herein.

5. The Program and the permission granted hereunder to the Eligible Participants shall remain in effect through July 31st, 2026, unless extended by mutual written agreement between the Parties.

External Use\General Business - Not Confidential

6. An Eligible Participant may participate in the Program provided that the State has a separate license allocated for every individual Eligible Participant's Entity who will use or benefit from the Licensed Software.

7. Each Eligible Participant shall comply with all applicable terms of this Agreement as if it were the Customer, but only to the extent the terms are relevant to the Eligible Participant's use of the Tanium software during the Program. DIT shall enter into a Memorandum of Agreement with each Eligible Participant that clearly defines the Eligible Participant's responsibilities under the Program.

8. DIT shall not be responsible or liable for any breach of this Agreement by the Eligible Participant. DIT shall cooperate in good faith with Vendor to facilitate enforcement of this agreement against any non-compliant Eligible Participant but shall not be deemed to guarantee the Eligible Participant's performance. Upon written notification by Vendor of an Eligible Participant's material breach of this Agreement, DIT agrees to deactivate the license(s) of the Eligible Participant.

9. Notwithstanding language in this Agreement, for the purposes of the Program, Tanium agrees that the use of the Eligible Participant's use of DIT's software licenses in this manner does not violate this Agreement or create additional liabilities or obligations by or for DIT under this Agreement including but not limited to the End User License Agreement.

10. Moreover, the Parties agree that DIT will amend its Contract with World Wide Technology, LLC, to incorporate this Amendment #3.

Except as modified herein, the Agreement continues in effect as written and agreed.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
 Department: Community Services
 Agenda Section: Consent
 Public hearing: No
 Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Matt Efird, Assistant Town Manager

ITEM TO BE CONSIDERED

Subject: Resolution Authorizing the Submission of the Fiscal Year 2026 - 2027 HOME Annual Action Plan and Program Design for Orange County, North Carolina

Attachments:

1. Resolution
2. FY 2026 -2027 HOME Annual Action Plan

Summary:

Every year, state and local governments (“Participating Jurisdictions”) that receive HOME Investment Partnerships Program (“HOME”) funds from the U.S. Department of Housing and Urban Development (“HUD”) are required to complete an Annual Action Plan that lays out how they will allocate HUD funds for the upcoming program year in order to address the goals and priorities in the Consolidated Plan. The draft Annual Action Plan for FY 2026 - 2027 as approved by the Local Government Affordable Housing Collaborative is attached.

Orange County is a special type of Participating Jurisdiction, called a Consortium, consisting of Orange County and the towns of Carrboro, Chapel Hill, and Hillsborough. Orange County serves as the lead entity for the Orange County HOME Consortium. The Consortium completed the Annual Action Plan based on the HOME award recommendations made by the Local Government Affordable Housing Collaborative.

The recommended funding allocation for FY26 HOME Funds is as follows:

PROGRAM	AMOUNT
TENANT-BASED RENTAL ASSISTANCE	\$271,981.33
HOME REPAIR AND REHABILITATION AND CHDO SET-ASIDE	\$180,000.00
ADMINISTRATION (10%)	\$38,145.68
TOTAL	\$490,127.01

These actions are consistent with FY24-26 Strategic Plan: Economic Vitality Objective 5 (Develop policies and invest in projects that contribute to meeting identified affordable housing needs in town), and Comprehensive Sustainability Plan: Housing and Affordability recommended actions.

Financial impacts:

The town participates by providing a local match for the HOME funds, which is budgeted in the adopted FY26 budget in the amount of \$6,281.

Staff recommendation and comments:

Staff recommends authorization for the town manager and staff to complete the HOME funding approval process and provide approval for the Orange County Consolidated Plan.

Action requested:

Staff requests adoption of the attached resolutions.



RESOLUTION

Authorizing the Submission of the FY 2026 - 2027 HOME Annual Action Plan and Program Design for Orange County, North Carolina

WHEREAS, the Hillsborough Board of Commissioners as a member of the Orange County HOME Consortium authorize the town manager to submit the Orange County Annual Action Plan for Fiscal Year 2026 – 2027 to the U.S. Department of Housing and Urban Development, including all understandings, assurances, and certifications required therein; and

WHEREAS, the board approves the following activities for the Fiscal Year 2026-2026 HOME Program:

<u>Tenant Based Rental Assistance</u>	\$271,981.33
<i>Funds will be allocated to the Orange County Partnership to End Homelessness to provide rental assistance for people experiencing homelessness or low-income households (at or below 30% AMI).</i>	
<u>Home Repair and Rehabilitation and Community Housing Development Organization (CHDO) Set-Aside</u>	\$180,000.00
<i>Funds will be allocated to Habitat for Humanity of Orange County for repair and rehabilitation for 12 owner-occupied units at or below 80% AMI currently experiencing homelessness.</i>	
<u>Program Administration (10%)</u>	\$38,145.68
<u>Total Funding</u>	\$490,127.01

WHEREAS, the town manager is hereby designated as the authorized representative of the town to act in connection with the submission of these plans, to act in connection with the HOME program, and to provide such additional information as may be required by the U.S. Department of Housing and Urban Development.

NOW, THEREFORE, be it resolved by the Hillsborough Board of Commissioners that this resolution is effective upon approval.

Approved this 11th day of May of the year 2026.

Mark Bell, Mayor
Town of Hillsborough

Attestation:

Sarah Kimrey, Town Clerk

Orange County, North Carolina
HOME Consortium

FY 2026 – 2027 Annual Action Plan

Orange County, Town of Carrboro, Town of
Chapel Hill, and Town of Hillsborough



Annual Action Plan
FY 2026-2027

1

Table of Contents

AP-05 Executive Summary.....	3
PR-05 Lead & Responsible Agencies.....	7
AP-10 Consultation.....	8
AP-12 Participation.....	15
AP-15 Expected Resources.....	16
AP-20 Annual Goals and Objectives	18
AP-35 Projects	19
AP-38 Project Summary.....	20
AP-50 Geographic Distribution	23
AP-55 Affordable Housing	24
AP-60 Public Housing.....	25
AP-65 Homeless and Other Special Needs Activities.....	26
AP-75 Barriers to Affordable Housing	28
AP-85 Other Actions.....	30
AP-90 Program Specific Requirements.....	32

AP-05 Executive Summary

Introduction

The Orange County, North Carolina HOME Consortium is a Participating Jurisdiction in the U.S. Department of Housing & Urban Development’s (HUD) HOME Investment Partnerships Program (HOME). Under the HOME Program, local governments join to form a consortium to receive HOME funding for affordable housing. The Orange County HOME Consortium is made up of four (4) members: Orange County, the Town of Carrboro, the Town of Chapel Hill, and the Town of Hillsborough, with Orange County serving as the lead entity. The Town of Chapel Hill also receives Federal Community Development Block Grant (CDBG) funds each year.

Orange County is required to submit an annual plan for the use of HOME funds to HUD called the Annual Action Plan. The Annual Action Plan is a guide to how the County will allocate its resources for specific activities that support the Goals and Objectives of the Orange County HOME Consortium’s Five-Year Consolidated Plan. This is the HOME Consortium’s first Annual Action Plan of the 2025-2029 Five Year Consolidated Plan. The Consolidated Plan describes the housing and non-housing needs of County residents and presents a five-year strategy to address those needs.

This Annual Action Plan outlines how Orange County will use HOME funds to address the goals and priorities in the Consolidated Plan and which activities the County will undertake using HOME funds during the upcoming program year. The Orange County HOME Program Year aligns with the County Fiscal Year, beginning July 1 and ends June 30 of each year. This Annual Action Plan addresses funds for Fiscal Year (FY) 2026-2027, which begins July 1, 2026 and ends June 30, 2027.

The FY 2026-2027 Annual Action Plan outlines the actions to be undertaken with the Orange County HOME Consortium’s HOME funds. This plan excludes the Town of Chapel Hill’s CDBG program. The Town has completed a separate Annual Action Plan for its CDBG allocation, which Orange County has submitted on the Town’s behalf.

Orange County HOME Consortium expects it will receive \$381,456.81 in funds for FY26- 27, as well as \$13,306 in HOME program income and \$95,364.20 in local match funding. Orange County will use 10% of awarded funds for administration –\$38,145.68. In total, Orange County projects to have \$451,981.33 available to award for FY 2026-2027.

FY 2026-2027 Budget:

Orange County proposes to undertake the following activities with FY 2026-2027 HOME funds:

• HOME 25-03 – Repair, Rehabilitation & CHDO Set Aside:	\$180,000
• HOME-25-02 - Tenant-Based Rental Assistance:	\$271,981.33
• HOME-25-04 - Administration:	\$38,145.68
Expected Total:	\$490,127.01

Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The goals of Orange County’s HOME Program are to retain and increase the supply of affordable housing units for both owner occupants and renters. Additionally, the program aims to assist low-income individuals and families through rental assistance programming.

The Consolidated Plan is a five-year guide that the Orange County HOME Consortium uses to address its housing and community development initiatives. Based on the Housing Needs Assessment, Market Analysis, and community and stakeholder input received during the Consolidated Planning process, the Strategic Plan portion of the Plan establishes the following priorities:

- Expand Affordable Rental Housing for Individuals Experiencing Homelessness, as well as Very-Low, Low- and Moderate-Income Households (Tenant-Based Rental Assistance, Repair and Rehabilitation)
- Preserve, Rehabilitate, and Expand Existing Affordable Housing Stock to Prevent Displacement (Tenant-Based Rental Assistance, Repair and Rehabilitation)
- Increase Permanent Supportive Housing and Housing for Special Needs Populations (Tenant-Based Rental Assistance)

During FY 2026-2027 HOME Program Year, the County proposes to address the following priority need categories identified in the 2025 Consolidated Plan:

- Expand Affordable Rental Housing for Low-Income Households (Tenant-Based Rental Assistance)
- Preserve and Rehabilitate Existing Affordable Housing Stock to Prevent Displacement (Repair and Rehabilitation)

Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The HOME Consortium strives to operate its HOME program in a timely manner and in accordance with applicable regulations and match requirements. Orange County regularly works with HUD representatives and technical assistance to improve outcomes for residents and ensure compliance.

The County prepares a Consolidated Annual Performance and Evaluation Report (CAPER) each year. Typically, this report is submitted within ninety (90) days after the start of the new program year. An electronic copy of the CAPER is available for review at the Orange County Housing and Community Development Department website www.orangecountync.gov/Housing. Hard copies are available upon request.

The funds shown in the following chart were expended during the time period of July 1, 2024 through June 30, 2025. The only expenditures from Program Year (PY) 2023 funds were for administration; all other funds expended were prior program year funds that had not been drawn down until this time period.

	HOME	Required Match
PY 2023	\$8,822.50	\$0
PY 2020	\$89,058.36	\$22,264.59
PY 2019	\$39,216.00	\$9,804.00
Total	\$137,097.40	\$32,068.59

Orange county was able to support a total of 26 families with HOME funds this year. The data collected shows that we supported 12 White households, 13 Black or African American households, and one American Native during this CAPER period. No households identified as Hispanic or refused to provide demographic information. Orange County experienced significant staff turnover during the Program Year. While this turnover slowed progress, it has also laid the foundation for long-term compliance and program success.

Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

All HOME-funded activities benefit low- and moderate-income residents of Orange County. Orange County has an approved Citizen Participation Plan, as required by HUD, which is available on the Orange County Department of Housing and Community Development website (www.orangecountync.gov/Housing) or in hard copy upon request. The County has followed its Citizen Participation Plan in the preparation and development of the FY 2026-2027 Annual Action Plan.

The Orange County HOME Consortium solicited feedback from local agencies and organizations in January and February 2026. The Collaborative met to review the applications on X and developed a funding plan to be approved by each of the governing boards of the four (4) member jurisdictions of the Consortium.

The Collaborative’s funding plan was the basis for drafting the FY 2026-2027 Annual Action Plan. This section will be revised after the completion of our citizen participation process.

Summary

The FY 2026-2027 Annual Action Plan for the Orange County HOME Consortium outlines which activities the County will undertake using HOME funds during the program year beginning July 1, 2026 and ending June 31, 2027. This is the County's second year of the 2025 Five-Year Consolidated Plan.

During the FY 2026-2027 program year, the Orange County HOME Consortium anticipates the following Federal financial resources:

- **FY 2026-2027 HOME Funds:** \$381,456.81
- **HOME Program Income:** \$13,306
- **Total: \$394,762.81**

During the FY 2026-2027 HOME program year, the Orange County HOME Consortium proposes to address the following priority need categories from the 2025 Consolidated Plan:

- **Housing for People Experiencing Homelessness:** Provide affordable rental housing for households experiencing homelessness.
 - **Priority Level:** High
 - **Associated Goals:** Rental Assistance, Housing Rehabilitation/ Preservation, Grant Administration
- **Preserve and Rehabilitate Existing Affordable Housing Stock to Prevent Displacement:** Provide affordable housing for owner-occupied households with moderate and low incomes, especially those with extremely low incomes.
 - **Priority Level:** High
 - **Associated Goals:** Housing Rehabilitation/ Preservation, Grant Administration

PR-05 Lead & Responsible Agencies

Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	Orange County, NC	
HOME Administrator	Orange County, NC	Department of Housing

Table 1 – Responsible Agencies

Consolidated Plan Public Contact Information

Blake Rosser, Housing Department Director

Orange County, NC Department of Housing

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AP-10 Consultation

Introduction

Consultation with community stakeholders was a critical component in developing the 2025-2029 Consolidated Plan. Consultation helped the Orange County HOME Consortium identify and prioritize community needs, develop strategies, and coordinate subsequent action plans. This process also facilitated information sharing regarding community resources and promoted coordination within the Consortium and its member jurisdictions.

During development of the Consolidated Plan in late 2024 and early 2025, the Consortium consulted with social services agencies, service providers, community-based organizations, housing providers, local government agencies and boards, neighborhoods leaders, and elected officials.

Community Input and Feedback

Orange County held five community engagement and input sessions across the County at community centers throughout February. Staff engaged over 50 residents through the public input process and guided conversations around HOME eligible uses, County needs, and resident issues. Additionally, the County distributed a resident survey to understand the needs and funding priorities of community members. 133 survey responses were received and 55 people attended in-person community feedback sessions.

Engagement Session Feedback

The community engagement sessions highlighted critical housing challenges in Orange County, particularly for low-income homeowners and renters. Across all meetings, concerns revolved around housing affordability, home repairs, displacement, infrastructure, and access to program funding. Below is a summary of key themes and takeaways, contextualized within the broader housing landscape.

- **Housing Preservation**
 - Home repair programs are essential to prevent displacement and maintain affordable homeownership.
 - Targeted funding for repairs, particularly for low-income and elderly homeowners, should be prioritized.
 - Simplifying application processes and providing technical assistance can improve program accessibility.
 - Contractors in low-income neighborhoods should be included in bids for repair work.
 - Landlord engagement is needed to ensure rental properties are maintained, as renters lack access to home repair funding.
- **Affordability**
 - Rising rents and lack of affordability are displacing long-term residents and low-income renters.
 - The current definition of "affordable" (80% AMI) may be too high—suggestions to redefine affordability for households at 60% or even 30% AMI.

- Stronger tenant protections and incentives for affordability restrictions could mitigate displacement.
- Down payment assistance programs should be expanded to help renters transition to homeownership.
- Infrastructure improvements should be prioritized for low-income areas, ensuring equitable access to essential utilities.
- **Community**
 - Ongoing community engagement is essential to build trust and ensure programs reflect community needs.
 - Smaller organizations that provide impactful community-driven housing solutions should not be overlooked.
 - Public meetings should be more accessible, including evening and weekend scheduling, virtual options, and multilingual support.
 - Transparent reporting on housing initiatives and funding utilization can improve accountability.
 - Funding allocation should balance large-scale development with community-driven initiatives.

The Orange County Local Government Affordable Housing Collaborative (the Collaborative), which consists of one (1) elected official from each of the governing boards of Orange County, the Town of Carrboro, Town of Chapel Hill, and Town of Hillsborough, was the key entity consulted on funding recommendations for the FY 2026-2027 HOME Program and thereby the development of the FY 2026-2027 Annual Action Plan.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

Orange County works with the following agencies to enhance coordination:

- **Orange County Housing Authority:** Housed within the Department of Housing, the Housing Authority operates the Section 8 Housing Choice Voucher Program for Orange County.
- **Town of Chapel Hill Office of Housing and Community:** The Town of Chapel Hill manages public housing communities in Chapel Hill.
- **Orange County Partnership to End Homelessness (OCPEH):** Housed within the Department of Housing, OCPEH acts as the Continuum of Care (CoC) lead for Orange County and coordinates among local governments and service providers (including those providing health services) to meet the housing and services needs of housing insecure Orange County residents.
- **Social Services Agencies:** The County provides funds to improve services to low- and moderate-income people.
- **Housing Providers:** The County provides funds to rehabilitate and develop affordable housing and provide housing options for low- and moderate-income households.

Each year, as part of the HOME and CDBG application planning process, local agencies and organizations are invited to submit proposals for HOME and CDBG funds for eligible activities. These groups participate in the planning process by attending informational meetings, receiving technical assistance from the Consortium, and attending public hearings. The outreach process facilitates communication around affordable housing in Orange County and how public and private agencies and organizations can help address the most urgent needs.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Orange County HOME Consortium coordinates extensively with the Orange County Partnership to End Homelessness (OCPEH), which serves as the Continuum of Care (CoC) for Orange County. The four (4) jurisdictions participating in the Orange County HOME Consortium – Orange County and the Towns of Chapel Hill, Hillsborough and Carrboro – fund OCPEH, sharing costs based on population. Elected officials from each jurisdiction serve on the CoC board, and staff from the two jurisdictions that have Public Housing Authorities also have ex officio board seats with full voting privileges. In this way, the jurisdictions direct all efforts to end homelessness, including funding decisions and policy priorities.

OCPEH staff meet weekly with Orange County Housing and Community Development staff. The two entities are also co-located in the Orange County Housing and Community Development department. OCPEH staff meet regularly with all jurisdiction staff and present annually to the four elected boards on the work of OCPEH.

Starting in 2016, OCPEH created a system map and gaps analysis of homeless services in Orange County, and has updated this document annually with the latest update issued in 2023. OCPEH staff also serve with staff from the four jurisdictions on the Orange County Affordable Housing Coalition, a group of affordable housing developers, funders, advocates, and staff seeking to collaboratively increase affordable housing units in Orange County. OCPEH staff contribute information and ideas to the Consolidated Plan and to the Annual Action Plan updates.

OCPEH leads efforts, in conjunction with the HOME Consortium, to end homelessness in Orange County. OCPEH directs the work of the bi-annual Plan to End Homelessness and ongoing coordination among service providers through seven monthly standing meetings. In addition to the CoC board, HOME Consortium members participate regularly in these CoC workgroups, including care coordination using a by-name list.

OCPEH operates coordinated entry for people in housing crisis by directing people to appropriate resources including homelessness diversion, shelter/emergency response referrals, and permanent housing resources. Coordinated entry prioritizes permanent supportive housing for people experiencing chronic homelessness. OCPEH has a standing monthly meeting with veteran service providers to

particularly address ending veteran homelessness, including care coordination using a veterans-only by-name list.

As part of the gaps analysis, OCPEH seeks to increase the quality and availability of Rapid Rehousing for all people experiencing homelessness, including families. OCPEH coordinates the annual Point-in-Time count in conjunction with HOME Consortium members and has not found unaccompanied youth in any year. OCPEH works closely with youth services providers and LGBTQ service providers and advocates to ensure no youth are going uncounted. One of the current system gaps is a youth homeless program to serve youth experiencing homelessness. Overall, OCPEH coordinates with HOME Consortium members to continue to fill system gaps and make updates to the homeless gaps analysis.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction’s area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

HOME Consortium members serve on the OCPEH Leadership Team. The CoC board that determines ESG allocations each year. HOME Consortium members also serve on the CoC Project Review Committee that determines program performance standards, evaluates program outcomes, crafts funding priorities, and creates recommendations for CoC and ESG funding for Leadership Team approval. Project Review Committee members look at program data each quarter to keep eyes on program outcomes and help with funding decision-making during application periods. The Project Review Committee determines funding policies and procedures annually during the CoC and ESG grant competitions. The CoC contracts with the statewide Coalition to End Homelessness to serve as HMIS lead, and administers HMIS in consultation with the Leadership Team, as CoC board, inclusive of HOME Consortium members.

In 2016-2017 the Orange County Partnership to End Homelessness (OCPEH) gathered people with lived experience of homelessness, homeless service providers, community leaders, and state homeless experts to map the homeless service system in Orange County. This process created the Orange County homeless system map and the homeless system gaps analysis. OCPEH staff typically update the gaps analysis each year; the last update was completed in 2023.

Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	CASA
	Agency/Group/Organization Type	Housing Services – Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	OC solicited an application.
2	Agency/Group/Organization	Habitat for Humanity of Orange County
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Habitat for Humanity of Orange County applied for FY 2026-2027 HOME funds.
3	Agency/Group/Organization	EmPOWERment, INC.
	Agency/Group/Organization Type	Housing Services - Housing Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	OC solicited an application
4	Agency/Group/Organization	Orange County Partnership to End Homelessness
	Agency/Group/Organization Type	Services-homeless Other government - County Other government - Local

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	OCPEH applied for FY 2026-2027 HOME funds.
5	Agency/Group/Organization	Orange County Housing Authority
	Agency/Group/Organization Type	Other government - County Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	They shared existing programming and services for vulnerable populations, including those experiencing homelessness.
6	Agency/Group/Organization	Town of Chapel Hill Office of Housing and Community
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	They are partners in the 2026-2027 HOME Consortium.
7	Agency/Group/Organization	Town of Carrboro Department of Housing and Community Services
	Agency/Group/Organization Type	Other government - Local

	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	They are partners in the 2026-2027 HOME Consortium.
8	Agency/Group/Organization	Town of Hillsborough Department of Community Services
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	They are partners in the 2026-2027 HOME Consortium.

Identify any Agency Types not consulted and provide rationale for not consulting

All Agency Types were consulted in the development of the 2025-2029 Consolidated Plan, which lays out the goals and strategies upon which this Annual Action Plan is based.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Orange County Partnership to End Homelessness	The goals are compatible.

Table 3 – Other local / regional / federal planning efforts

Narrative

The Orange County HOME Consortium is a cooperative venture of Orange County and the Towns of Carrboro, Chapel Hill, and Hillsborough. There is an excellent working relationship between all the jurisdictions. In addition, there is an excellent rapport with the Continuum of Care and its member organizations.

AP-12 Participation

Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The FY 2026-2027 Annual Action Plan has many components that include citizen participation. These components included: soliciting plans and feedback from local agencies and organizations; meeting with agencies/organizations to provide technical assistance on how to complete the HOME application; review of applications by elected officials from the County and the Towns (the Local Government Affordable Housing Collaborative), and a public hearing on the proposed funding plan for FY 2026-2027 HOME funds and draft Annual Action Plan. The HOME Consortium held a AAP public hearing on April 7, 2026.

AP-15 Expected Resources

Introduction

The Orange County HOME Consortium expects to receive \$375,940 in 2026 HOME funds, including \$13,306 in HOME Program Income for the FY 2026-2027 program year. The program year is from July 1, 2026 through June 30, 2027.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1		
			Annual Allocation: \$	Program Income: \$	Total: \$
HOME	public - federal	Repair and Rehabilitation TBRA Acquisition	\$381,456.81	\$13,306	\$394,762.81

Table 2 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The Orange County HOME Consortium leverages resources, including private, state, and local funds, to fulfill and enhance the impact of federal HOME funds. For Fiscal Year (FY) 2026-2027, the estimated Match contribution is \$95,364.20. This local Match represents a strategic leveraging of additional funds to augment federal investments in affordable housing projects.

To meet the federal matching requirements, the total amount of local Match contributed must equal 25% of the HOME funds allocated to direct project costs. This calculation is based on 90% of the total HOME Entitlement amount awarded by the U.S. Department of Housing and Urban Development (HUD), considering that 10% is dedicated to administrative expenses. Therefore, the local Match requirement effectively translates to 25% of 90% of the total HOME funds received.

The distribution of the Match amount among the jurisdictions within the Orange County HOME Consortium reflects a coordinated approach to leveraging local resources. Each jurisdiction's contribution is proportionate to its capacity and agreed upon percentage, ensuring a fair and equitable investment towards meeting the match requirements. The breakdown of the Match amount from each jurisdiction—Orange County, Chapel Hill, Carrboro, and Hillsborough—is calculated below to ensure that the collective contributions meet the federal matching requirements:

- Orange County (39%): \$37,192.04
- Chapel Hill (41%): \$39,099.32
- Carrboro (15%): \$14,304.63
- Hillsborough (5%): \$4,768.21

- **Total: \$95,364.20**

In addition, Orange County leverages other funds from a variety of sources to address the needs identified in the plan, including but not limited to:

- **Home Repair and Rehabilitation:** Orange County has received funds for home repair and rehabilitation under the North Carolina Housing Finance Agency's 2027 Urgent Repair Program (\$165,000) and 2028 Essential Single-Family Rehabilitation Loan Pool program (\$185,000).
- **Capital Improvement Plan Program:** At the June 8, 2023 Budget Work Session, the Board of County Commissioners approved \$5 million for affordable housing development be allocated from the Capital Investment Plan (CIP) funding for FY 2023-2024. The CIP also includes \$5 million allocations in FY 2026-27 and FY 2029-30 for a total of \$15 million for affordable housing development over ten years.
- **Emergency Housing Assistance:** Orange County leverages local funds from the County and Towns, as well as CDBG and CDBG-CV funds from Chapel Hill and CDBG-CV funds awarded by the North Carolina Department of Commerce to the Towns of Hillsborough, Carrboro, and Orange County, to operate the Emergency Housing Assistance (EHA) program. EHA provides financial assistance for eviction and homelessness prevention through emergency rent, mortgage, and utility payments, as well as security deposits, application fees, and other costs to help households experiencing homelessness move into housing.
- **Rapid Rehousing Program:** Orange County uses HOME funds as well as ESG and ESG-CV funds from the North Carolina Department of Health and Human Services to operate a Rapid Rehousing program that provides short- to mid-term rental assistance, depending on the tenant's needs, to people experiencing homelessness, through the local Continuum of Care (CoC).
- **Other Local Funds for Affordable Housing:** A variety of other local funding sources are used for affordable housing activities, including: Outside Agency/Human Services Funding, Carrboro Affordable Housing Fund, Chapel Hill Affordable Housing Development Reserve, Chapel Hill Affordable Housing Fund, and Chapel Hill Affordable Housing Bond.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Some of the Consortium's member jurisdictions own surplus land and regularly evaluate their inventory to identify sites suitable for affordable housing activities, including the Town of Chapel Hill's public housing communities. All member jurisdictions actively collaborate with private and public entities to assist them in acquiring property for projects that address the needs identified in this plan. For example, the jurisdictions are involved in the Northside Neighborhood Initiative, a land bank in historically black neighborhoods in Chapel Hill and Carrboro that is funded in part by the University of North Carolina, the Center for Community Self-Help, and the Oak Foundation.

Discussion

Although there are limited resources available to address the needs identified in the Consolidated Plan, the Town and the Consortium member jurisdictions are continuously collaborating to maximize what resources are available and develop new ones.

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Repair and Rehabilitation	2026	2027	Affordable Housing	Hillsborough	Housing for Low- and Moderate - Income Households	\$180,000	Repair or Rehabilitation of 15 units.
2	Tenant Based Rental Assistance	2026	2027	Affordable Housing Homelessness	Orange County	Housing for People Experiencing Homelessness	\$271,981.33	Rental Assistance for 20 households.

Table 3 – Goals Summary

Goal Descriptions

1	Goal Name	Repair and Rehabilitation
	Goal Description	Repair and Rehabilitation for owner-occupied units, prioritizing units at 50% AMI or below
2	Goal Name	Tenant Based Rental Assistance
	Goal Description	Tenant Based Rental Assistance for twelve currently homeless households.

AP-35 Projects

Introduction

The Orange County HOME Consortium proposes to undertake the following activities with FY 2026-2027 HOME funds:

#	Project Name
1	Habitat For Humanity – Repair and Rehabilitation, CHDO Set Aside
2	OCPEH - TBRA
3	Administration – 2026

Table 4 – Project Information

AP-38 Project Summary

Project Summary Information

1	Project Name	Habitat for Humanity – Repair and Rehabilitation, CHDO Allocation
	Target Area	County-Wide
	Goals Supported	Repair and Rehabilitation
	Needs Addressed	Preserve and Rehabilitate Existing Affordable Housing Stock to Prevent Displacement
	Funding	Total: \$180,000
	Description	<p>Funds will be allocated to Habitat for Humanity to repair and rehabilitate approximately 12 units. The funds may not be used for homes whose after-rehabilitation value exceeds 95% of the median purchase price. HOME program requirements allow for assistance to homeowners up to 80% of the Area Median Income.</p> <p>Orange County will prioritize homes at or below 50% of the Area Median Income.</p> <p>Currently, up to \$2 million in repair and rehabilitation projects have been identified across Orange County, all in owner-occupied units. Orange County will collaborate with the Orange County Home Preservation Coalition, administered by the University of North Carolina Chapel Hill’s Community Practice Lab, to identify the applicants who may be the best fit for this program.</p>
	Target Date	06/2027
	Estimate the number and type of families that will benefit from the proposed activities	12 families at or below 80% AMI
	Location Description	Scattered sites in Orange County
	Planned Activities	<ul style="list-style-type: none"> • Repair • Rehabilitation

2	Project Name	OCPEH – Tenant Based Rental Assistance
	Target Area	County-wide
	Goals Supported	Tenant Based Rental Assistance
	Needs Addressed	Housing for Low-income households, Housing for individuals Experiencing Homelessness
	Funding	Total: \$271,981.33
	Description	Funds will be allocated to the Orange County Partnership to End Homelessness for Tenant Based Rental Assistance for fifteen currently homeless households. This project targets people currently experiencing homelessness in Orange County, with priority given to households with zero income and with heads of household who have multiple disabling conditions.
	Target Date	06/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	20 households at or below 30% AMI
	Location Description	Scattered sites in Orange County
	Planned Activities	Rental/utility assistance

3	Project Name	Administration – 2026
	Target Area	County-wide
	Goals Supported	Rental Construction Tenant Based Rental Assistance
	Needs Addressed	Housing for People Experiencing Homelessness Housing for Low- and Moderate-Income Households
	Funding	Total: \$38,145.68 (10% of 2026 HOME Award)
	Description	Funds for administration of the HOME Program will be allocated to the Orange County Housing and Community Development Department. Total funds will equal ten percent (10%) of the 2026 HOME award.
	Target Date	6/30/2027

Estimate the number and type of families that will benefit from the proposed activities	Administration will support HOME-funded housing activities.
Location Description	N/A
Planned Activities	Administration

AP-50 Geographic Distribution

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The Orange County HOME Consortium relies on program partners to identify geographic areas of need and direct assistance to those areas. For the FY 2026-2027 program, HOME funds will be directed County-wide (through OCPEH – Tenant Based Rental Assistance and OCCD – Repair and Rehabilitation) and to Carrboro (CHDO Set-Aside, Affordable Housing Acquisition).

Geographic Distribution

Target Area	Percentage of Funds
County-wide	100%

Table 5 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The Consortium affirms the importance of addressing homelessness and housing needs county-wide. It is crucial to ensure that assistance reaches all corners of the county, including rural and low-income areas, not just affluent portions.

AP-55 Affordable Housing

Introduction

Orange County will use its HOME funds for repair and rehabilitation, tenant based rental assistance, and affordable housing acquisition. The one-year goals for affordable housing in Orange County for FY 2026-2027 are as follows:

One Year Goals for the Number of Households to be Supported	
Homeless	10
Non-Homeless	15
Special-Needs	0
Total	25

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	10
The Production of New Units	0
Rehab of Existing Units	15
Acquisition of Existing Units	0
Total	25

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

Orange County will fund the following projects with the FY 2026-2027 HOME funds:

- HOME-25-01 – Habitat for Humanity – Repair and Rehabilitation:** Funds will be allocated to Habitat for Humanity for the repair and rehabilitation of 12 owner-occupied homes in Orange County, with a preference for individuals earning less than 50% of the Area Median Income.
- HOME-25-02 – OCPEH – Tenant Based Rental Assistance:** Funds will be allocated to the Orange County Partnership to End Homelessness, supporting households experiencing homelessness and earning less than 30% of the area median income.
- HOME-25-03 – Administration 2026:** Funds for administration of the HOME Program will be allocated to the Orange County Housing and Community Development Department. Total funds will equal ten percent (10%) of the 2026 HOME award, which is estimated to be \$36,701.

AP-60 Public Housing

Introduction

Public housing in Orange County is provided by the Town of Chapel Hill's Office of Housing and Community. The Orange County Housing Authority, OCHA, provides tenant-based assistance and has been allocated 687 Housing Choice Vouchers (HCV, also known as Section 8), of which 640 are being actively administered. The 640 vouchers include 41 HUD-VASH Vouchers and four (4) Homeowner Vouchers. OCHA does not manage any public housing units. OCHA is overseen by a seven (7) member Board.

Actions planned during the next year to address the needs to public housing

The Orange County HOME Consortium is undertaking the following to address the needs of HCV holders:

- In partnership with the Towns and local nonprofits, work to increase the number of landlords willing to participate in the HCV Program. A full-time Housing Access Coordinator was hired in 2020 to foster relationships with landlords in the community and increase participation in HCV and other housing subsidy programs.
- Work to streamline the design and administration of the housing stabilization funds (designed to help low-income renters, including HCV holders, secure and maintain stable housing) offered by the County and each of the Towns
- Ensure units in which households in the HCV Program live are safe and healthy, by conducting Quality Control inspections on a subset of units
- Implement a "Move On" program, in which people with Permanent Supportive Housing Vouchers (PSHVs) whose service needs have lowered considerably and/or who no longer need services are transitioned to HCVs, freeing up PSHVs for individuals with higher service needs

Actions to encourage public housing residents to become more involved in management and participate in homeownership

OCHA does not own any public housing units. However, OCHA has HCV holder involvement on its Board and encourages HCV holders to become homeowners.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

OCHA is designated as a high-performer. It received a score of 90% in its 2024 SEMAP rating.

Discussion

Orange County lacks housing affordable to households with very low incomes. Rental assistance programs like the HCV Program are essential in creating affordability for these households within the private market. OCHA continues to engage landlords in order to create access to more units for HCV holders, and works to maximize federal and local resources for housing access and stabilization.

AP-65 Homeless and Other Special Needs Activities

Introduction

The Orange County Partnership to End Homeless (OCPEH) coordinates the Orange County Continuum of Care (CoC). The organization is jointly funded by four local governments: Orange County and the Towns of Carrboro, Chapel Hill, and Hillsborough.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

OCPEH's HOME Committee (no relation to the HOME Investment Partnerships Program) consists of 20 housing and service providers that interact with people who are experiencing chronic and/or particularly vulnerable homelessness, many of whom have disabilities. Service providers involved include nonprofits, DSS and other county departments, UNC Hospitals, veterans' organizations, law enforcement, private attorneys, and more. The Committee meets monthly to collaborate on finding housing and services (e.g., medical, mental health, substance use, and legal services) for these people. The CoC uses its Coordinated Entry system to assess people's needs, score their level of need, and prioritize them for permanent supportive housing, and conducts a street outreach program to reach people who are living unsheltered. However, OCPEH has identified street outreach as an area in the County's homeless services system in need of more funding.

Addressing the emergency shelter and transitional housing needs of homeless persons

Orange County's only emergency shelter is run by the Inter-Faith Council for Social Service (IFC). IFC also offers a transitional housing program for men. The Freedom House Recovery Center provides residential mental health and substance use services for men, women, children, and families (in addition to outpatient and crisis services), and there are several Oxford Houses in the County that provide transitional housing for people in recovery from substance use disorder. The County does not have a domestic violence shelter.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

OCPEH identified Rapid Rehousing as a gap in need of increased funding and better alignment with best practice (i.e., flexible, individualized mix of services, financial assistance, and housing navigation). In May 2020, OCPEH launched a Rapid Rehousing program (funded with HOME and state ESG) that works through the CoC's HOME Committee to provide short- to mid-term rental assistance to the community's most vulnerable people experiencing homelessness. The CoC also operates a Rapid Rehousing program

for veterans with state ESG money.

Service providers, such as IFC, Community Empowerment Fund (CEF), and Alliance Healthcare (the LME/MCO for Orange County), provide case management services to clients experiencing homelessness and can help connect them to housing. Orange County has also seen success in implementing a homeless diversion program, and currently diverts about 25% of households presenting for a shelter bed using a mix of strengths-based guided conversation plus flexible funding.

However, there is a great need for affordable housing units in the County, particularly subsidized, income-based rental units that can be accessed by people experiencing or at risk of homelessness. This gap presents a continuous challenge for connecting people experiencing homelessness with permanent housing.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The CoC partners with UNC Hospitals and the Orange County Department of Social Services (DSS) Foster Care division. The CoC has also developed discharge policies with local and regional institutions and assisted in the creation of the Outreach Court, now known as the Community Resource Court (CRC), North Carolina's first specialty court for people experiencing homelessness. In the CRC, people experiencing homelessness are offered mental health evaluations and treatment plans in lieu of going to jail for misdemeanor crimes. CRC is a collaboration between the UNC Center for Excellence in Community Mental Health and the 15B District Court Judge's Office. Defendants are typically referred to CRC by their attorney or by the district attorney's office, although anyone can make a recommendation for a referral. Court requirements include monthly attendance at a therapeutic court session and compliance with recommended mental health or substance use treatment. Upon graduation from the court, the participant is given some type of legal benefit such as dismissal of criminal charges.

The County, in partnership with the Towns, also administers the Emergency Housing Assistance program for people who apply directly, come through Coordinated Entry (called the Orange County "Housing Helpline"), or are referred by service providers and are experiencing housing insecurity. The fund can assist with pay for rent, mortgage, and utility payments, security and utility deposits, and certain other one-time expenses to help households at risk of or currently experiencing homelessness become or remain stably housed.

AP-75 Barriers to Affordable Housing

Introduction

In 2020, the Orange County HOME Consortium worked with the Center for Urban and Regional Studies at the University of North Carolina Chapel Hill to conduct an Analysis of Impediments to Fair Housing Choice (AI). The AI includes an analysis of Orange County laws, regulations, and administrative policies, procedures, and practices that affect the location, availability, and accessibility of housing. The AI also includes an assessment of conditions, both public and private, that affect fair housing choice.

The AI identified the following impediments to fair housing:

- **A lack of affordable housing has resulted in severe rent burdens among many renters, especially those with low and moderate incomes.** More than half of renters in the county are rent-burdened—spending over 30% of household income toward rent and utilities. This figure exceeds 85% for households earning below \$35,000 and is still over half for households earning \$35,000–\$49,999.
- **African Americans and Hispanics face difficulties receiving conventional mortgage loans.** The denial rate for first-lien, conventional mortgages for African Americans is consistently over four times that of Whites, and the denial rate for Hispanics is between two and four times that of Whites as well. The most common reasons for denial, as noted in the HMDA data, are credit history for African Americans (33% of all denial reasons) and debt-to-income ratio for Hispanics (49% of all denial reasons).
- **Based on the number of fair housing complaints filed, disabled persons face difficulties accessing fair housing.** Nearly half of all fair housing complaints filed in the 2010–2018 period were filed due to discrimination based on disability. Given that the county’s population with a disability is approximately 12,500, and over a quarter of the elderly are also disabled, disabilities are a significant barrier to fair housing.
- **Zoning throughout the county largely restricts the development of denser, more affordable housing.** Only a handful of areas in the county are zoned for moderately dense residential development (over four lots or units per acre), and resident opposition can complicate or inhibit the development of denser housing in those areas. Given the high cost of land in service-rich neighborhoods of Chapel Hill and Carrboro, low-density zoning can prevent the construction of affordable housing.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the

return on residential investment

Based on the impediments above, the AI makes the following recommendations. Details on these recommendations are explained more fully in the AI.

- Seek more funds for subsidized housing. Low- and moderate-income households are disproportionately rent-burdened, and recently, rents have increased faster than wages.
- Educate landlords, property managers, and other housing providers about fair housing law and reasonable accommodation, especially as they pertain to persons with disabilities.
- Offer educational courses on mortgage lending and building credit scores that are geared toward African American and Hispanic borrowers.
- Encourage cooperation and coordination between the affordable housing advisory boards in the county.
- Explore funding options for a best-practices Rapid Rehousing program to serve homeless individuals and families in Orange County.
- Identify ways to protect residents of mobile home parks who may be under threat of displacement.
- Consider areas to strategically up-zone to promote the development of affordable housing.

AP-85 Other Actions

Introduction

The Orange County HOME Consortium has developed the following actions to address obstacles to meeting underserved needs, foster affordable housing, reduce lead-based hazards, reduce the number of families living in poverty, develop institutional structures, and enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

Despite efforts by the County, Towns, and other affordable housing actors and service providers, there remain significant obstacles to meeting the needs of underserved people and communities.

Previously, the Consortium identified about \$114,000 in HOME funds from 2016 that were allocated to the County for single-family rehabilitation but were never spent. The County reallocated those funds for tenant-based rental assistance through the Rapid Rehousing program to better address resident needs.

The County also scaled up and secured significant federal and state funding (about \$4 million in calendar year 2020) for emergency housing assistance, both through the local Emergency Housing Assistance (EHA) program, the statewide HOPE program, and federal American Rescue Plan Act (ARPA) and CDBG-CV funds, to help stabilize households who are experiencing or at risk of experiencing homelessness so they can lower their exposure to COVID-19 by having a safe, non-congregate place to stay. Since 2020, the County has disbursed over \$18,000,000 in funds toward the EHA program. After the expiration of all state and federal pandemic funds, the County now funds EHA locally at approximately \$500,000 annually, which is enough to assist about 150 households at risk of eviction.

Actions planned to foster and maintain affordable housing

Using FY 2021-2022 HOME funds, the Consortium will help local nonprofit agencies undertake the following projects to foster affordable housing:

- **CASA – Rental Construction:** Funds will be allocated to CASA for the pre-development and construction costs of 22 units for households at or below 80% of the Area Median Income.
- **Pee Wee Homes – Rental Construction:** Funds were allocated to Pee Wee Homes to finance construction of three (3) rental units at 106 Hill Street in Carrboro. Units are being leased to households experiencing homelessness and earning less than 30% AMI.
- **Administration – 2026:** Administration, planning, and policy setting for HOME funds.

Actions planned to reduce lead-based paint hazards

The Consortium ensures that County rehabilitation staff and the contractors they work with are knowledgeable and up-to-date on lead-based paint (LBP) requirements of all federal housing programs, distributes information on LBP hazards to all households that participate in County housing programs, conducts LBP inspections and assessments as necessary, and implements environmental control or abatement measures for LBP hazards as applicable in all federally-funded projects. This strategy allows

Orange County to: remain in full compliance with all applicable LBP regulations; control or reduce, to the extent feasible, all LBP hazards in housing rehabilitated with federal funds; and reduce the number of incidences of elevated blood lead levels in children.

Actions planned to reduce the number of poverty-level families

The Orange County Family Success Alliance (FSA), modeled after proven national programs such as the Harlem Children's Zone and the Promise Neighborhoods Institute, is founded on the understanding that no one organization or individual can single-handedly change the way poverty harms our children and our communities. FSA is dedicated to building a comprehensive system of engagement on education and health, with built-in family and community support. It is staffed by the Orange County Health Department and supported by work groups made up of staff members of participating advisory council organizations. Initial funding for FSA was awarded by the Orange County Board of County Commissioners through the Discretionary Fund.

FSA's 2019-2022 Strategic Plan outlines three goals: (1) children are healthy and prepared for school, (2) children and youth are healthy and succeed in school, and (3) families, neighborhoods, and institutions support the healthy development of children. These goals are approached through four strategic areas.

The first is family empowerment. Over the 2019-2022 period, FSA is evolving its current "navigator" model, in which peer leaders build trusting relationships with families living in poverty, into a more comprehensive family empowerment model that will bring families together to learn, build on strengths and knowledge, and together work to better navigate systems and to uncover their personal and collective power to affect systems change.

The second strategic area is partnership. FSA collaborates with cross-sector agencies to center parent expertise and priorities and aims to shift more power into the hands of parents to co-create programs and initiatives in the community.

The third area is systems change, by involving community members whose lives are most directly and deeply affected by poverty in leadership and decision making. The final strategy area is foundational work. This means building internal infrastructure in FSA to support strategic goals.

Actions planned to develop institutional structure

OCPEH has thoroughly analyzed the institutional structure and service delivery system for homelessness in Orange County, identified ten gaps in the system, and calculated the costs of filling those gaps. OCPEH has either identified existing programs and partners or developed the infrastructure to fill most of these gaps. Of the estimated \$1.7 million yet to be secured, OCPEH has approached Orange County and the Towns of Carrboro, Chapel Hill, and Hillsborough to ask each jurisdiction to contribute a portion of the funds. In addition to filling the homeless system gaps, OCPEH also aims to improve existing projects and processes and improve the quality of homeless service delivery.

AP-90 Program Specific Requirements

Introduction

The Orange County HOME Consortium receives an annual allocation of HOME funds. The questions below related to the HOME program are applicable to the Consortium. Questions related to the CDBG program are applicable only to the Town of Chapel Hill and are addressed separately in Chapel Hill’s Annual Action Plan.

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(l)(2)

- 1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

The Orange County HOME Consortium use general revenue funds as its local match for HOME funds. Orange County also provides funds for additional administrative costs to operate the program above the 10% allowable cost that may be pulled from the HOME award.

- 2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

HOME funds used for homeownership assistance require an Affordability Period based on the amount of HOME assistance. The Orange County HOME Consortium will use resale provisions to enforce the HOME Affordability Period for all homeownership projects, including those in which direct assistance is provided to the buyer and homeownership unit development. Under the resale provisions, if homebuyers assisted with HOME funds choose to sell their HOME-assisted property within the HOME Affordability Period, they must sell to qualified low-income buyers and the resale price will be determined according to a formula that ensures affordability to the new buyer and a fair return on investment to the original HOME-assisted buyer.

The HOME Affordability Period for homeownership assistance is based on the level of assistance provided to fund a unit or as direct assistance to a buyer (see the chart below). Direct assistance to the homebuyer is defined as HOME funding that reduces the purchase price below fair market value and includes any down payment or subordinate financing provided on behalf of the purchase. Direct assistance does not include HOME funds provided to a developer to cover the unit production costs that do not reduce the purchase price below fair market value.

HOME Funds Provided to a unit or as direct assistance to buyer	HOME Affordability Period
<\$15,000	5 years
\$15,000 – \$40,000	10 years
>\$40,000	15 years

Resale provisions are enforced with a Deed of Restrictive Covenants signed by the homebuyer at closing. The Deed of Restrictive Covenants will specify:

- The length of the HOME Affordability Period (per the chart above);

- B. The home must remain the owner’s principal residence throughout the HOME Affordability Period; and
- C. The conditions and obligations of the owner should the owner wish to sell before the end of the HOME Affordability Period, including;
 - 1. The owner must contact the Orange County HOME Consortium or its designated representative in writing if intending to sell the home prior to the end of the HOME Affordability Period;
 - 2. The subsequent purchaser must be low-income as defined by HOME regulations, and occupy the home as their primary residence for the remaining years of the HOME Affordability Period (however, if the new purchaser receives HOME direct assistance, the HOME Affordability Period will be re-set according to the amount of assistance provided); and
 - 3. The sales price must be affordable to the subsequent purchaser; affordable is defined as limiting the Principal, Interest, Taxes and Insurance (PITI) amount to no more than 30% of the new purchaser’s monthly income.

(continued below)

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

(continued from above)

Fair Return on Investment

The Consortium must ensure the owner receives a fair return on their investment and that the home will continue to be affordable to a specific range of incomes. To calculate the fair return on investment to the homeowner, the Consortium will:

A. Determine the amount of market appreciation, if any, realized over the ownership term by calculating the difference between the initial appraised value at purchase and the current appraised value at resale. This figure represents the basis for calculating the fair return on investment. In declining markets, it is possible that the homeowner may not realize a return.

B. Multiply the basis by the Federal Housing Finance Agency’s Housing Price Index (HPI) to determine the fair return to the homeowner:

<https://www.fhfa.gov/DataTools/Tools/Pages/HPICalculator.aspx>

To calculate the resale price to the next homebuyer, the Consortium will add the fair return on investment to the homeowner to the original affordable price of the home at purchase by the original buyer.

Example #1:

- Appraised (Fair Market) Value at Purchase: \$210,000
- Affordable Price at Purchase: \$190,000- Appraised Value at Resale: \$240,300
- Increase in Market Appreciation: \$240,300 - \$210,000 = \$30,300
- Average Appreciation in the Raleigh-Durham MSA (per the HPI Calculator): 29.4%

- Fair Return on Investment: $\$30,300 \times 0.294 = \$8,908$
- Resale Price: $\$190,000 + \$8,908 = \$198,908$

Affordability to a Range of Buyers

The Consortium will ensure continued affordability to a range of buyers, particularly those whose total household incomes range from 60 to 80% of area median income (AMI) as calculated by HUD for the HOME Program. Sales price will be set such that the amount of principal, interest, taxes, and insurance does not exceed 30% of the new buyer’s annual income.

In the event the resale price required to provide a fair return exceeds the affordability to a range of LMI buyers, additional HOME funding will be provided to the subsequent buyer based on the level of funds required to make the unit affordable.

Principal Residency Requirements

Households receiving HOME-funded homeownership assistance will be required to occupy the home as their principal residence throughout the HOME Affordability Period.

In the event the original HOME-assisted homebuyer no longer occupies the unit as their principal residence (i.e., the unit is rented or vacant), the homeowner will be in violation of the terms of the HOME assistance. In cases of noncompliance, the Consortium will enforce the terms of the HOME written agreement to require repayment of any outstanding HOME funds invested in the housing. The amount subject to repayment is the total amount of HOME funds invested in the housing (i.e., any HOME development subsidy to the developer plus any HOME direct assistance provided to the homebuyer) minus any HOME funds already repaid (i.e., payment of principal on a HOME loan).

Noncompliance with principal residency requirements by a homebuyer is not considered a transfer and is not subject to resale provisions.

The Consortium will enforce these requirements through a HOME written agreement executed with the organization receiving the HOME award for homeownership activity to protect its investment and minimize its risk in HOME-assisted homebuyer projects in the event the homebuyer is in noncompliance.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The Orange County HOME Consortium does not intend to refinance any existing debt for multifamily housing that will be rehabilitated with HOME funds.

Discussion

The Market Analysis found that Orange County has high housing costs and insufficient units for low-income households, particularly extremely low-income households earning below 30% AMI – only 5% of rental units in the County are affordable to households at this income level. As such, the Consortium has identified the need for tenant-based rental assistance and has used HOME funds and local Match funds to fill this gap.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Administrative Services
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Administrative Services Director Jen Della Valle

ITEM TO BE CONSIDERED

Subject: Strategic Plan Update

Attachments:

Strategic Plan – Q3 Update

Summary:

The town board adopted the [FY24-26 Strategic Plan](#) in June 2023. The strategic plan outlines the town's strategic direction for a three-year period and is an action-oriented road map that aligns the town's resources with priorities.

This is our quarter 3 check-in with the town board for the Fiscal Year 2026 plan year, providing an opportunity to discuss progress made on initiatives that were identified for the current fiscal year. The update attached includes the status of the initiatives, across each focus area, that were identified to be worked on during FY26.

Staff is beginning preparations for the development of the FY28-30 Strategic Plan, which will involve all departments, the town board and the community. The town board had supported adding an extra year to the current plan, so that the current plan extends from FY24-27. Rather than adding new initiatives for FY27, the staff recommendation is to focus on any remaining initiatives that do not get completed in FY26. This will be helpful from a workload perspective, allowing us to focus on plan development for FY28-30 and give us extra time to complete our existing priorities.

Financial impacts:

No financial impacts.

Staff recommendation and comments:

N/A

Action requested:

Receive update and provide feedback.

Sustainability

ID #	Status	Initiative	Lead	Timeline	Q3 Update
S 1.1	●	Overhaul the Unified Development Ordinance and Zoning Map to reflect current development trends and patterns to incorporate sustainability, environmental and climate best practices, economic resiliency measures, and equity in development and redevelopment as well as meet water and sewer system-wide needs.	Planning	FY26 (was FY24- FY25)	Updates on condensing zoning districts and increasing density were well-received by the Planning Board. Staff is waiting to receive the last 3 chapters of the UDO re-write from the consultant. Expected in quarter 4.
S 1.2	●	Update the Future Land Use Map to simplify land use categories and express current preferred future land use and growth patterns.	Planning	FY26 (was FY24- FY25)	An updated draft Future Land Use Map (FLUM) has been developed internally but it must coincide with new zoning districts and align with the Unified Development Ordinance (UDO) and the Comprehensive Sustainability Plan. Funds may be needed in late FY27 or FY28 for a consultant to review the internal suggested FLUM updates, hold public engagement meetings for stakeholder feedback, and draft a finalized FLUM. FLUM also informs the Central Orange Coordinated Area plan (COCA) so Orange County staff will need to be involved. Initiative on hold for now.
S 2.1	●	Assess renewable energy generation potential for solar photovoltaics and wind energy projects on town-owned properties and identify priority sites for planning and implementation.	Public Space	FY24- FY26	Solar feasibility study is underway. Site visits and preliminary analysis is complete. Final study is expected in late summer, 2026.
S 2.2	●	Investigate opportunities and incorporate to the greatest extent possible sustainability and climate initiatives in facility development including geothermal, solar, weatherization, and green infrastructure.	Public Space	FY24- FY26	This is an ongoing item. Sustainability and climate initiatives are evaluated for every public space project. Green infrastructure is being incorporated to the Rainey Avenue sidewalk design, Mayo Park Lot, Wastewater Treatment Plant and skate spot.
S 2.4	●	Evaluate the town's vehicle fleet to determine right-sizing and transition to electric vehicle (EV) potential. Transition the town's vehicle fleet to zero emission alternatives on a schedule consistent with vehicle lifecycles and market availability. Advance the schedule of this transition as feasible.	Fleet Maintenance	FY24- FY26	No change to report. The police department's hybrid vehicles continue to do well. The hybrid cars are averaging 19 mpg, compared to 8 mpg for non-hybrid patrol cars.
S 2.5	●	Ensure electric vehicle charging infrastructure is appropriately provided to support the town's vehicle transition.	Public Space	FY25	This is on hold until we begin transitioning to an electric fleet.
S 2.6	●	Work with regional partners to expand the number of EV charging stations in the town to support EV readiness and encourage widespread adoption, especially in key places like Gold Park and the Town Hall campus	Public Space	FY25- FY26	No update. Funding is in short supply for sustainability and climate initiatives.
S 3.1	●	Develop and adopt a tree inventory for town-owned and town-maintained properties.	Public Space	FY26 (was FY25)	This item needs to be put on hold until the transition to ArcGIS Pro and Online is complete. Staff training on these new ESRI products has begun.
S 3.2	●	Develop and adopt a tree preservation policy for town-owned and town-maintained properties	Public Space	FY25- FY26	This item will be initiated once the tree inventory is complete.
S 3.5	●	Investigate options to develop incentives for developers to incorporate sustainable environmental best practices for managed natural areas and landscapes.	Stormwater	FY25- FY26	Draft UDO language is expected soon and will be reviewed by staff. Also discussing stormwater management plan review fees to determine if incentives can be used there.
S 3.7	●	Continue implementing watershed improvement projects under the Interim Alternative Implementation Approach for compliance with the Falls Lake Stage 1 Existing Development Rule for Stormwater.	Stormwater	FY24- FY26	Compost blanket for the downtown Mayo Parking lot is in design. Work is expected to begin in April and be completed by the end of May. Staff have been in multiple meetings with local consultants regarding possible flood mitigation projects. The consultants are interested in assisting the town with watershed improvement projects that could also have a flood mitigation component. One project that has risen to the top is removal of the old weir dam on the Eno River near Eno Mountain Road.






Connected Community

ID #	Status	Initiative	Lead	Timeline Q3 Update
CC 1.2	●	Contribute annual budget allocations to expand public art and amenities and public spaces.	Public Space	FY24-FY26 Public art funds were included in the budget. If the town wants to continue to purchase permanent public art from Uproar festival, funds will need to be added in FY28. Three public pieces have been purchased for the Town Hall campus over the past two years. A public art mosaic mural will be added to the Dorothy N Johnson community center in the spring.
CC 1.3	●	Ridgewalk feasibility study is complete. If directed by the board, design and engineering for the section from downtown to Collins Ridge will proceed.	Public Space	FY26 (was FY24 -FY25) No update.




Economic Vitality

ID #	Status	Initiative	Lead	Timeline	Q3 Update
EV 1.1	●	Conduct a downtown parking study to develop and adopt a long-range parking plan.	Planning	FY26 (Was FY25)	Parking study implementation projects were prioritized based on budget and staff time needed. Work on low staff time and low budget items started in Q3 and will proceed into Q4.
EV 1.2	●	Complete Train Station Development Master Plan.	Planning	FY26 (was FY24 /FY25)	No updates.
EV 1.3	●	Invest in wayfinding and interpretive signage programs.	Public Space	FY24-FY26	Wayfinding sign at Calvin Street has been installed. A riparian restoration/invasive species removal interpretive sign has been designed and will be installed shortly.
EV 1.4	●	Market and brand Hillsborough through town website and social media as a great place to live, work and do business by engaging in partnerships to highlight success stories and incentive opportunities.	Planning	FY24-FY26	Ongoing effort between Planning/Economic Development and Communications with partnerships through Tourism
EV 2.1	●	Identify and analyze current labor market and skills gaps/needs through partnership, contract, or town-led study.	Planning	FY26 (was FY25)	Attended workforce meeting with Orange Works and Hillsborough Chamber centered around connecting veterans, elderly, and differently abled folks with employment opportunities. Focused on connecting employers with Orange Works and joint promotion of job fairs.
EV 2.2	●	Engage with the local business community through periodic small business workshops hosted by town or in conjunction with economic development partners.	Planning	FY24-FY26	Hosted the Chamber's Central Carolina Women In Business group in board meeting room for 'Making your books make sense for your CPA' workshop in February.
EV 3.1	●	Translate business documents and forms into other relevant languages and set up a system for staff to be able to communicate in other languages with residents.	Communications	FY26 (was FY25)	Likely will contract with language services vendor for audio and video interpretation on demand. Likely will contract with document accessibility vendor for services with PDFs that will provide translation option in multiple languages. Starting work with Financial Services and payments platform vendor regarding moving business forms onto the payments platform and determining language access there.
EV 3.2	●	Work with local and regional partners to identify and promote woman and Black, Indigenous and People of Color (BIPOC) owned businesses through marketing success stories and tracking contractual partnerships with the town.	Planning	FY24-FY26	No updates. Work with the Chamber was done in FY25 to start to identify woman and BIPOC-owned businesses, but the list was not complete and needs more work/research
EV 4.2	●	Develop local action plan.	Community Services	FY26 (was FY25)	Housing study underway, draft report and recommendations should be ready in June.
EV 5.1	●	Establish an affordable housing reserve fund to support the creation of new affordable housing units.	Community Services	FY26	Item is complete. The fund is established and FY27 completes ramp-up process.
EV 5.2	●	Support changes to town code and state law to provide new funding sources and reduce administrative barriers for affordable housing creation.	Community Services	FY24-FY26	No updates, this is a continuous item.
EV 5.3	●	Prioritize surplus of town-owned land for creation of affordable housing and strategically acquire additional land or financial participation from new development for affordable housing	Community Services	FY24-FY26	No updates, this is a continuous item.

Community Safety

ID #	Status	Initiative	Lead	Timeline	Q3 Update
CS 1.3		Restart the police citizens academy program.	Police	FY26 (was FY25)	The police academy is still on track and scheduled to begin in May. In quarter 3, staff promoted the program, selected participants and prepared content and presenters for each session.
CS 2.1		Complete refresh of the Emergency Operations Plan.	Emergency Management Team	FY26 (was FY25)	Held town-wide EOC meeting with consultant to review the draft plan on March 17. Received positive feedback and suggestions from departments.
CS 2.2		Establish quarterly management check-ins	Emergency Management Team	FY24- FY26	No changes. The Emergency Management Team continues to meet quarterly.
CS 2.3		Conduct at least 1 tabletop exercise.	Emergency Management Team	FY26 (was FY25)	No changes. This exercise will be conducted after the Emergency Operations Plan is complete.
CS 2.4		Establish Emergency Operations Centers.	Emergency Management Team	FY26 (was FY25)	This item is complete. Activated EOC on March 16 due to forecasted strong winds and tornado warnings.

Service Excellence

ID #	Status	Initiative	Initiative Lead	Timeline	Q3 Update
SE 1.2		Develop a utilities asset management plan that helps identify risk of failure	Utilities	FY26 (was FY25)	We are still trying to determine direction for a new work order/asset management system and clean up our mapping of existing assets. While the asset management plan will help identify long term capital goals for asset replacement or rehabilitation, staff is aware of priority areas and has or will include them in annual budgets with justification with consideration of other competing priorities and fiscal limitations.
SE 3.1		Assess representation on appointed boards and boost recruitment efforts for underrepresented groups and areas.	Town Clerk	FY26 (was FY25)	No update. Staff has not had a chance to work on this initiative during FY26.
SE 4.1		Develop, adopt, and implement a racial equity plan.	Human Resources	FY24-FY26	This initiative has been placed on hold as we continue to monitor the status of House Bill 171 - Equality in State Agencies/Prohibition on Diversity, Equity and Inclusion.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Administration
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Town Manager Eric Peterson

ITEM TO BE CONSIDERED

Subject: Fiscal Year 2027-29 Recommended Budget Presentation

Attachments:

None.

Summary:

The town manager will provide an overview of the recommended FY2027-29 budget.

Financial impacts:

No specific financial impacts identified for this presentation.

Staff recommendation and comments:

None.

Action requested:

Receive presentation and provide any feedback.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Community Services
Agenda Section: Discussion
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Matt Efird, Assistant Town Manager

ITEM TO BE CONSIDERED

Subject: Discussion of Data Centers and Land Use Matters

Attachments:

1. Resolution of Intent
2. Staff Memo
3. PowerPoint
4. Background Information from local communities

Summary:

At the April 27, 2026 town board meeting, the board requested that staff provide background information and facilitate discussion on the potential development of data centers in Hillsborough. The purpose of tonight's item is to provide information about the definition and types of data centers, current land use regulations, potential negative impacts, local trends, proposed legislation and potential next steps for the board. The staff memo and presentation provide high-level information, and the attachments include extensive research prepared by other communities during their discussions on data centers.

Financial impacts:

N/A

Staff recommendation and comments:

Staff recommends the board adopt the attached "Resolution of Intent" and provide direction on desired next steps.

Action requested:

Staff requests adoption of the attached resolution.



RESOLUTION

Stating Intent to Consider Regulations Pertaining to Development of Data Centers in the Town's Zoning Jurisdiction

WHEREAS, the Hillsborough Board of Commissioners has zoning authority within the corporate limits of the town of Hillsborough and its extraterritorial jurisdiction pursuant to North Carolina General Statute 160D-201; and

WHEREAS, the Hillsborough Unified Development Ordinance does not specifically define land use for data centers or have appropriate regulations for this emerging category of land use; and

WHEREAS, data centers and the land use regulations pertaining to their development are a frequent topic of conversation throughout North Carolina; and

WHEREAS, potential negative impacts from the development of data centers must be studied and understood to mitigate those impacts; and

WHEREAS, the health, safety and welfare of Hillsborough and its residents would be better served by the adoption of specific regulations for data centers; and

WHEREAS, no current development applications related to data centers are subject to the Town of Hillsborough's planning and zoning jurisdiction; and

WHEREAS, it is appropriate at this time to provide official notice to the public and any potential future applicants that the Board of Commissioners intends to craft regulations related to the development of data centers.

NOW, THEREFORE, be it resolved the Hillsborough Board of Commissioners intends to:

1. Define data centers as a land use and establish appropriate regulations for the development of such.
2. Consider a short-term temporary moratorium of 60 days or less pursuant to General Statute 160D-107.
3. Explore the potential for a longer-term moratorium pursuant to General Statute 160D-107(d).

Approved this 11th day of May of the year 2026.

Mark Bell, Mayor
Town of Hillsborough

Attestation:

Sarah Kimrey, Town Clerk

Memorandum

To: Mayor Mark Bell and Board of Commissioners
Eric Peterson, Town Manager

From: Matt Efird, Assistant Town Manager

Date: May 11, 2026

Subject: Background Information — Data Center Discussion



This memorandum provides background information to the Board of Commissioners to facilitate conversations about data centers and potential land use concerns within Hillsborough. This topic is undergoing review in communities across the state and country, and issues of both misinformation and missing information can challenge making effective decisions. Town staff is participating in a regional working group convened by Central Pines Regional Council (CPRC) and has done internal background research — but the information in this memorandum should not be considered “expert” or definitive. The focus in this document is to provide relevant information to the board and community, identify local trends and regulations, and provide information on potential paths forward.

1. Definitions

- a. The first step in discussing data centers and potential land use challenges is to define what we are discussing. The Town of Apex provides a simple definition: “A data center is a facility that provides computational services such as cloud computing, data storage, artificial intelligence (AI), cryptocurrency mining, and high-performance computing.”
- b. Beyond the basic definition, data centers can be categorized in various ways: type of use or ownership; scale and size (based on square footage, power and/or water consumption); and whether water for data center operation is discharged or recirculated internally.
 - i. Use/Ownership
 1. Enterprise/Internal — Typically owned, operated and located on site and used by a single entity to support that entity’s operations.
 2. Co-located/External — Owned and operated by an entity that leases space in the form of servers or computational power to multiple external users.
 - ii. Scale — based on electric utility classifications
 1. Minor Use: 0-49 megawatt (MW) — Treated like a standard industrial customer.
 2. Moderate Use: 50-99 MW — Requires system impact analysis to study feasibility, timeline and infrastructure requirements.
 3. Major Use: 100+ MW — Requires formal agreement or service plan, infrastructure investments and upfront financial participation.
 - iii. Water Consumption
 1. Open Loop — Uses a mechanical or cooling system that requires external input of fluid (water) which is passed through equipment to transfer heat or perform some other function and then is discharged, evaporated or otherwise released from the site.

2. Closed Loop — Uses a mechanical cooling process in which the coolant circulates continuously within a sealed pipe circuit to remove heat. The coolant (water) absorbs heat and transfers it to a cooling device without direct contact to the external environment or discharge. The coolant is recirculated within the system rather than consumed or released.
- c. As shown above, a data center can have a combination of operating factors, some of which may be acceptable for appropriate land use within the town, while others may not. A large part of the community conversation focuses on the specter of hyperscale data centers — usually defined as having energy demand in excess of 100 MW, water demands in excess of 1 million gallons per day (GPD), 5,000 or more servers, and certain technological redundancies. The definition has varying types of uses that may or may not be appropriate in town.

2. Current Land Use Regulations

- a. Data centers are not currently a defined land use in the Hillsborough Unified Development Ordinance. In general, uses that are not defined in the ordinance are not allowable in town, although case law suggests staff should utilize the regulations of a comparable use. Due to this, the town at minimum should consider establishing a definition of data centers and any appropriate zoning regulations applicable to that use.
- b. Please see the separate legal guidance provided to the board by Town Attorney Robert Hornik.

3. Potential Negative Impacts

- a. One reason that data centers have become a frequent topic of conversation is the myriad potential external impacts from this type of development. Potential impacts in addition to power and water consumption are: noise, greenhouse gas emissions, air and light pollution, soil contamination, hazardous materials, fire and explosion risk, electronic waste creation, and off-site infrastructure impacts.
 - i. Power Consumption — The capacity of the town’s electric utility providers is not known but can be determined. The town is served by both Duke Energy and Piedmont Electric Cooperative. An understanding needs to be reached on the grid capacities for both and their ability to serve already-planned residential and commercial growth, data centers notwithstanding.
 - ii. Water Consumption — The town has sufficient water capacity now to serve current and known permitted customers. However, the threat of drought, a changing climate, and water distribution system limitations means that a large-scale consumer may require significant investment in treatment and distribution capacity and will limit the opportunity for future residential and commercial growth. Given the town’s more restricted wastewater treatment capacity, it is recommended that no open loop systems (as defined above) be considered under potential data center regulations.
 - iii. Noise — Data centers of all sizes and types include backup generators, standard HVAC systems and larger cooling systems in their operations. These systems generate a large amount of both low- and high-frequency noise and vibrations that can impact properties in a wide area. It is recommended that any development regulations related to data centers include pre- and post-construction noise studies, limits on allowable noise levels for low- and high-frequency noise, time standards for generator testing and maintenance, and screening requirements.

- iv. Air Pollution and Greenhouse Gas Emissions — This risk may take one of several forms or a combination. On-site backup generators, typically diesel-fueled, will create emissions. Indirectly, the site’s power consumption may increase emission outputs at power generation plants. On-site power generation may be included in some data center proposals or required by the electric utility, which further increases the potential for increased emissions. Improper maintenance of large-scale water and air handling systems may cause aerosolized release of bacteria or pathogens that may impact the surrounding community.
- v. Soil Contamination and Hazardous Materials — Examples of potential risks for leaks or spills that could cause ground contamination include on-site fuel storage, non-water coolants, biocides for coolant system maintenance, and batteries. These should be reviewed as part of development regulations. Some data center proposals have included hydraulic fracturing (“fracking”) operations to provide natural gas for on-site use. This should not be considered for data center sites if not allowed in other areas of town.
- vi. Fire and Explosion Risk — The risks of this type of land use are increased by stored fuel for backup generators, high heat generation, and battery storage. Orange Rural Fire Department should be engaged on identifying the risks and the agency’s ability to respond to a large-scale battery fire, which may require different equipment and tactics.
- vii. Electronic Waste Creation — As technology evolves, a data center’s servers, batteries and other electronic components will require regular upgrades and replacements, which will create large volumes of potentially hazardous waste. Any data center development would likely receive private commercial trash service, but those components could end up in area landfills. Materials handling and decommissioning plans should be considered for inclusion in any data center regulations. This type of use can make future reuse or adaptation of the buildings difficult.
- viii. Off-site Infrastructure Impacts — A primary risk includes the need for construction of additional power substations in the community to serve data centers. This potentially takes up developable land and creates additional burdens for surrounding property owners, with the impacts there potentially long after the data center ceases operations. It is a permanent change to the local environment.
- ix. Financial Impacts — Data centers can be significant property tax generators; however, most of the value is in the business equipment, which can depreciate rapidly. Renewal and replacement cycles need to be monitored closely by the county’s tax assessors to ensure data centers are not being undervalued. A sales and use tax exemption currently exists for data centers. If that changes, significant sales tax receipts could be associated with a data center’s building and periodic upgrades. Additionally, many data centers operate on minimal staffing. Any increases in local employment would likely be temporary and construction-related, rather than higher-paying technology jobs.

4. Local Trends

- a. This is an emerging topic throughout the state, and many communities have already taken some action related to data centers. In our region, these communities have had discussions on data centers: Apex, Durham, Sanford and Wendell and Chatham, Harnett, Lee, Orange and Wake counties. Those discussions resulted in temporary moratoriums on data center development in all communities except Sanford and Harnett and Lee counties. Information

from the Town of Apex, City of Durham, Orange County, and Wake County are attached to this memo as additional information.

5. Legislation Watch

- a. As of May 5, a number of bills have been introduced in the North Carolina General Assembly that directly or indirectly impact the development of data centers.
 - i. House Bill 1213 — Repeals sales and use tax exemption for data centers.
 - ii. House Bill 1063 — Regulates large-scale data centers, cost and utility impacts.
 - iii. House Bill 1192 and Senate Bills 1019, 1024, 1026 and 844 — Primarily address electric utilities, with provisions aimed at large-load customers such as data centers.

6. Next Steps

- a. Given the lack of regulations around data centers and the significant potential for negative impacts, it would be appropriate for the board to consider a temporary moratorium to allow staff to develop and propose regulations for the board and community to review. Staff has proposed that the board adopt a resolution of intent, signaling to the community and developers that additional regulations regarding data centers are forthcoming.
- b. A short-term option for a moratorium of not more than 60 days can be approved by the board after a public hearing and appropriate notice. The board may direct staff to provide additional information at a future meeting as a primary step toward that action or can vote to call the public hearing and receive the background information as part of the proceedings.
- c. Any longer-term moratorium considerations require much longer notice requirements and may involve the Planning Board. This process can begin concurrent with a short-term moratorium if desired.

Discussion of Data Centers and Land Use Matters

May 11, 2026



TOWN OF
HILLSBOROUGH

Topics

- Definition and Types of Data Centers
- Current Land Use Regulations
- Potential Negative Impacts
- Local Trends
- Legislation Watch
- Next Steps

Definition and Types of Data Centers

- Definition - “A data center is a facility that provides computational services such as cloud computing, data storage, artificial intelligence (AI), cryptocurrency mining, and high-performance computing.”
- Data Centers can be classified based on the following characteristics:
 - Use/Ownership
 - Scale
 - Water Consumption

Type of Data Centers

- Use/Ownership
 - Enterprise/Internal - Typically owned, operated and located on site and used by a single entity to support that entity's operations.
 - Co-located/External — Owned and operated by an entity that leases space in the form of servers or computational power to multiple external users.
- Scale (Utility Classification)
 - Minor Use: 0-49 megawatt per day (MW) — Treated like a standard industrial customer.
 - Moderate Use: 50-99 MW — Requires system impact analysis to study feasibility, timeline and infrastructure requirements.
 - Major Use: 100+ MW — Requires formal agreement or service plan, infrastructure investments and upfront financial participation.
- Context
 - The average residential customer in North Carolina uses 33 kWh of power per day
 - Each 1 MW of use is the equivalent of 30 residential units
 - Minor – 30 – 1,400 homes
 - Moderate – 1,500 – 2,900 homes
 - Major – 3,000+ homes

Types of Data Centers

- Water Consumption
 - Open Loop — Uses a mechanical or cooling system that requires external input of fluid (water) which is passed through equipment to transfer heat or perform some other function and then is discharged, evaporated or otherwise released from the site.
 - Closed Loop - Uses a mechanical cooling process in which the coolant circulates continuously within a sealed pipe circuit to remove heat. The coolant (water) absorbs heat and transfers it to a cooling device without direct contact to the external environment or discharge. The coolant is recirculated within the system rather than consumed or released.

Types of Data Centers

- Hyperscale
 - Power requirements over 100 MW
 - Water requirements over 1 MGD
 - 5,000+ servers
 - Technological redundancies

Current Land Use Regulations

- Data centers are not currently a defined use in the Hillsborough UDO
 - In general, uses that are not defined in the UDO are not allowed in town
 - However, there is case law that suggests that the regulations of a comparable use would need to be applied
 - Very important for the town to take action to define data centers and appropriate zoning regulations for that use

Potential Negative Impacts

- There are many known and suspected impacts that may come with data centers as a land use
 - Power consumption – capacity for our area is unknown
 - Water consumption – could crowd out desired residential and commercial development, town has much more limited wastewater capacity
 - Noise – data centers generate a large amount of low- and high-frequency noise and vibration at all hours of the day
 - Air Pollution and GHG Emissions – on-site generators and increased power use, potential threat of aerosolized bacteria
- Context
 - The average residential customer in town uses 3,400 gallons of water per month
 - Each 50,000 GPD use by data centers of use is the equivalent of 450 residential units
 - 300,000 GPD – 2,700 residential units
 - 500,000 GPD – 4,500 residential units
 - 1 MGD – 9,000 residential units

Potential Negative Impacts

- There are many known and suspected impacts that may come with data centers as a land use
 - Soil Contamination and Hazardous Materials – fuel, coolants, batteries, potential fracking
 - Fire and Explosion Risk – stored fuel, high-heat operations, large battery storage – need engagement with ORFD
 - Electronic Waste and Decommissioning – frequent replacement or upgrades generates a lot of waste, sites are difficult to reuse if data center ceases operation

Potential Negative Impacts

- There are many known and suspected impacts that may come with data centers as a land use
 - Off-site Infrastructure – may cause construction of additional power substations, which have long-term negative community impacts
 - Financial Impacts – most property value is in business personal property, which rapidly diminishes. Promised tax revenues and job creation may be much lower in reality

Local Trends

- Data Center discussions in the local area:
 - Town of Apex (moratorium)
 - City of Durham (moratorium)
 - City of Sanford (UDO definition)
 - Town of Wendell (moratorium)
 - Orange County (moratorium)
 - Durham County (moratorium)
 - Harnett County (UDO definition)
 - Lee County (UDO definition)
 - Wake County (moratorium)

Legislation Watch

- As of early May, a number of bills have been introduced that involve data centers
 - House Bill 1213 — Repeals sales and use tax exemption for data centers.
 - House Bill 1063 — Regulates large-scale data centers, cost and utility impacts.
 - House Bill 1192 and Senate Bills 1019, 1024, 1026 and 844 — Primarily address electric utilities, with provisions aimed at large-load customers such as data centers.

Next Steps

- Tonight
 - Consider adoption of “Resolution of Intent” to inform community and developers of forthcoming regulations
- Near-Term
 - Direct staff to develop data center definition and regulations and/or short-term (under 60 day) moratorium
- Longer-Term
 - If desired, follow process for longer (more than 60 day) moratorium

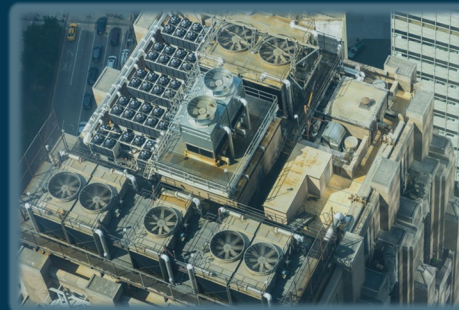


Joint Planning Board-Town Council Work Session on Data Centers

January 22, 2026

Data Center Presentation

- Data Centers
- Energy Consumption
- Water Consumption
- Environmental Impact
- Noise
- Land Use
- Economic Impact
- Traffic Generation
- Public Health & Safety
- Regulation Comparison



Data Centers

What is a data center?

A data center is a facility that provides computational services such as cloud computing, data storage, artificial intelligence (AI), cryptocurrency mining, and high-performance computing. These facilities support critical services, including email, streaming, online banking, social media, and medical records.

Types of Data Centers

Enterprise and Internal:

Are typically owned, operated, and located on-site by a single company. They may be as small as a server closet, or as large as a server room/building that provides services to internal users.

Example of this would be the internal server room located within Apex Town Hall that allows staff to host and share internal information throughout the organization to better serve the Town's departments and daily operations.

Types of Data Centers

Colocation (small, medium, large scale):

Colocation data centers operate much like a multi-tenant shopping center, where businesses lease space from a data center owner in the form of individual server racks or, in some cases, entire dedicated server rooms.

In some cases, companies leasing space from the data center operator may need to have physical access to their servers to maintain specific equipment or operations. Due to this, companies prefer to utilize and partner with colocation facilities within roughly 30–60 miles of their offices.

Types of Data Centers

Hyperscale:

Hyperscale Data Centers are large-scale facilities that provide behind-the-scenes digital services supporting much of the modern internet. Unlike other types of data centers, hyperscale facilities are typically built for and fully occupied by a single company that owns and operates the site to support its own large-scale cloud, or AI (Artificial Intelligence) services.

Common characteristics of hyperscale data centers include:

- Energy demand: ~100 MW or more
- Water demand: ~1 Million Gallons Per Daily (MGD) or more
- Number of servers: ~5,000 or more
- Redundancy Tiers: III or IV

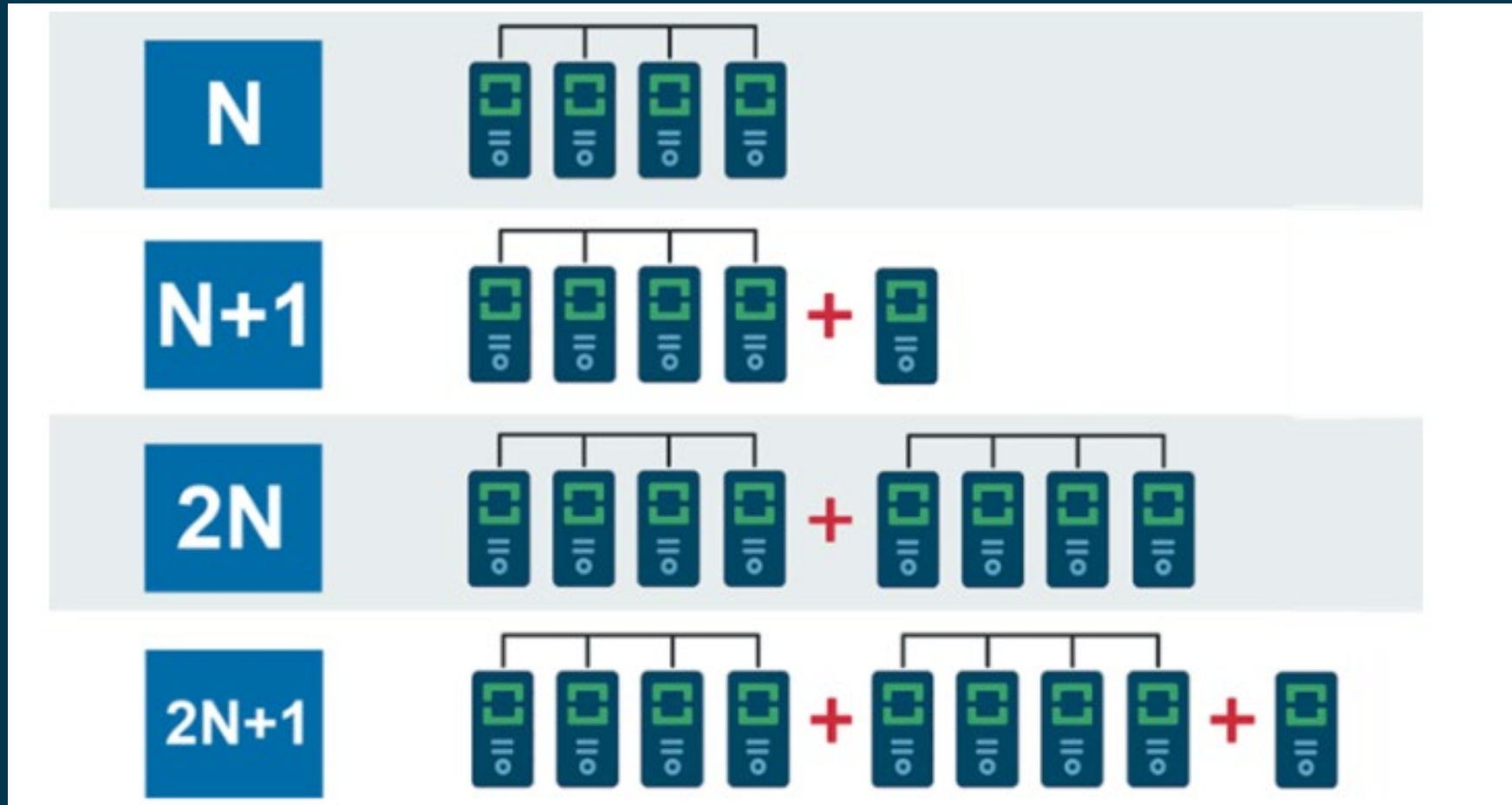
Data Centers

What are data center redundancies?

Level	Tier I	Tier II	Tier III	Tier IV
Redundancy	No	Partial; redundant components	N+1	2N or 2N+1
Redundant Distribution Paths (Energy, Cooling)	No	No	Yes, but only one path active at a time	Yes, all paths active simultaneously
Uptime Guarantee	99.671%	99.741%	99.982%	99.995%
Downtime per Year	28.8 hours	22 hours	1.6 hours	0.4 hours
Concurrently Maintainable	No; maintenance requires downtime	No; maintenance requires downtime	Yes, without taking data center offline	Yes, without taking data center offline
Cost	Moderate	High	Very High	Extremely High

Data Centers

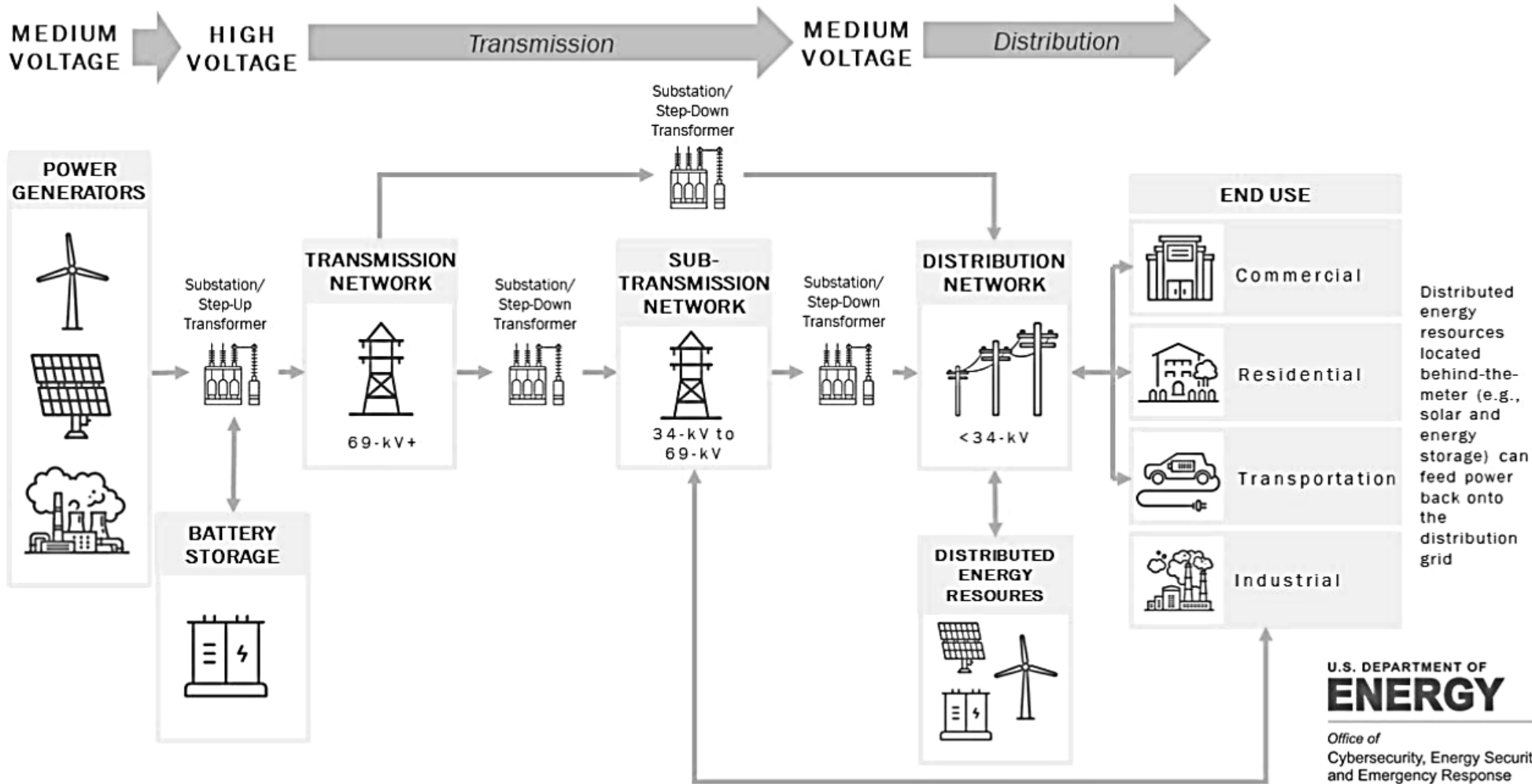
Visual example of redundancy tiers I-IV



Source: <https://phoenixnap.com/>

Understanding the Grid

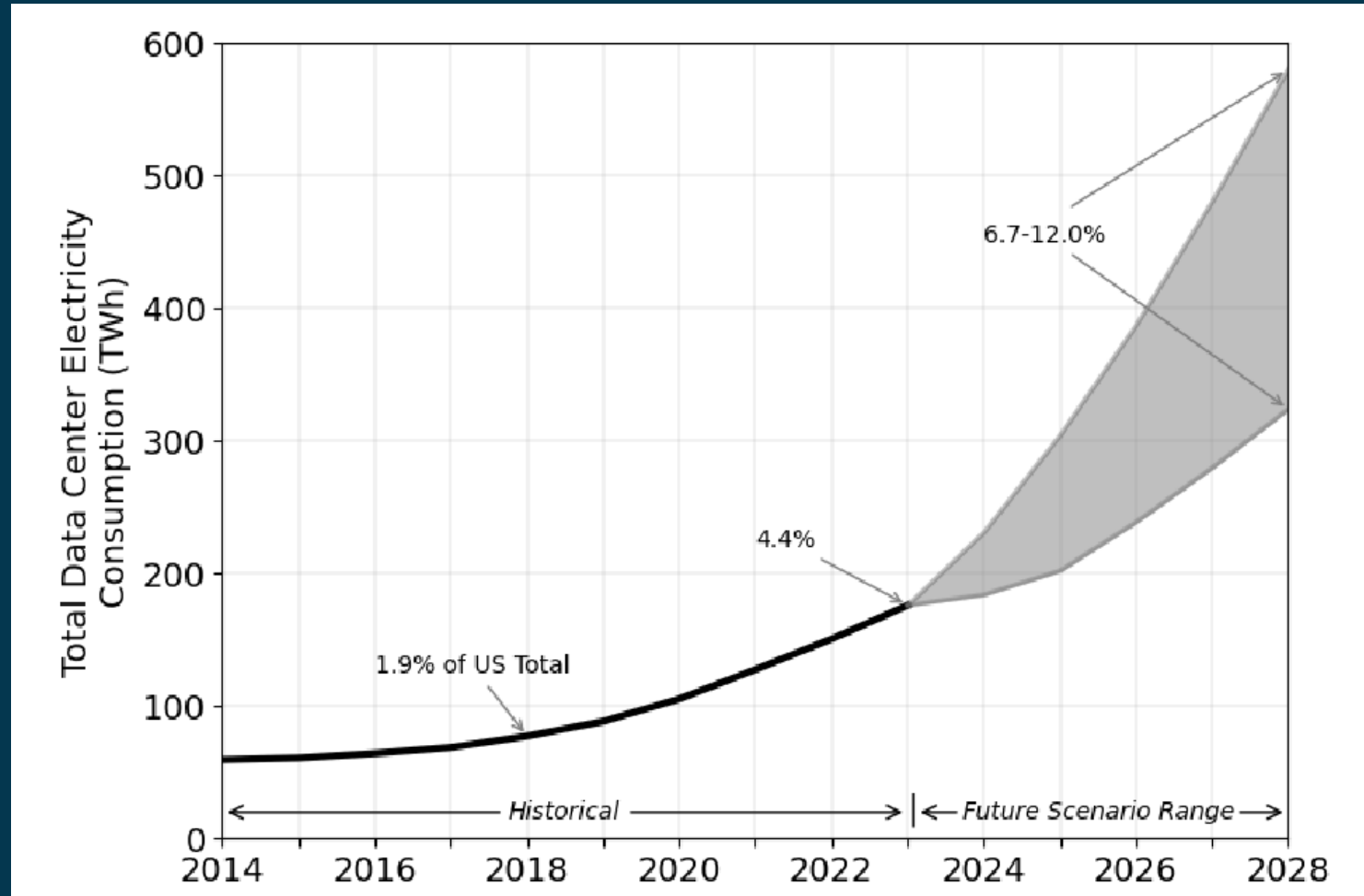
ELECTRICITY



U.S. DEPARTMENT OF
ENERGY
Office of
Cybersecurity, Energy Security,
and Emergency Response

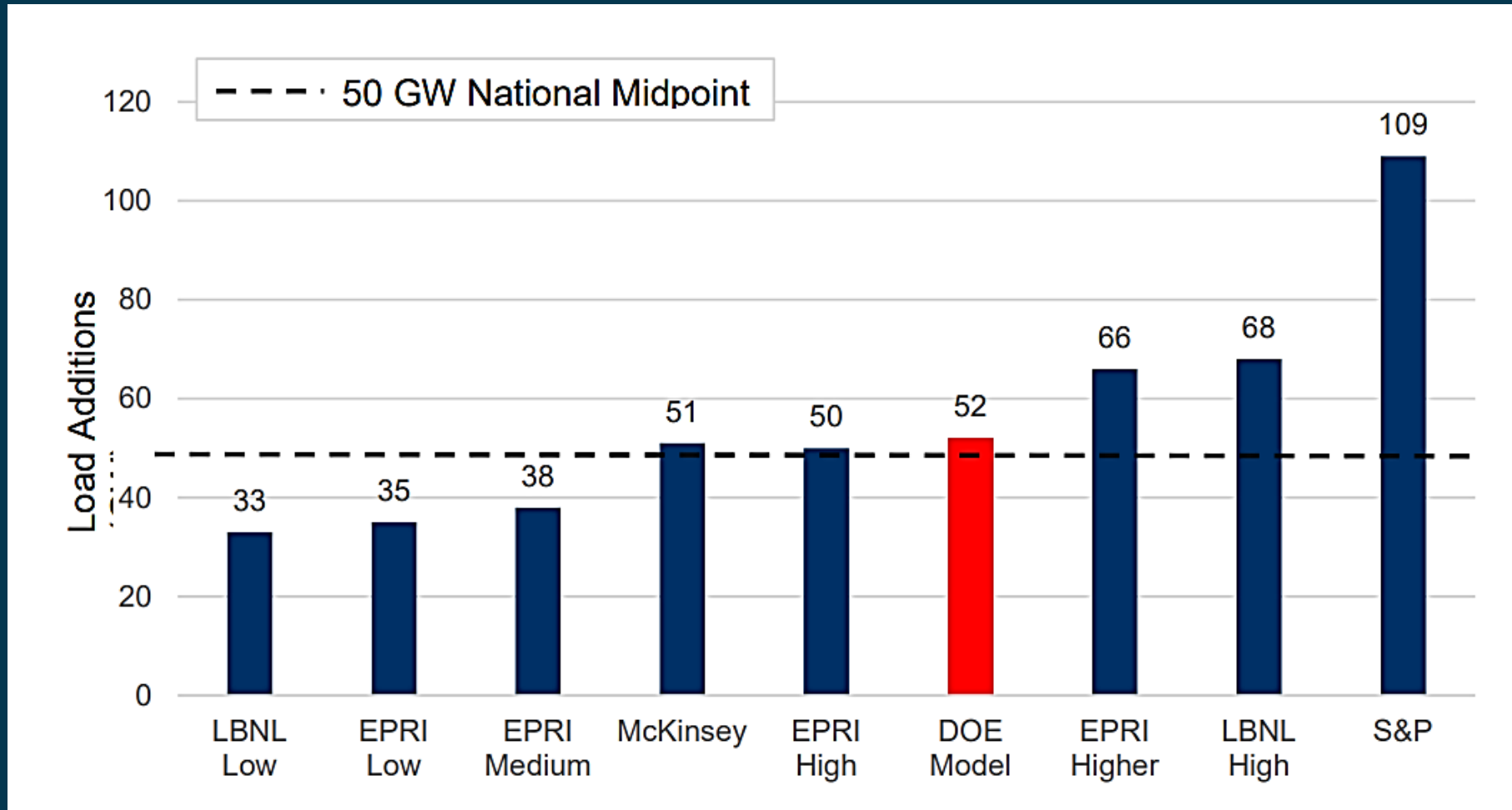
Energy Consumption

Total Data Center Electricity Consumption (TWh)



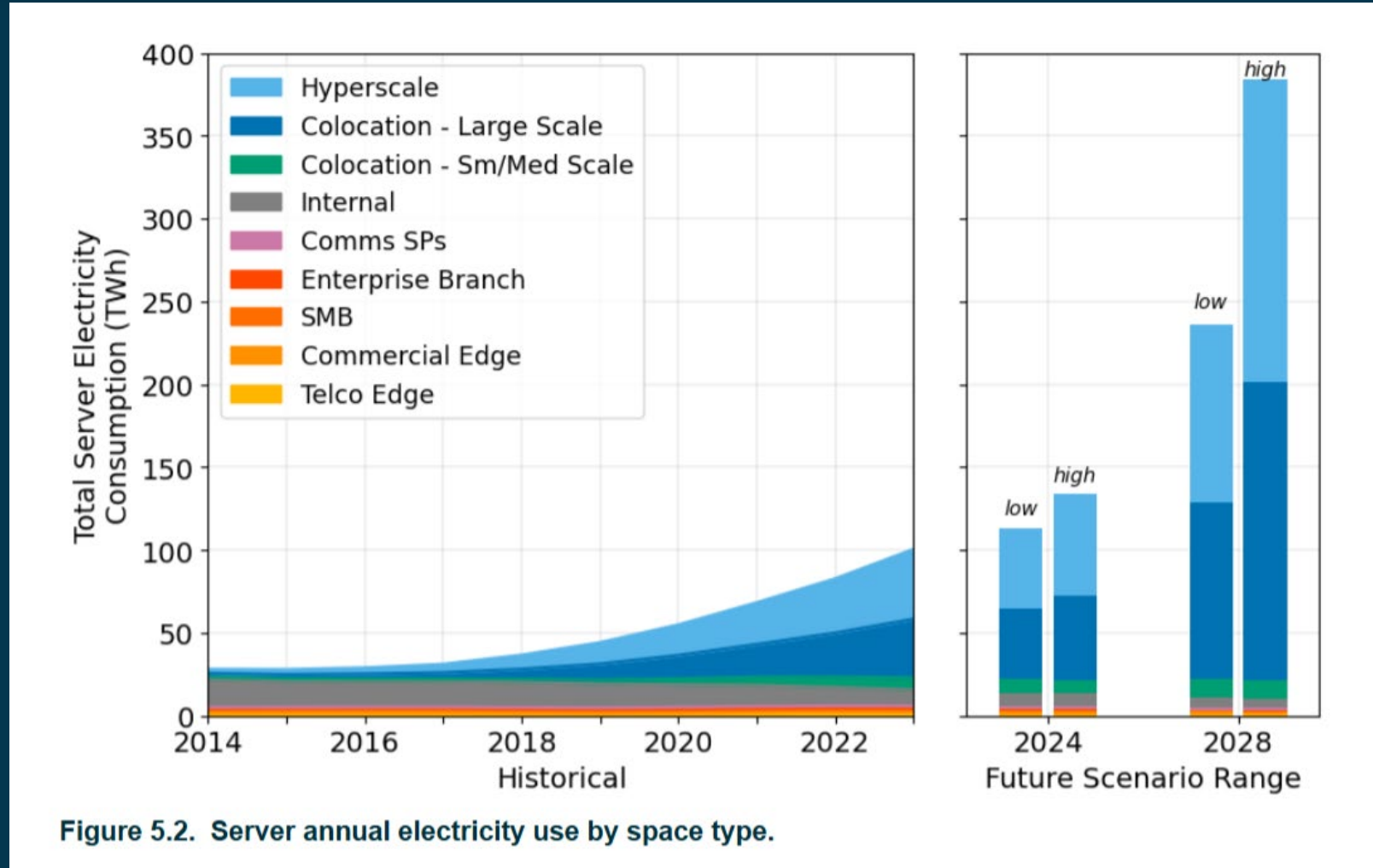
Source: Shehabi et al., 2024 United States Data Center Energy Usage Report, LBNL 2001637

Energy Consumption Additional Load Demand



Source: U.S. Department of Energy, Resource Adequacy Report – Evaluating the Reliability and Security of the U.S. Electric Grid, July 2025

Energy Consumption



Source: Shehabi, A. et al. (2024). United States Data Center Energy Usage Report. LBNL-2001637, Lawrence Berkeley National Laboratory.

Energy Consumption

Anticipated mean peak load 2030

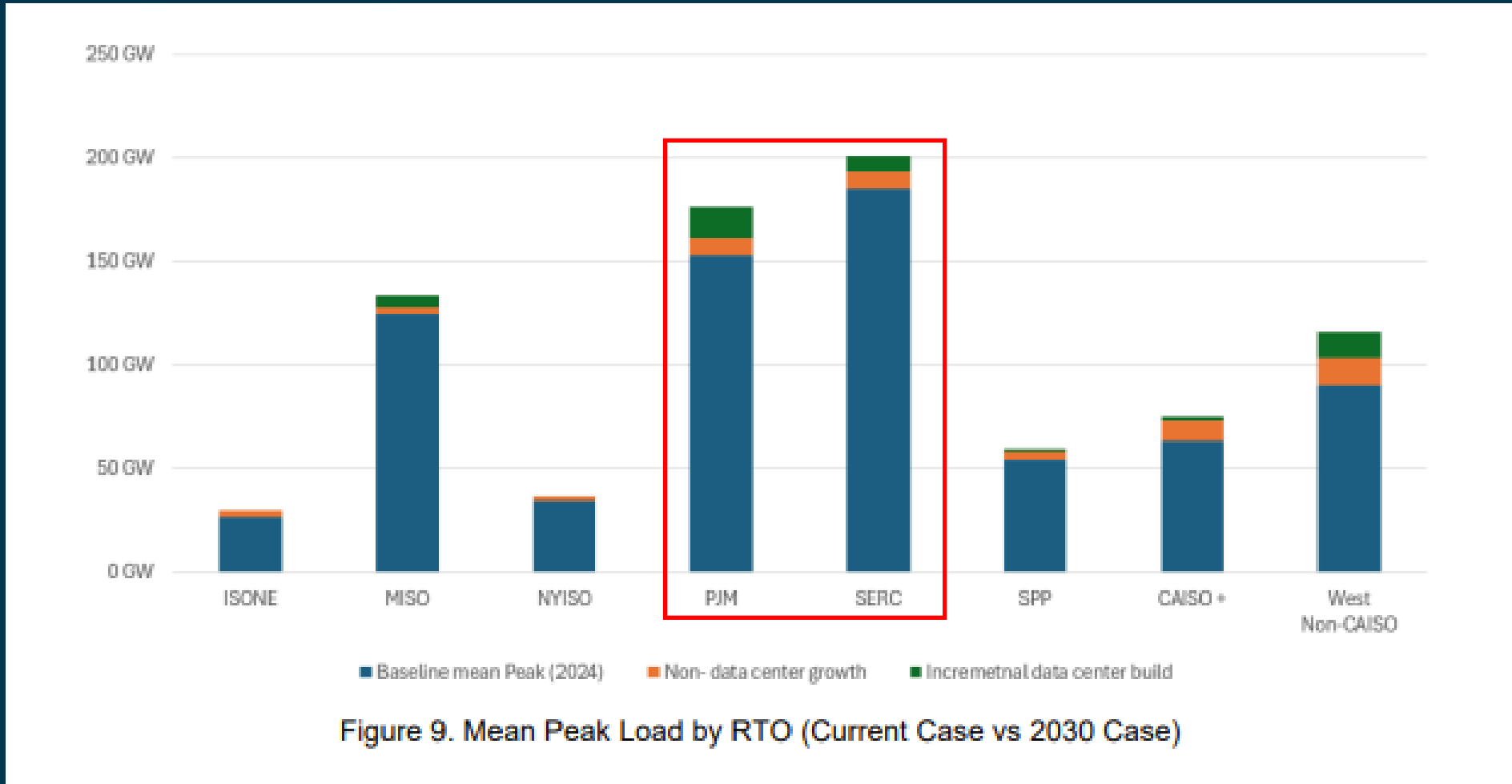
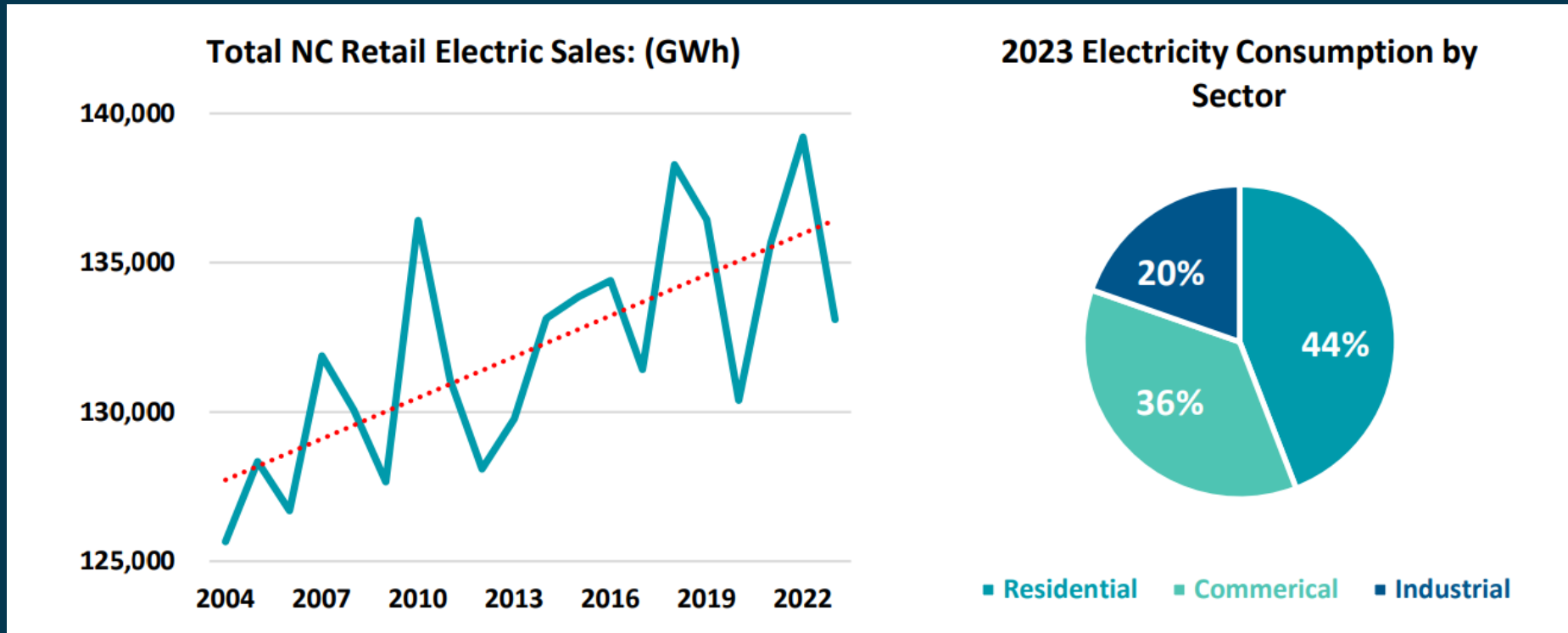


Figure 9. Mean Peak Load by RTO (Current Case vs 2030 Case)

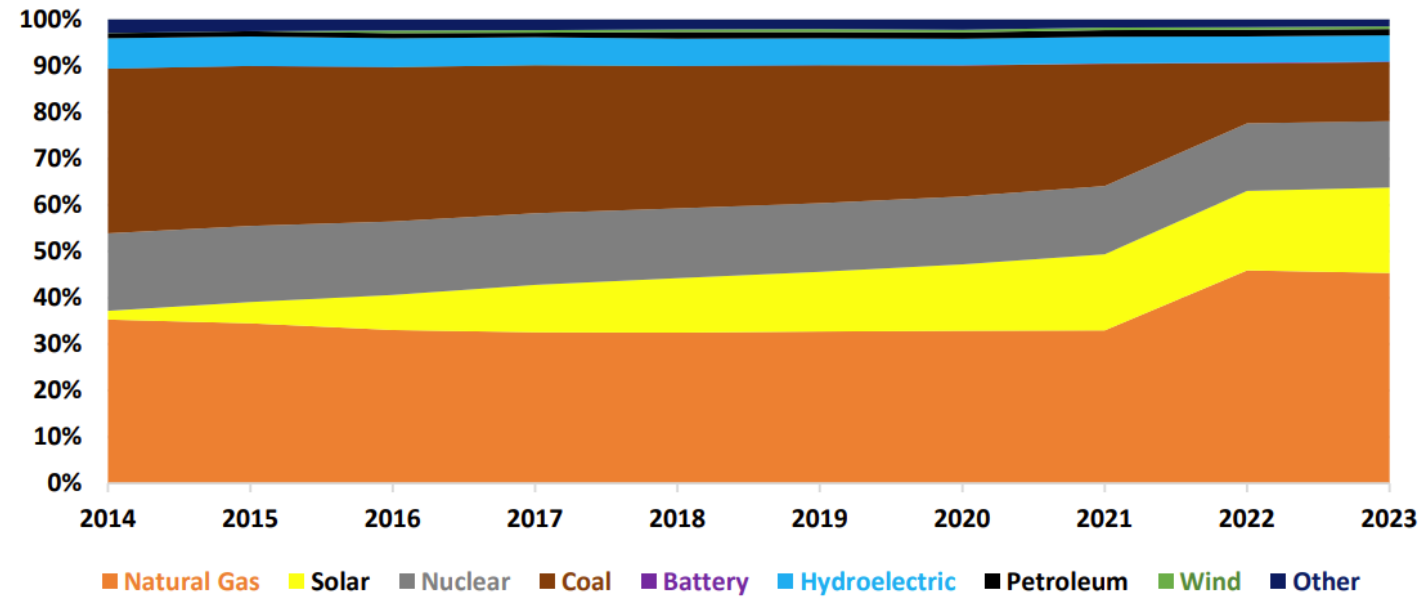
Source: U.S. Department of Energy, Resource Adequacy Report – Evaluating the Reliability and Security of the U.S. Electric Grid, July 2025

Energy Consumption

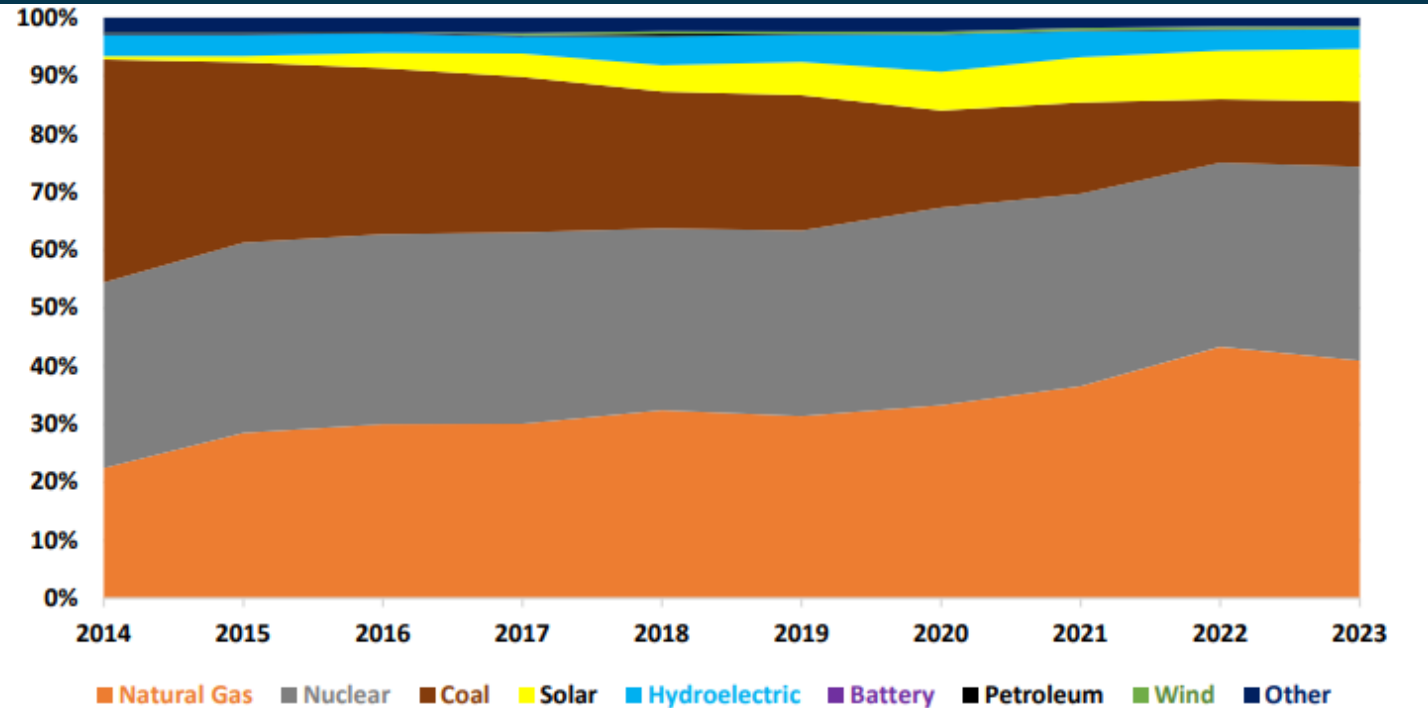


Source: NCDEQ. (2025). North Carolina Energy Security Plan: Final Report. State Energy Office.

Installed Capacity by Fuel Type

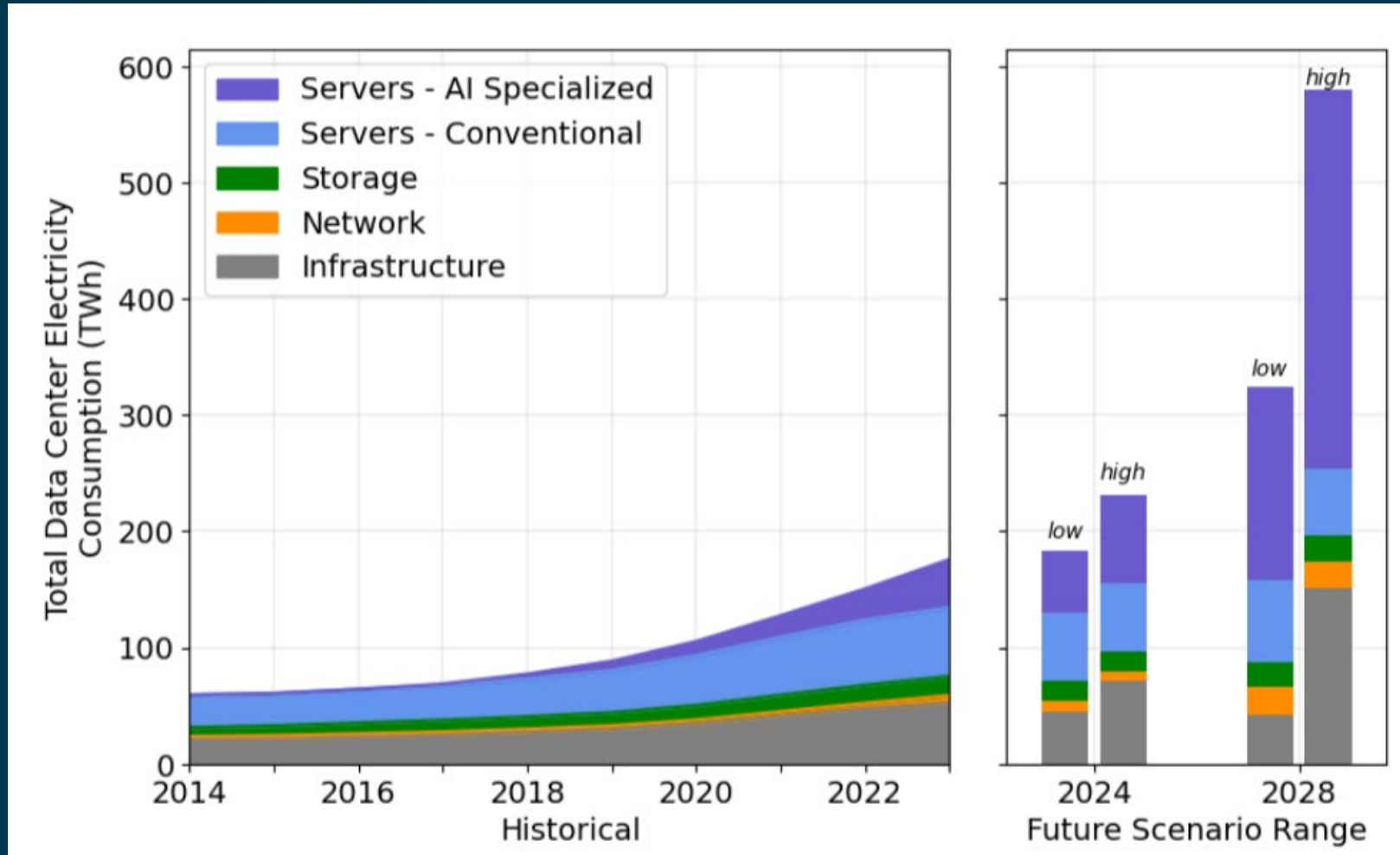


Generation by Fuel Type



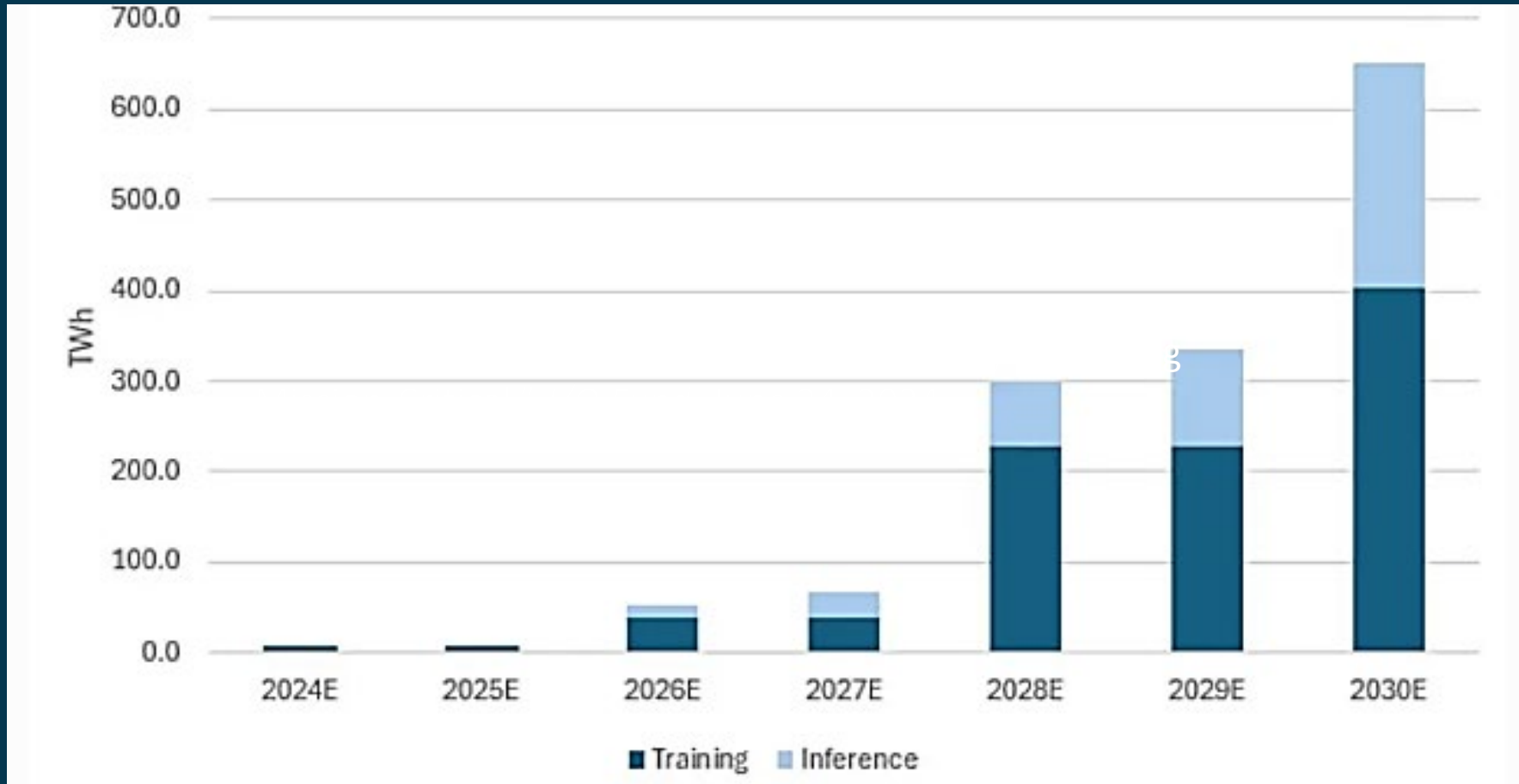
Source: NCDEQ. (2025). North Carolina Energy Security Plan: Final Report. State Energy Office.

Impact of Artificial Intelligence



Source: Shehabi, A. et al. (2024). United States Data Center Energy Usage Report. LBNL-2001637, Lawrence Berkeley National Laboratory.

Impact of Artificial Intelligence



Source: Beth Kindig, "AI Power Consumption: Rapidly Becoming Mission-Critical," *I/O Fund*, June 24, 2024

Energy Consumption

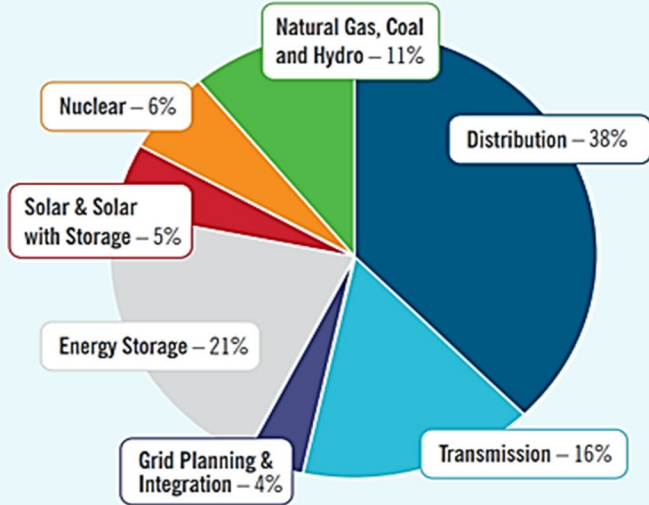
Future Generation (Near Apex)

- 356 MW of standalone Battery Energy Storage Systems (BESS) in New Hill
- 100 MW of Solar in Longleaf
- 900 MW of Nuclear at Shearon Harris

Proposed Rate Change by Customer Class

2027-2028 Multiyear Rate Plan Investments

As part of this rate request, Duke Energy has proposed \$8.3 billion in new investments represented in the chart below.*



Distribution – \$3.2 billion across 436 projects
Transmission – \$1.3 billion across 603 projects
Grid Planning & Integration – \$302 million across 96 projects
Energy Storage – \$1.7 billion across 13 projects
Solar & Solar with Storage – \$391 million across 5 projects
Nuclear – \$502 million across 48 projects
Natural Gas, Coal and Hydro – \$934 million across 198 projects

*Represents North Carolina retail portion of system investments.

Source: Duke Energy, 2025 NC Rate Case Fact Sheet.

Customer Class DEC	% Increase Jan. 1, 2027	% increase Jan. 1, 2028	Customer class DEP	% increase Jan 1, 2027	% increase Jan. 1, 2028
Overall	10.9%	4.1%	Overall	10.9%	4.1%
Residential	13.5%	4.5%	Residential	13.9%	4.3%
General service	7.3%	4.0%	SGS	9.8%	4.8%
Industrial	9.0%	3.7%	MGS	6.4%	4.3%
OPT (Business TOU)	8.3%	3.6%	LGS	5.4%	3.6%

Energy Consumption

Large Load Users

Duke Energy is exploring ways to work with large electricity users, such as data centers, manufacturing facilities, and any other use exceeding 50 MW of power.

In SC, Duke reached a settlement with the Sierra Club and other interested parties to petition the state's utility commission to require additional items as part of their review and approval of new energy request.

This may include:

1. Minimum contract period and contract demand for billing purposes;
2. Collateral requirements;
3. Exit policies and restrictions on customer capacity reduction;
4. Treatment of generation, transmission, and administrative costs;
5. Interconnection costs, including opportunities to support grid-enhancing technologies to manage interconnection costs;
6. Optional tariff provisions for flexible interconnections; and
7. Optional tariff provisions for management of clean behind-the-meter resources and optional clean transition tariffs to enable direct selection of new clean energy resources.

Energy Consumption

Policy Considerations & Potential Mitigation Measures

- Evaluating if an Electrical Load Study detailing the project's anticipated diversified load and peak demand for both summer and winter seasons would help the Town understand any potential impact to the local grid.
- Encouraging data centers to set a Power Usage Effectiveness (PUE) ratio goal to maximize efficiency (perhaps a goal of 1.25 or lower) and to provide the Town with annual report on the data center's PUE.
- Evaluating alternative on-site generation or energy storage.

Water Consumption

The primary water use for a data center comes from cooling computing equipment. The amount of water necessary will be dependent on factors such as:

- Size of the system (number of units, racks, etc.)
- Cooling method - liquid (evaporative) vs air cooling (less water)

A hyperscale data center may require ~1–5+ MGD (365 million gallons – 1.83 billion gallons annually).

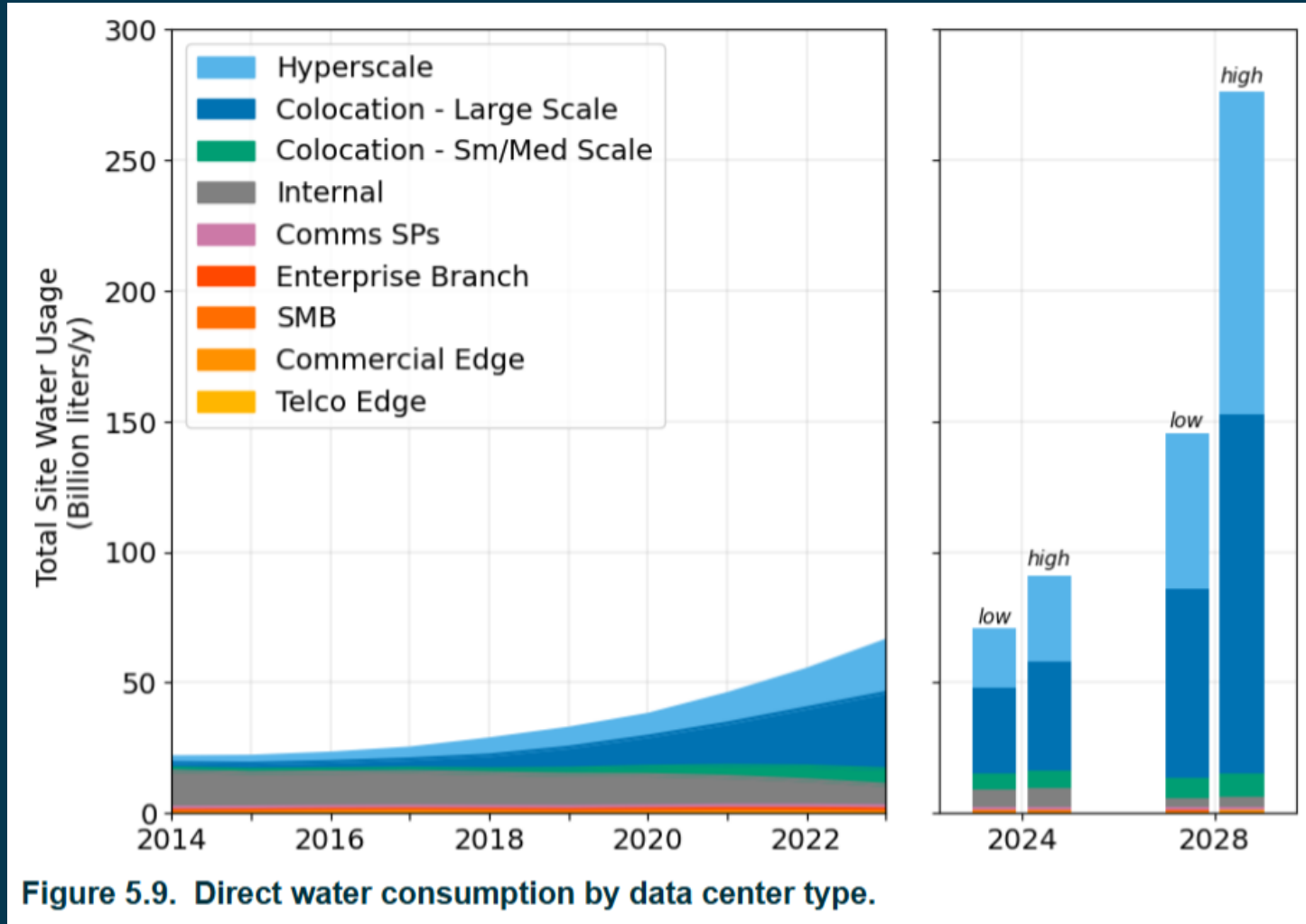
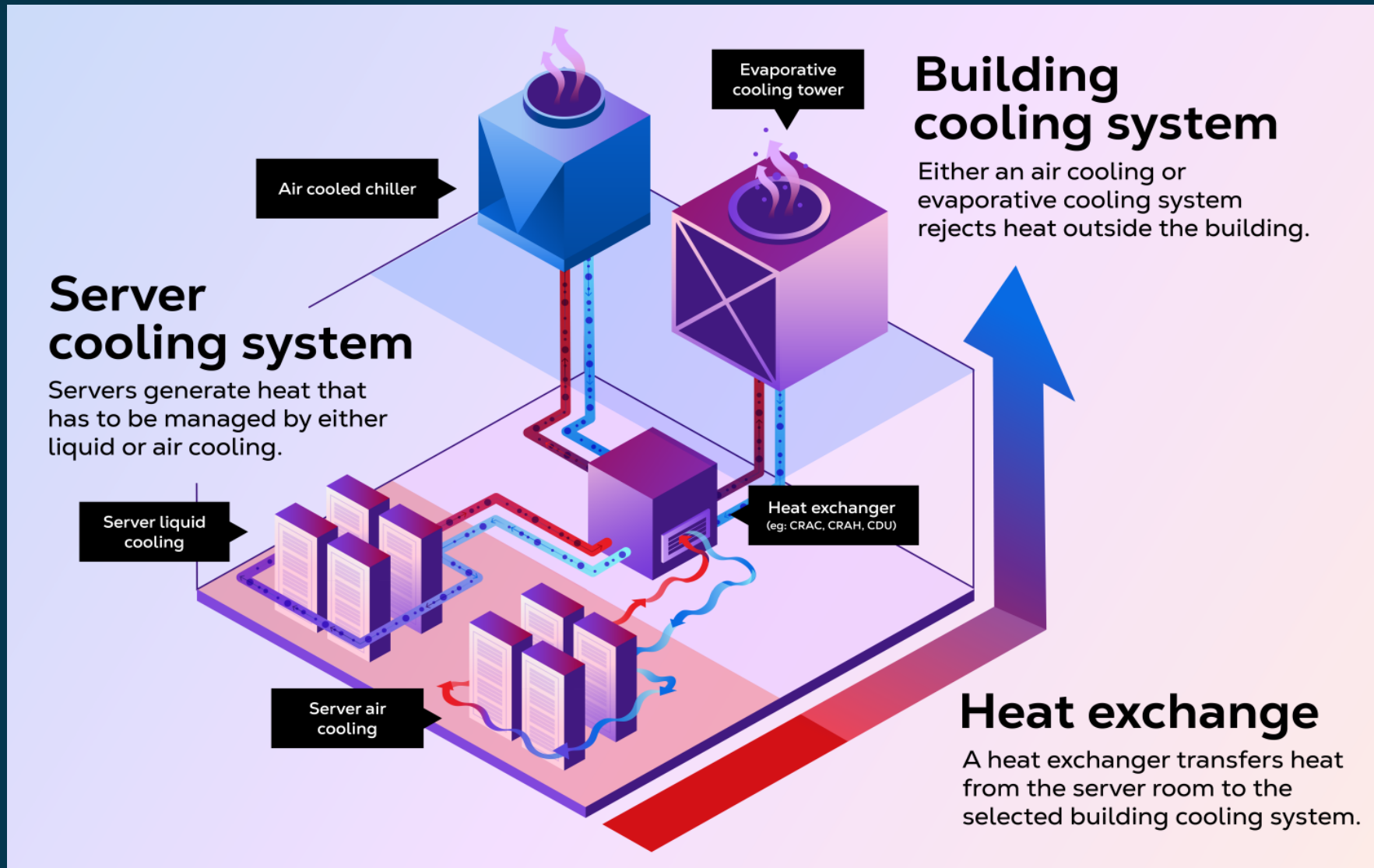
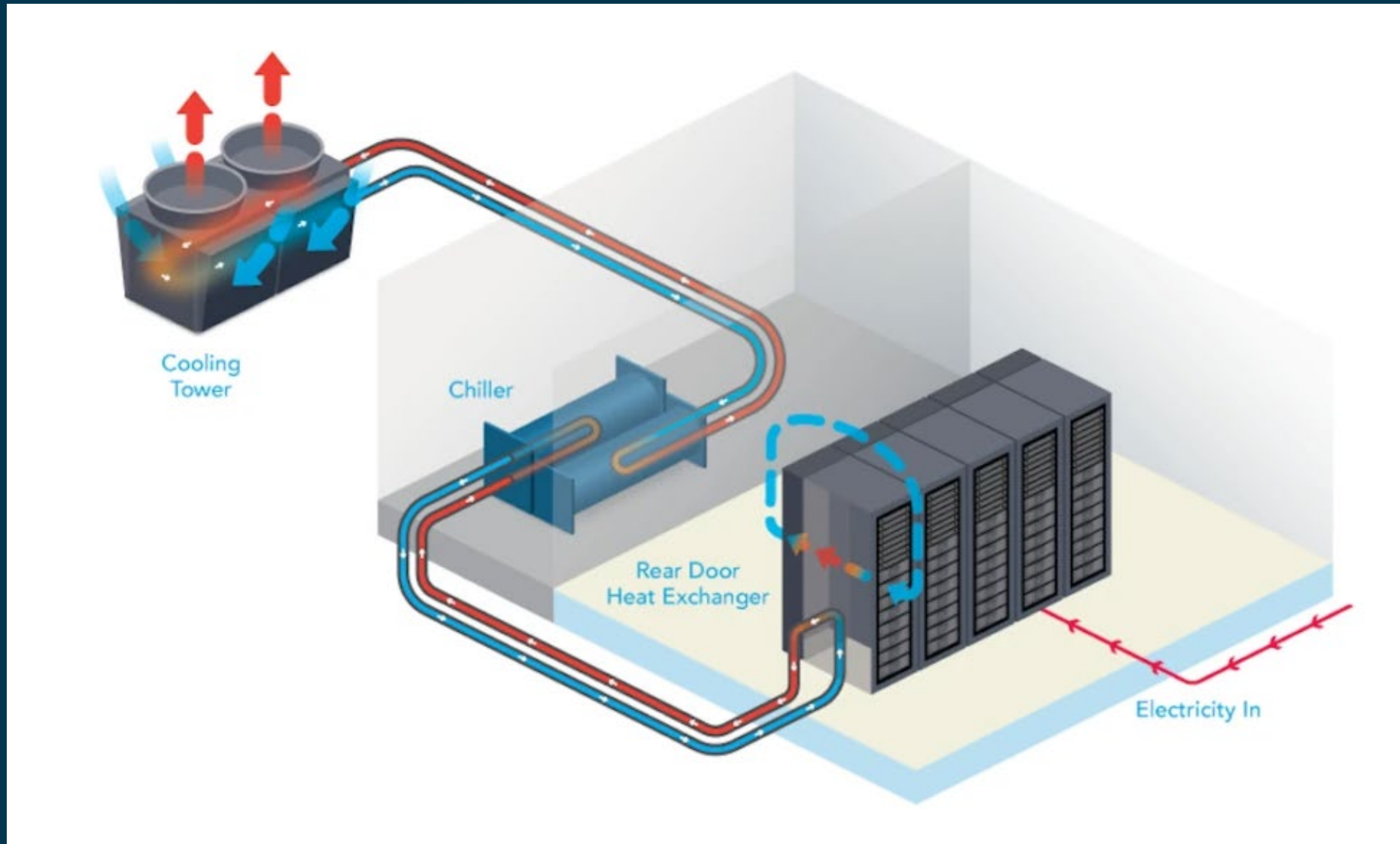


Figure 5.9. Direct water consumption by data center type.

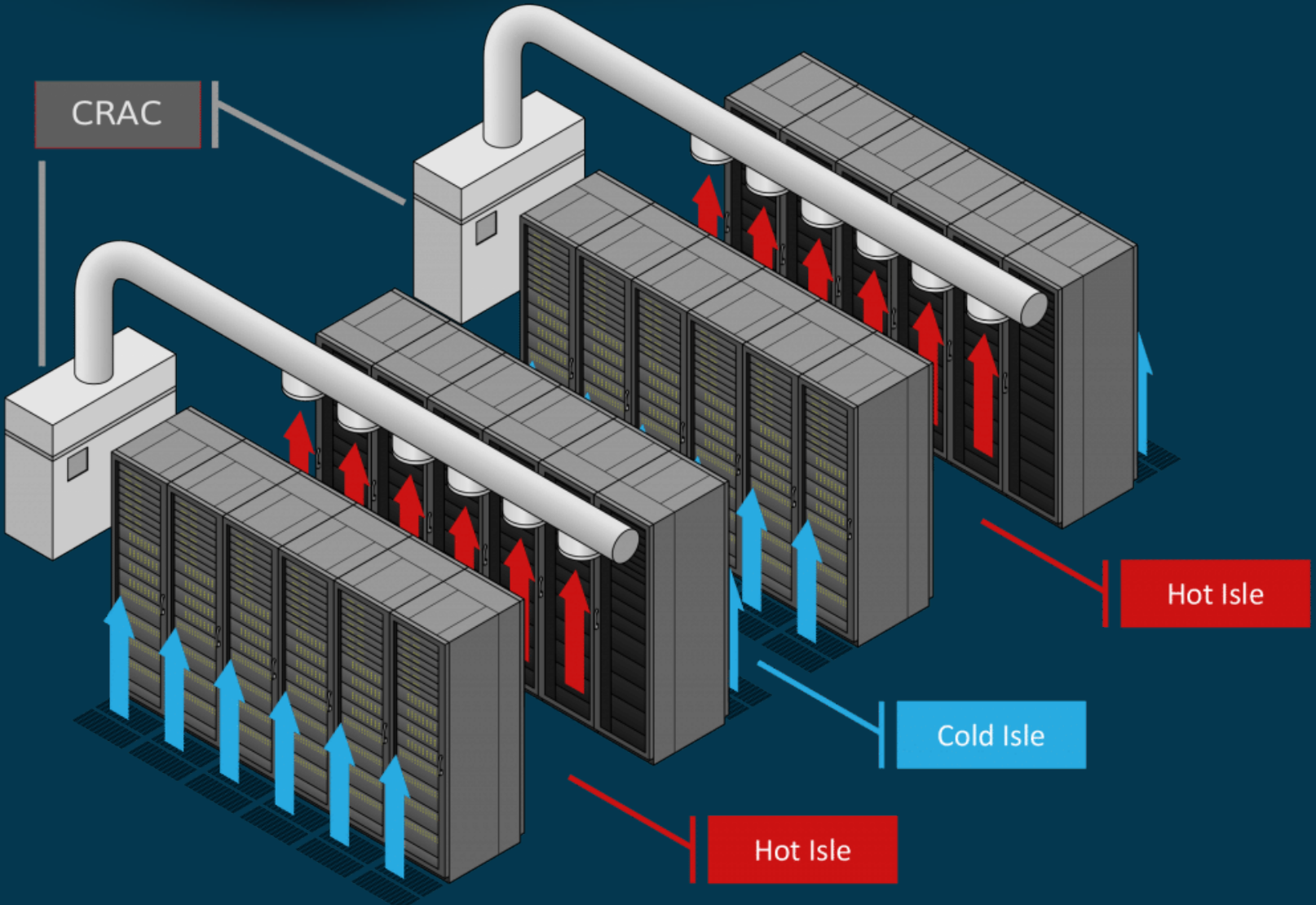
Cooling Systems



Closed-Loop Liquid to air cooling



Air Cooling



Comparing Water Use by Use Type

1,500,000 Gallons of water per day applied to each of the following uses.

Use	Design Flow Rate	Equivalency	Notes/Context
Multi-Family Residential/Apartments	250 GPD/unit	~6,000 units	Comparable to several large apartment complexes
Single-family residential	300 GPD/unit	~5,000 homes	Roughly a small town's worth of housing
Hospital	300 gal/bed	~5,000 beds	Equivalent to multiple large regional hospitals
Grace Christian School	~18,000 GPD	~83 comparable schools	Local reference point
Felton Grove High School	~35,250 GPD	~43 comparable schools	Local reference point
Light Industrial: Apex Light Industrial Phase 2	~69,130 GPD	~22 comparable buildings	Local reference point
Auto Manufacturing	~39,000 gallons per unit*	~38 vehicles per day	A single plant may create up to 100,000 to 400,000 vehicles per year
Bioscience Facility	~67,000 GPD	~22 comparable facilities	Median of regional reference points

Water Consumption

Policy Considerations & Potential Mitigation Measures

- Encouraging or requiring the use of reclaimed water for equipment cooling applications.
- Limiting potable water use for non-cooling site needs, emergencies, or reclaimed water system maintenance periods.
- Encouraging or requiring the use of geothermal closed loop for cooling.
- Discouraging or prohibiting the use of groundwater for cooling.
- Considering adoption of a potable water surcharge to discourage domestic water use, support water conservation and infrastructure costs. Encouraging onsite storage of reclaimed water to serve the use for a 24-hour period minimum.

Water Consumption

Policy Considerations & Potential Mitigation Measures cont.

- Requiring a water and sewer study detailing anticipated demand, necessary infrastructure and plant updates, and long-term operating impacts to the utility system.
- Encouraging data centers to set a Water Usage Effectiveness (WUE) ratio goal to maximize efficiency (perhaps a goal of 0.5 or lower) and to provide the Town with annual report on the data center's WUE.
- Applying monitoring and reporting requirements that follow the Towns Sewer Use Ordinance and pretreat wastewater if needed to meet local limits.
- Allowing a combination of air and liquid cooling methods to optimize efficiency and reduce waste.

Environmental Impacts

Data centers may impact the environment from daily operation (lighting, greenhouse gases, etc.) or from potential equipment failure that leads to leaks of hazardous material onsite, or fires and explosions.

Known Points of Concern:

- Light Pollution
- Air Quality & Greenhouse Gases
- Water Quality and Supply
- Ground and Air Contamination

Environmental Impacts: Light Pollution

Data centers may store highly sensitive information regarding financial, medical, or in some instances national security-related information. As a result, data centers take security very seriously and tend to provide enough lighting to adequately monitor and ensure safety on the site.

Any lighting concerns not fully mitigated by the UDO's exterior lighting standards will need to be addressed through suggested zoning conditions at the time of rezoning to mitigate potential impacts on neighboring property owners and local wildlife. Such conditions may include additional standards for fixture height, additional shielding, and greater setbacks from the property lines.

Environmental Impacts: Air Quality

Direct Impact: Emissions from onsite generators can release greenhouse gases and other air pollutants, that contribute to climate change and can degrade local air quality. Additional mitigation measures may be necessary to reduce or control the emissions from onsite power generation.

Indirect Impact: Some fossil fuel power plants may have their life spans extended beyond their original retirement date to help meet the demand for electricity until newer plants are brought into service. When this occurs, it creates the potential for an increase in greenhouse gases and other air pollutants that may have negative impacts on communities near these power plants and thus results in indirect environmental impact from excess energy demand.

Diesel Emissions

The Environmental Protection Agency (EPA) states that exposure to diesel exhaust like that from diesel backup generators has been linked to serious health effects, including asthma and other respiratory illnesses, and can aggravate existing heart and lung conditions, particularly among children and older adults. These impacts can lead to higher rates of emergency room visits, hospitalizations, missed work and school days, and premature death.

Environmental Impact: Water Quality and Quantity

Direct Impact: Data centers that withdraw large volumes of potable water from shared reservoirs may create direct impacts, such as stress on wildlife, degradation of habitat, and reduced water availability for surrounding communities.

Indirect Impact: Power generation facilities require large amounts of water to cool, and as demand for energy grows, the need for more energy to meet that demand will indirectly require an increase in water use.

Jordan Lake Water Supply Allocations

Allocation-holder	Allocation (% of Water Supply Pool)*
Cary/Morrisville & Apex	46.2
Chatham County –North District	13
Durham	16.5
Hillsborough	1
Holly Springs	2
Orange County	1.5
OWASA	5
Pittsboro	6
Total distributed allocation:	91.2 (out of 100)
Remaining allocation:	8.8
*Every 1% equals 1 million gallons of water per day (MGD). 100% = 100 million gallons of water per day (MGD).	

Source: NC Department of Environmental Quality – Jordan Lake Water Supply Allocation, Current Allocations

Environmental Impact: Ground Contamination

- Data centers that store coolants, diesel, battery backups, or biocides for cooling tower treatment must comply with state and federal requirements for safe storage and use of potentially hazardous materials.
- Equipment failure could result in leaks or spills of potentially hazardous materials, posing a risk to the local environment.

Environmental Impact: Air Contamination

A hyperscale data center typically requires multiple cooling towers to dissipate heat generated by large-scale computing operations. Depending on facility size, redundancy requirements, and cooling design, a hyperscale data center may utilize anywhere from fewer than ten to several dozen cooling towers at full build-out.

Improper maintenance of building water systems may contribute to the growth and spread of potentially harmful bacteria such as Legionella. The most common illnesses associated with Legionella exposure are Legionellosis and Legionnaires' disease.

In rare cases, research has shown that due to the aerosolization associated with cooling towers, the spread of Legionella may occur outside of the immediate area of the site, and under certain conditions, aerosolized mist may up to travel several miles from the source.

To prevent the growth and spread of Legionella, the CDC has developed an assessment and operational toolkit; adherence to these resources may help minimize the risk of releasing potentially harmful bacteria into the environment.

Environmental Impact

Policy Considerations & Potential Mitigation Measures

- Applying existing UDO Section 8.6 *Exterior Lighting* and considering additional zoning conditions to address lighting concerns such as color temperature, brightness, fixture height, and light trespass.
- Considering the use of Tier IV or Tier IV equivalent backup generators to reduce the adverse impact on air quality.
- Considering the use of natural gas generators for emergency backup.
- Considering the use of spill containment berms, walls, and impermeable barriers to prevent off-site and ground contamination.

Environmental Impact

Policy Considerations & Potential Mitigation Measures cont.

- Considering closed-loop cooling alternatives, such as geothermal systems (e.g., Pit Thermal Energy Storage) or reclaimed water, to reduce impacts on local aquifers and shared reservoirs.
- Considering the use a closed-loop cooling system that does not create a mist that carry the legionella bacteria into the environment, and that can demonstrate compliance with CDC and American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Guideline 12 2023 *Managing the Risk of Legionellosis Associated with Building Water Systems* standards.

Note: Additional environmental considerations regarding environmental assessments, testing, and monitoring were shared by residents on 1/14/2026; staff will need additional time to conduct research prior to presenting on these items.

Noise

Data centers use large backup generators and have HVAC systems that often include cooling chillers, which are louder than standard HVAC units. Together, this equipment can produce continuous high- and low-frequency noise that may impact nearby properties.

The most common way that sound is measure by **Decibels (dB)**, which measures sound intensity on a logarithmic scale, where every 10 dB increase represents sound that is perceived as roughly twice as loud.

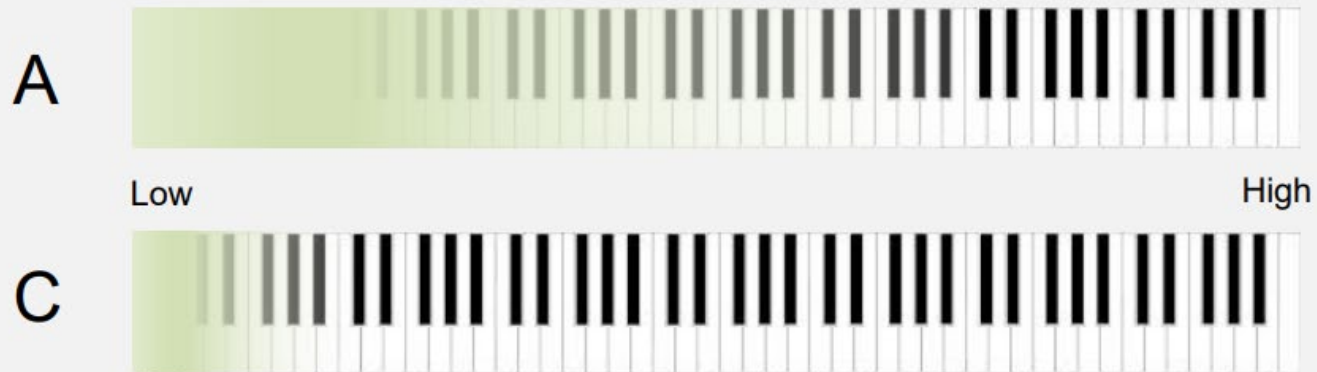
Decibels are measured by comparing a sound's pressure level to a standard reference level, with A-weighting (dBA) reflecting human hearing sensitivity and C-weighting (dBC) capturing lower-frequency sounds.

Other analysis such as Octave-band measure decibel levels across additional frequencies (Hz) beyond the A or C weighted scales.

Noise

Measurement Levels – Being updated

Distinction between A/C Weighted Scale



Octave-band sound levels, continuous



<https://nelsonacoustical.com>

David Nelson, Nelson Acoustical - 1618 PWC 2025 JAN 08

12

Noise Source	Approx. Decibel Level (dB)	Potential Effect / Perception
Jet take-off (80ft)	150	Risk of severe physical injury; possible eardrum rupture at close range
Aircraft carrier deck	140	Extremely painful; immediate risk of hearing damage
Military jet take-off with afterburner (50 ft)	130	Painful; immediate hearing damage likely
Thunderclap; chain saw; oxygen torch	120	Threshold of pain for many individuals; hearing damage possible with short exposure
Jet flyover (1,000 ft); live rock music; horn noise – train (100 ft)	110	Very loud; hearing damage likely with short exposure
Gas lawn mower (3ft)	100	Hearing damage possible in as little as 15 minutes; ~8x perceived loudness of 70 dB
Diesel Truck (50ft) General Freight Train (100ft) Lawn mower (100ft)	90	Hearing damage possible with prolonged (8-hour) exposure; ~4x as loud as 70 dB
Garbage disposal (3ft); dishwasher; factory noise;	80	Hearing damage possible with long-term exposure; ~2x as loud as 70 dB
Passenger car at 65 mph; freeway traffic; vacuum cleaner (10ft); radio or TV	70	Upper range may be annoying to some individuals
Conversation in restaurant or office; background music; AC unit (100 ft); heavy traffic (300ft)	60	Generally comfortable; normal conversation level
Quiet suburb; conversation at home	50	Quiet; minimal disturbance
Library; bird calls; urban ambient sound floor	40	Very quiet
Quiet rural area	30	Extremely quiet
Whisper; rustling leaves	20	Barely audible
Breathing	10	Near the threshold of hearing

Noise

AIR-COOLED CHILLERS

Data centers commonly rely on air-cooled chillers that are installed either at ground level or on the roof. Air-cooled chillers are a notable source of exterior noise due to the operation of large fans and compressors used to expel heat from the facility. These components can add significant noise to the site.



Noise

COOLING TOWERS

Cooling towers function by receiving heated water from the facility's liquid chillers and dispersing heat into the atmosphere. The cooled water is then recirculated back into the system. This process involves multiple mechanical components operating simultaneously, which can generate noise. Data centers typically employ one to several dozen cooling towers, often located on rooftops.



Source: bextel.com



Source: bextel.com

Noise

BACKUP GENERATORS

Data centers are designed to operate continuously, with minimal tolerance for service interruptions. To maintain operations during power outages, facilities are equipped with diesel-powered backup generators. Although generator use is typically infrequent and limited to emergency events or testing conditions, their operation can result in substantial short-term noise impacts on adjacent properties.



Source: storagereview.com



Source: kaloengineering.com

Noise

AIR HANDLING UNITS

Air handling units serve two primary functions within a data center: (1) providing adequate ventilation to remove heat and airborne contaminants, and (2) maintaining acceptable operating temperatures within server halls. These units are typically located on the rooftop. The quantity of air handling units may be significantly higher than that of typical office and industrial uses. When operating simultaneously, air handling units can generate combined noise levels above the typically accepted decibel level near residential uses.



Example of site layout and location of generators and cooling equipment.



Source: Nathan Howard/Bloomberg via Getty Images

Example of site layout and location of generators and cooling equipment.



Source: Piedmont Environmental Council, Hugh Kenny

Example of site layout, including the location of generators and cooling equipment and their proximity to residential uses.



Source: Piedmont Environmental Council, Hugh Kenny

Example of site layout, including the location of generators and cooling equipment and their proximity to residential uses.



Source: Piedmont Environmental Council, Hugh Kenny

Noise

Policy Considerations & Potential Mitigation Measures

- Providing measurable and enforceable use standards and/or zoning conditions that address both high-frequency and low-frequency noise.
- Prioritizing the utilization of pre-construction and post-construction noise studies prepared by a qualified, third-party acoustical professional to evaluate compliance with adopted standards.
- Prioritizing maximum allowable noise levels at property lines (for example, 55 dBA and 50 dBC, or limits established as defined number of decibels above existing ambient conditions) with additional mitigation evaluated if standards cannot be maintained.

Noise

Policy Considerations & Potential Mitigation Measures cont.

- Exploring best practices for when the use of backup generators is appropriate (e.g., emergency operation and maintenance activities).
- Encouraging generator testing and maintenance to defined daytime hours (e.g., 10:00 a.m. to 4:00 p.m.) to minimize community impacts.
- Encouraging minimum separation distances between sound-generating equipment and property lines and encouraging placement of such equipment behind principal structures to provide additional shielding.
- Encouraging the use of parapet walls to screen all rooftop equipment. UDO Sec. 5.2.4.B.2 allows parapet walls to extend no more than 5 feet above the allowable height of the building, so the actual building height may need to be reduced in order to accommodate the needed parapet wall height.

Land Use (Zoning, Site Design, Aesthetic Standards)

Data center zoning varies by jurisdiction: some require overlay districts with specific performance standards, others limit data centers to industrial zones, while some allow them in both commercial and industrial districts.

In recent years concerns related to noise, architectural designs, and specific use standards have resulted in other municipalities amending their zoning ordinance standards to attempt to mitigate these impacts via:

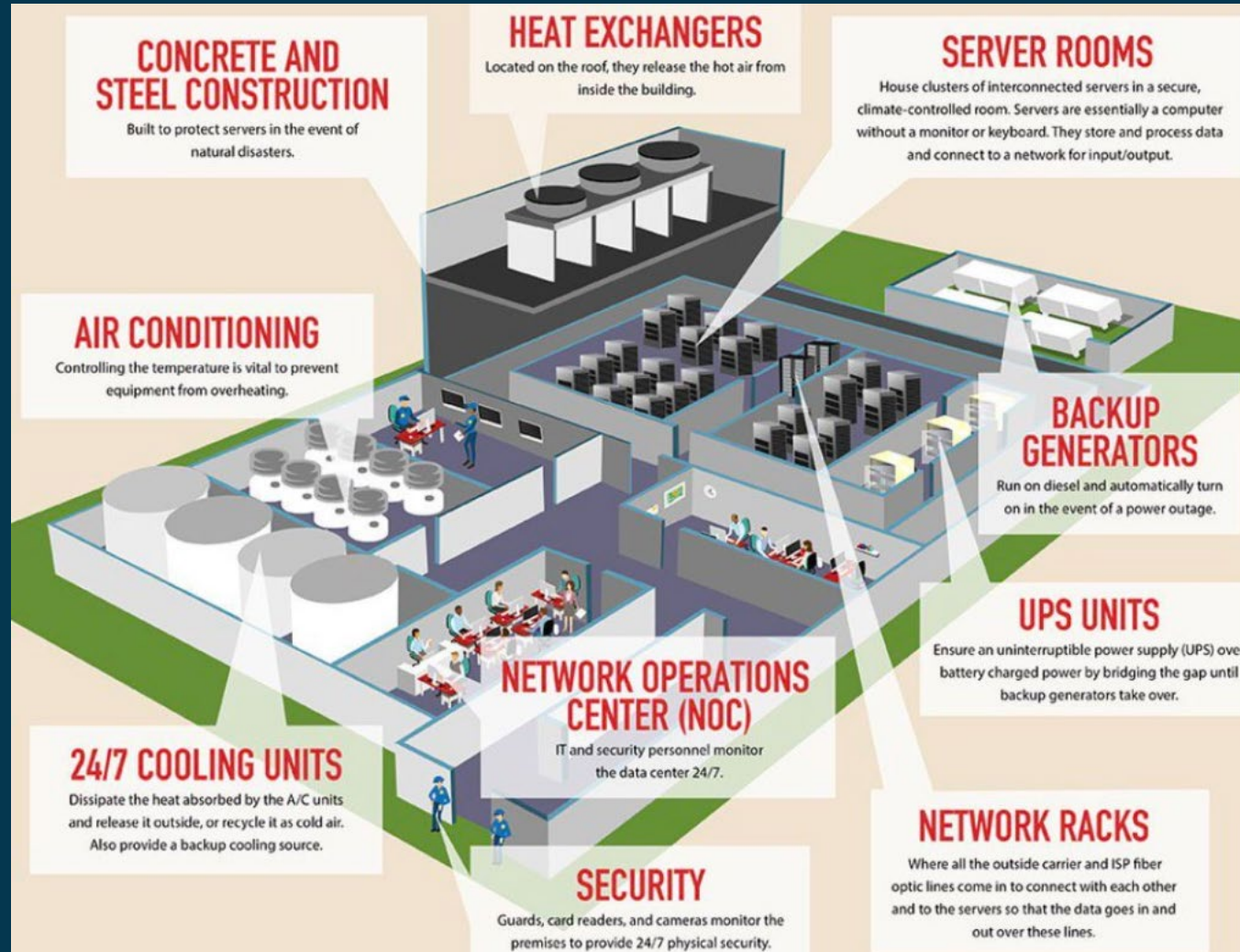
- Larger setbacks (100' - 1,000')
- Wider buffers (50' - 200')
- Additional screening for electrical and mechanical equipment.
- Increased separation requirements for noise producing equipment from property lines.

Additionally, large colocation and hyperscale data centers may require on-site electric substations to meet power demands.

- Substation placement and visibility can impact surrounding communities due to safety concerns, noise, and visual effects.

Land Use

Example of site layout and design of a data center.



Source: greenarchworld.com

Land Use

Example of site layout and design of a data center.



Land Use

Example of the importance of site distance from residential uses.



Source: Gerville/Istock. Loudoun Meadows, Aldie, VA.

Land Use

Example of electric substation constructed to support data centers.



Source: pecva.org

Land Use

Example of electric substation constructed to support data centers and roof-mounted mechanical equipment.



Design Standards

Data center designs can vary widely, and without strong architectural standards, developments may result in 60'-100' tall plain warehouse structures that can quickly age, diminish local character, and become visual eyesores.



Source: DPR.COM Meta's Henrico County Data Center

Design Standards

Example building designs of a data center.



Source: dgtlinfra.com Amazon (AWS) Data Center Location in Northern Virginia

Decommissioning & Reuse of Hyperscale Data Center Sites

- **Future reuse depends on decommissioning:** Retaining high-hazard infrastructure (fuel systems, batteries, substations) can limit redevelopment options, increase permitting complexity, and trigger higher building and fire code requirements.
- **Full removal increases flexibility:** Complete decommissioning supports adaptive reuse and aligns with a broader range of employment, commercial, or industrial land uses.
- **Change of occupancy matters:** Under the NC Building Code, new uses require evaluation of remaining infrastructure; retained hazardous systems may force higher-hazard occupancy classifications.

Decommissioning & Reuse of Hyperscale Data Center Sites cont.

- **Code implications:** Higher-hazard classifications can require enhanced fire protection, separation, egress, and life-safety systems under the NC Building and Fire Codes.
- **Hazardous materials process:** Reuse requires inventory, reporting, closure planning, removal, inspection, and approval by fire and environmental authorities.
- **Utility infrastructure considerations:** Private substations may be removed or retained; continued use requires full compliance with NC codes and updated electrical documentation.
- **Best practice:** Require a **decommissioning and reuse plan** at the time of approval to ensure long-term site adaptability and community protection.

Land Use

Policy Considerations & Potential Mitigation Measures cont.

- Following best practices for data center application review, including conditional zoning and developer agreements.
- Finalizing amendments to the Unified Development Ordinance (UDO) to create the data center use, definition, and related supplemental standards.
- Applying existing UDO Article 9 *Design Standards* and considering additional zoning conditions to address architectural concerns such as building massing, fenestration, facade articulation, and materials.
- Encouraging maximum height standards or minimum setback distances for data center structures to limit visual impact.

Land Use

Policy Considerations & Potential Mitigation Measures cont.

- Limiting hyperscale data center development to zoning districts intended for industrial use.
- Evaluating minimum site area thresholds (e.g., 100 acres or more) to ensure adequate separation from surrounding land uses and infrastructure.
- Prioritizing enhanced setbacks and wide buffers (e.g., 200' – 1,000') that prioritize the preservation of existing mature vegetation and the use of berms where little or no vegetation exists.
- Encouraging the applicant to provide a decommissioning and reuse plan to address long-term site viability and potential future redevelopment.

Land Use

Policy Considerations & Potential Mitigation Measures cont.

- Encouraging internal placement of equipment and screening of rooftop or ground-mounted equipment when internal placement is not practicable.
- Prioritizing minimum separation distances between potential hazard areas (such as fuel storage tanks and battery energy storage systems) and sensitive land uses, including schools, daycare facilities, hospitals, and similar uses.
- Encouraging early installation of perimeter buffers and screening in initial phase to mitigate visual impacts during construction and operation

Capacity and Regulatory Requirements

Water Treatment: Cary/Apex Water Treatment Facility

- Total Facility Capacity: 56 MGD
- Apex Capacity: 12.88 MGD (23% Ownership)
- Apex Avg. Daily Flow (2025): 5.05 MGD (39%)
- Apex Max Day Demand (2025): 6.9 MGD

Raw Water Intake: Jordan Lake

- Apex Capacity: 10.6 MGD (23% Allocation)
- Apex Avg. Raw Demand (2025): 5.83 MGD

Capacity and Regulatory Requirements (cont.)

Water Storage: Elevated Storage

- Hunter Street Tank: 0.5 MG
- Mason Street Tank: 1.0 MG
- Tingen Road Tank: 1.5 MG
- Available Storage: 3.0 MG
- Pleasant Park Tank: 1.5 MG (Under Construction)
- Planned Storage (2026): 4.5 MG



Capacity and Regulatory Requirements (cont.)

Water Storage: Regulatory Requirements

- **MINIMUM:** ½ Average Daily Flow
- 2025 Avg. Daily Flow: 5.05 MGD
- Required Elevated Storage: 2.52 MGD
- Current Available Storage: 3 MGD
- Planned Available Storage (2026): 4.5 MGD

Water Storage: Purpose

- Water Pressure
- Emergency Supply (water main break, pump failure, etc.)
- Fire Flow/Demand
- Peak Flow Demands

*Apex also holds 23% of clear-well storage at CAWTP excluded from above

Capacity and Regulatory Requirements (cont.)

Wastewater Treatment: Apex Water Reclamation Facility

- Total Facility Capacity: 3.6 MGD
 - Functional Capacity: 2.8 MGD
- Apex Avg. Daily Flow (2025): 1.1 MGD (39.3% Functional)



Capacity and Regulatory Requirements (cont.)

Western Wake Regional Water Reclamation Facility (WWRWRF)

- Total Facility Capacity: 18 MGD
- Apex Capacity: 6.12 MGD (34% Ownership)
- Apex Avg. Daily Flow (2025): 5.05 MGD (82.5%)



Capacity and Regulatory Requirements (cont.)

Wastewater Treatment: Pretreatment Requirements

- Apex Sewer Use Ordinance (Div. 4.5, Sec. 19-92) sets parameters on characteristics of wastewater prior to entering the public system.
 - Cary Sewer Use Ordinance applies additionally on projects flowing to Western Wake Regional Water Reclamation Facility
- Industrial Use Permit (IUP) required for projects with discharge characteristics not meeting the required ordinance
 - IUP are site specific and designed based on the materials found in discharge
 - Required pre-treatment onsite, at the cost of the discharger
 - Sampling Requirements to verify pretreatment requirements are met

Capacity and Regulatory Requirements (cont.)

Constituent	Collection & Treatment Concern	Effect
TDS (salt)	<ul style="list-style-type: none"> Water quality (pass-through) Interference 	<ul style="list-style-type: none"> Effluent toxicity Elevated effluent TSS
Biocides & fungicides (QAC and organics)	<ul style="list-style-type: none"> Interference 	<ul style="list-style-type: none"> Elevated effluent NH₃-N Effluent toxicity
Corrosion inhibitors – Metals, orthophosphate, organics	<ul style="list-style-type: none"> Interference Water quality Biosolids 	<ul style="list-style-type: none"> Elevated effluent NH₃-N Land application restrictions Effluent toxicity
Metals – Mo, Cr, Al, Cu, Zn	<ul style="list-style-type: none"> Biosolids Nitrification inhibition Water quality 	<ul style="list-style-type: none"> Land application restrictions Effluent toxicity
Antiscalants	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None

Source: Cheslek, H. Black and Veatch

Water System Impacts

- Instantaneous, inconsistent peak water demand
- Infrastructure needs for peak demand
 - Initial Capital Costs (Developer/Owner)
 - Distribution Improvements and Expansion (Pipe)
 - Treatment Capacity and Expansion
 - Elevated Storage Needs
 - Long-Term Operation and Maintenance (Town)
 - Water Quality and Age Impacts during off-peak (flushing, water loss)
- On-Site Storage
 - Provide on-site stability during peak demand
 - Reduced conveyance costs for the Town
 - Reduced treatment costs due to offset demand

Reclaimed Water

- Treated wastewater being used for purposes other than drinking; not discharged to a body of water
- Operated like a domestic water system, commonly distributed through purple pipes
- Currently no reclaimed distribution network at either Apex WRF or Western Wake Regional WRF.
- Water Source Capacity Protection (Jordan Lake)
- Increased treatment capacity due to offset
- Reduces available water supply to downstream partners

Economic Impact – Employment Generation

- Few workers typically employed for day-to-day operations, with research showing floor area-to-employee ratios as high as 5,000 square feet per employee.
- A 250,000-square-foot data center may require only about 50 full-time employees to operate once constructed.
- Significant temporary construction employment is associated with data center development, particularly during site preparation, building construction, and infrastructure installation.
- Permanent jobs, while limited in number, are generally well-paying, with technology professionals averaging \$108,100 annually, network support technicians \$76,060, and data center roles ranging from \$42,000–\$149,000.
- These wages exceed U.S. median household incomes (which in 2024 were \$44,870 for female nonfamily households and \$58,000 for male nonfamily households) highlighting the high-wage nature of data center employment.

Economic Impact – Tax Revenue

Real and Personal Property

- Data centers are subject to ad valorem property taxes for real and personal property
 - Real (buildings and land)
 - Business property (equipment)
- Assessments are conducted by County tax office
 - Real property per schedule
 - Business property annually during listing cycles
- Data provided by Wake County –
 - Real property values per square foot stable 2016-2024
 - Business property values per square foot volatile 2016-2024

Economic Impact – Tax Revenue

Illustrative Example (Wake County Data)

- Using 2024 Assessed Values:
 - Average Data Center has \$38,000,000 of real value
 - Average Data Center has \$115,000,000 of business personal property (subject to depreciation)

Type	Per \$100	Apex Property Tax (Estimate)
Real Value	\$380,000	\$135,280
Business Personal Property	\$1,150,000	\$409,400
	Total	\$544,680

Economic Impact – Tax Revenue Depreciation

- Data center depreciation is more volatile than traditional real property due to the high concentration of equipment
- Equipment depreciates at a significantly faster rate than real estate assets
- While rebuilds and upgrades may restore value, there is limited historical data to reliably project or guarantee long-term outcomes

- An example from Wake County Tax Administration shows data processing equipment depreciated by approximately **95% within five years**

Business Personal Property (BPP) of \$115,000,000			
Year	Depreciation	BPP Per \$100	Property Tax Estimate
Installed	-	\$1,150,000	\$409,400
1	20%	\$920,000	\$327,520
2	39%	\$701,500	\$249,734
3	59%	\$471,500	\$167,854
4	80%	\$230,000	\$81,880
5	95%	\$115,000	\$20,470

Economic Impact – Tax Revenue

Sales and Use Taxes

- Qualifying data centers are exempt from sales tax on electricity and certain support equipment (7% and 7.25%, respectively).
- Other tax exemption/incentives for eligible data centers exist under North Carolina law, but are not available in Wake County.
- Apex receives 3.29% of Wake County sales tax collections.

Traffic Generation

Policy Considerations & Potential Mitigation Measures

- Requiring coordination between Town staff, NCDOT (if involving NCDOT maintained roadways), the applicant, and the applicant's traffic engineer to determine the scope of any trip generation letter or full TIA.
- Considering mitigation measures identified in a TIA or traffic letter, such as turn lanes, signal modifications, or other operational improvements, to maintain roadway safety and capacity.
- Encouraging coordination between Town staff, the applicant, and the applicant's traffic engineer to determine the scope of any trip generation letter or full TIA.
- Considering mitigation measures identified in a TIA or traffic letter, such as turn lanes, signal modifications, or other operational improvements, to maintain roadway safety and capacity.

Traffic Generation

Policy Considerations & Potential Mitigation Measures cont.

- Evaluating traffic impacts using Land Use Code (LUC 160) in the ITE Trip Generation Manual (11th Edition), which defines a data center as a free-standing warehouse-type facility primarily used for off-site storage of computer systems, applications, and secure data. Some facilities may include maintenance areas and small office spaces and may be occupied by single or multiple tenants.
- Recognizing that LUC 160 reports an average daily trip generation rate of 0.99 trips per 1,000 square feet, while acknowledging that sample sizes are small and additional data may be needed to refine anticipated trip generation.
- Coordinating with NCDOT's Congestion Management group, as recommended, to evaluate trip generation methodology on a case-by-case basis.

Hazards

Hazards associated with Data Centers may include:

- Chemical Hazards
 - Data centers may have large volumes of coolants, refrigerants, and biocides (for water treatment).
- Fire & Explosion Hazards
 - Data centers may have large volumes of stored fuel onsite to power backup generators.
 - Volume of stored fuel will depend redundancy requirements, energy demand, and number of generators.

Scenario:

A hyperscale data center with 96 diesel generators may have ~500,000 gals or more of diesel fuel onsite (each generator may carry ~6,000 gals each $6,000 \times 96 = 576,000$ gals).

Hazards

Fire & Explosion Hazards cont.

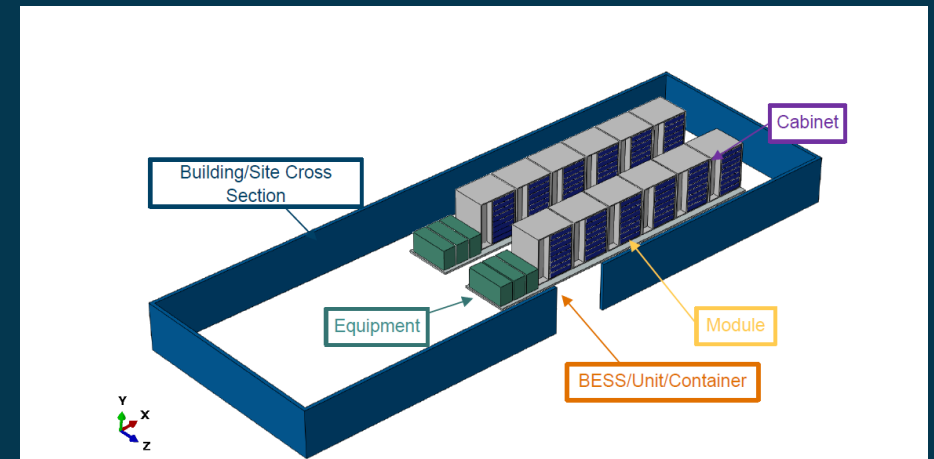
Battery Energy Storage Systems (BESS)

What is a BESS?

- Stores excess energy on-site from renewable sources or grid various battery chemistries: lithium-ion, lead-acid, sodium-ion, solid-state, etc.
- Discharges energy during peak demand, service interruptions, or sells back to the grid.
- Typically consists of modular container units housing 200–1,000+ batteries per container.
- Can include multiple containers for larger capacity needs.
- Supports various battery chemistries: lithium-ion, lead-acid, sodium-ion, solid-state, etc.



Source: Americas.rwe.com



Source: Landscape of Battery Energy Storage System Hazards & Mitigation Strategies (NFPA FPRF, 2023).

Key Hazards of BESS

Thermal Runaway

- Overheating of battery cells can trigger self-sustaining chemical reactions.
- Risk of fire or explosion increases rapidly.

Toxic and Flammable Gas Emissions

- Fires may release hydrogen, carbon monoxide, CO₂, methane, hydrogen fluoride, VOCs.
- Health hazards and emergency response complications.

Stranded Energy

- Residual electrical energy can persist after damage or discharge.
- Risk of shock, arc flash, arc blast, or delayed re-ignition.

Particulate & Environmental Hazards

- Combustion produces soot, fine particulates, and potentially toxic byproducts.
- Can contaminate air, soil, and nearby environment.

Planning & Safety Implications

- Hazards affect fire suppression, emergency response, and post-incident remediation.
- Requires: proper system design, operational controls, site location consideration, and coordination with fire/emergency services.

Fire Response Capabilities

- Town of Apex Fire Department (current and future)
- Cary, Apex, Morrisville (CAM) partnership
- Mutual-aid Agreements
- Hazmat response contract

Data Centers – Related to Fire Protection

- Research was conducted related to fires and other emergencies at data centers.
- Data centers are typically in fire resistive buildings with automatic fire detection and suppression systems.
- The majority of the internal components are computers/servers. They also have battery back-up power systems, which can create challenges if a fire occurs.
- There are an estimated 12,000 data centers in the world, 5,500 in the US. Between 2014-2023, 22 fires were reported world-wide, less than 1% of them having a fire.

FIRE: Policy Considerations & Mitigation Measures

- Early & Frequent Engagement
- Independent Fire Protection Review
- Water Supply & Runoff Containment
- Department Training & Guidance

Police: Emergency Access and Operational Independence

Given the sensitive or restricted nature of many data centers, the police department must ensure that officers can access the facility in emergencies without unnecessary delays or dependence on on-site staff.

This includes:

- Pre-establishing secure access procedures for both emergency and after-hours responses.
- Ensuring APD has direct access to relevant areas of the property during time-sensitive events such as alarms, medical emergencies, or security breaches.
- Clarifying expectations with the facility operator regarding gate access, credentialing, and key control.
- Any delays in gaining entry hinder the Department's ability to protect life and property.

Police: Community Concerns and Increased Calls for Service

Even when operations run smoothly, data centers can generate community complaints related to:

- Noise (HVAC systems, backup generators)
- Light pollution
- Traffic
- Contractor activity
- Environmental concerns
- Perceived public safety risks

The majority of these complaints—regardless of whether they are police matters—are typically routed to APD as the initial point of contact. This will likely increase call volume and necessitate ongoing coordination with other Town departments for appropriate follow-up and resolution.

Police: Traffic and Construction Impacts

The construction phase of a data center can significantly impact local roadways due to heavy equipment, frequent deliveries, and a large contractor workforce. Post-construction, traffic patterns may remain elevated depending on staffing levels and ongoing maintenance activity.

Impacts may include:

- Increased collisions or near-miss incidents due to large vehicle movements.
- Road obstruction complaints.
- The need for periodic traffic control or special patrol assignments.
- Longer-term roadway wear or congestion.
- APD may also need to coordinate with NCDOT, Town Engineering, and facility leadership to mitigate traffic impacts and ensure safe ingress and egress.

Police: Specialized Response Considerations

Data centers often house large quantities of electrical equipment, lithium-ion batteries, cooling systems, and backup generation infrastructure. In emergency situations—particularly fire, hazardous material releases, or electrical failures—response may require specialized equipment or training.

Public safety considerations include:

- The need for detailed pre-incident planning with APD and Fire.
- Potential need for additional PPE or tools for safe ingress.
- Coordination with the Fire Department on rescue procedures, evacuation routes, suppression methods, and incident command.
- Understanding of any high-voltage, chemical, or battery-related hazards that may affect law enforcement operations.

Police: Alarm Response and False Alarms

Data centers typically utilize extensive alarm and monitoring systems. Historically, facilities of this nature can generate high volumes of alarms—security breaches, access control notifications, and sensor alerts—some of which default to police response.

Key considerations:

- Increased demand on APD for alarm verification response.
- Possible need for specialized training on interpreting alarm categories.
- Developing clear expectations with facility management to reduce unnecessary dispatches.

Police: After-hours Activity and Contractor Presence

These sites frequently operate 24/7 and may involve after-hours vendor access for maintenance, upgrades, or emergency repairs.

APD often becomes the first responder for:

- Suspicious persons calls.
- Verification of contractor authorization.
- Securing the premises during system outages.
- This adds to routine patrol workload.

Police: Conclusion

While these challenges are manageable with proper planning and resource support, they represent meaningful impacts to police operations that should be considered when evaluating any data center project.

Regulation Comparison

Planning Staff reviewed the development standards from several communities that permit data centers.

- Charlotte, NC
- Maiden, NC
- Loudon County, VA (updates to standards are underway)
- Fairfax County, VA
- Frederick County, VA
- Prince William County, VA
- Edgecombe County, NC (standards adopted November 2025)

Regulation Comparison

In general, the use is permitted in Industrial zoning districts, with some communities allowing the use in other zoning district types subject to certain conditions being met.

Most communities have requirements related to the following:

- Additional setbacks from roads and/or residential uses
- Additional buffers from roads and/or residential uses
- Standards for the location and/or screening of ground- and roof-mounted mechanical equipment
- Building design standards
- Time limits on generator testing
- Location and screening of onsite electric substations, storage tanks, etc.
- Requirements for noise studies (pre- and post-construction)

UDO Amendment Process Summary

- UDO Sec. 2.3.2 states that "an amendment to the text of this Ordinance may be proposed by the Town Council, the Planning Board, the Board of Adjustment, the Planning Director, or pursuant to Sec. 2.2.1 *Authority to File Applications*". Sec. 2.2.1 states applications may be submitted "by the landowner, lessee or person holding an option or contract to purchase or lease land, or an authorized agent of the landowner".
- UDO Amendment applications are accepted on the 1st business day of the month.
- Staff provides comments to the applicant on the proposed revisions, and the applicant resubmits revisions for staff review. This continues until the application is ready to be scheduled for public hearing.
- The Planning Board hears the proposed amendment as a New Business item and makes a recommendation to the Town Council.
- The Town Council holds a public hearing and makes the final decision to approve or deny the proposed amendments.



Planning and
Development
Services

DATA CENTER COORDINATION: RECOMMENDATIONS AND NEXT STEPS

Planning and Development Services

March 2026

Purpose

This report summarizes the research conducted by Wake County into regulations and placement of large or hyperscale data centers and provides recommendations for local community consideration. It also documents the next steps that will be taken to provide more guidance for local communities.

Role: Wake County's role is to coordinate and convene stakeholders to share information and guidance, as appropriate. Stakeholders include municipalities, public utilities, Duke Energy, economic development, the Wake Water Partnership, the Central Pines Regional Council of Governments (CPRC), and the NC Department of Environmental Quality.

Multiple entities are contributing to the knowledge base and best practices on the issue of AI and the related growing demand for hyperscale data centers. Wake County is working alongside and in coordination with CPRC as they research best practices in order to support local governments. Apex staff are generous with their time as they process the annexation and rezoning request for the New Hill data center. Lastly, the Board of Commissioners has representation on the North Carolina AI Leadership Council, whose mission is "to guide the responsible and effective use of Artificial Intelligence in state government".

Background: Nationally, the demand for and location of hyperscale data centers is evolving and expanding driven by a demand to support artificial intelligence applications in business operations and consumer services. In general data centers are located where five factors converge:

- 1) Internet capacity (fiber)
- 2) Demand for service (population)
- 3) Available space (land)
- 4) Electrical capacity
- 5) Cooling capacity (water/air)

Data centers are likely attracted to Wake County based on the first two factors, fiber and population. The other factors, land, electricity, water, are likely challenges or restricting factors based on costs and competition from user potential uses.

In 2025, the Town of Apex received an application requesting annexation and rezoning of a 190-acre site for a hyperscale data center. Several other municipalities have also received inquiries. Data centers are not new to our community. There are five located in Wake County (examples: SAS, NetAPP, BB&T, Global), but these data centers are generally smaller and serve to support another larger use.

Definition: Following the lead of Duke Energy, this report shall focus on data centers that propose to consume more than 100 Megawatts (MW) daily in electrical power (see recommendation 1). Municipalities may choose to apply recommendations from this report in other instances. For context, the current daily output of the Shearon Harris Nuclear Plant is 928 MW and the data center request in Apex would consume around 250 MW daily.

Initial Considerations

Hyperscale data centers are different than many other warehouse or industrial uses because of the enormous demand for electricity for power and water for cooling. Based on this, it is recommended that communities work with potential developers to understand how electrical and cooling needs could/will be addressed very early in the process.

1) *Electricity Assessment:* Overall, Duke Energy noted that they will adjust, as needed, to meet future energy demands, but the cost for expansion cannot just be passed on to existing and future rate payers. Duke Energy routinely charges potential commercial users an upfront fee to develop an assessment of the infrastructure needed to serve a site. Duke Energy recently formalized its policy for applicants needing 100 or more MW. The policy requires applicants to pay a \$100,000 non-refundable fee to cover research and analysis and to make financial commitments to the long-term usage and payment for the energy load requested. This policy applies to all of Duke Energy's service area, including applicable ElectriCities¹.

2) *Municipal Water and Waste-Water Assessment:* Although the municipalities in Wake County have different levels of future municipal water and waste-water capacity, all the communities have goals to maximize the usefulness to the community of this future capacity. Future capacity in the Wake County area is difficult and costly to attain and once allocated it is likely to be even more expensive and difficult to replace. A use, such as hyperscale data center, that requires 1 to 5 million gallons of water per day for one time use would significantly impact the community's future options. The data center industry has, and is continuing to evolve, various on-site methods to reduce daily municipal water usage. These methods, however, usually add chemicals to increase efficiency and protect internal loops, and these chemicals may impact waste-water treatment. Data centers have also used municipal reuse water and captured rainwater to reduce the use of municipal water. All systems lose water to evaporation. The efficiency of cooling methods will be affected by Wake County's average temperature.

¹ ElectiCities is a membership organization that provides power supply to communities.

Data centers also use different amounts and types of water during maintenance and replenishment windows. To encourage dialogue between the municipality and the applicant, it makes sense for municipalities to set a threshold amount of annual water usage that will trigger specific questions and criteria.

Site Considerations

Continuing the theme that hyperscale data centers are different than other uses based on size and the impact of on-site operations, Wake County's research identified the following specific areas of concern and provides recommendations on local ordinance changes to best prepare for potential applications.

1) Applicable Zoning: Wake County's research found that Wake County municipalities do not have a consistent definition, assigned zoning district, or specific standards for large data centers. Some municipalities noted the language in existing zoning districts could be interpreted to allow data centers. Wake County's research found that the rezoning process could serve as a pathway for facilitating the best dialogue between the proposed development and the community. As noted, the larger community dialogue in the proposed Apex development was started by a request to annex and rezone the property.

2) Placement and Use of Back Up Generators and Battery Energy Storage Systems (BESS): Data centers generally require redundant back-up systems to maintain operations if electric grid power is unavailable. Though solar, battery or other low noise solutions can be encouraged to assist or augment with back-up power needs, based on power requirements, most centers have diesel or natural gas generators. Although these generators are like the generators used in other commercial and industrial locations, the difference is the number of generators required and the frequency of generator use. To address concerns with generator noise and emissions, it is recommended that municipalities work with developers to carefully locate these on site. There are examples where generators have been placed within specifically designed locations surrounded by the data center building and far removed from any property lines. Communities have also requested / required information on the number of hours generators will be used and hours for testing.

3) *Noise / Low Frequency Sounds:* Adjacent landowners in some areas around the country have noted concerns with noise and vibrations generated by servers within the site. These sounds are often sensed as much as they are heard.

4) *Setbacks and Screening:* Data centers are 24-7 operations with security needs. This often translates to a requirement for lighting in many areas of the site during all hours of dusk and darkness.

5) *Reuse and Decommissioning:* Like other technology heavy uses, data centers, especially the equipment within the center, have an expected life cycle. Reuse provisions require that aspects of the site and building design are planned to accommodate future uses and technological advancement. Decommissioning provisions define the state the site must be in if the use is discontinued. Both provisions are often supported by formal commitments, agreements and/or financial commitments.

Community Considerations

Wake County's research identified the following specific areas of concern and provides recommendations on community wide impacts to best prepare for proposed data centers.

1) *Limited Tax Revenues:* Wake County's experience (see Further Notes 2) with existing smaller scale data centers suggests that the taxable value of the center will decrease relatively quickly. This is because a large percentage of the site's value is equipment, i.e. servers, server connections, server stands, that depreciate quickly based on expected useful life and tax policies. Based on this, it is recommended that municipalities estimate conservatively on projected revenues that will be generated via tax revenues.

2) *Limited Job Creation:* National statistics suggest that data centers create fewer permanent jobs per square foot, per dollar invested, per kilowatt hour uses, and per gallon of water used than many other large-scale developments. Based on this it is recommended that municipalities estimate conservatively on projected revenues that will be generated from future income taxes.

3) *Advanced Understanding of Community Needs:* Wake County's research indicates that data center developers value clear expectations and pathways to site construction

and operation. Because data centers are not expected to greatly expand the jobs and tax base that communities typically rely on to multiply the benefits of commercial investment, it is important for the community to have a specific discussion on how it will balance community impacts with overall community benefits. The electricity assessment, the municipal water and sewer assessment, and the site development requirements outlined in the recommendations will provide context for this consideration. Nationally, communities have identified specific project investments that could be funded as part of larger project cost / benefit consideration and approval process. Some of these investments have been closely tied to potential data center impacts such as funding for plant improvements to expand municipal water or grey water capacity while others are tied to larger community needs or issues like the funding for other community facilities like fire stations, parks, or transportation improvements. The data center developer would need to agree to all funding agreements and the cost would need to be proportional to impacts.

Recommendations and Next Steps

Recommendation 1: As a first step of the process, require that property owners and / or potential developers attest that they have contacted Duke Energy and are aware of the electricity assessment policy.

Next Step 1: Wake County and its partners will build on the recommended basic check list to further flesh out process steps and model documentation for the community, developer, Duke Energy dialogue. Although Duke Energy has formalized their process for users requesting more 100 MW, the question still has “chicken and egg” aspects about it as the community wants to know the ability and timing of Duke Energy to serve a proposed development and Duke Energy wants to know the community’s position on permitting the development overall. The model documentation and, as possible, clear check points, will be tied into further development of community tools as noted in recommendations 2, 3, and 4.

Recommendation 2: Adjust municipal water connection policies to require a special assessment process for uses that propose to use over 500,000 gallons of municipal water or municipal gray water daily. The goal of the special assessment would be to set

early and up-front expectations on water and sewer demands, understand on-site methods that could or would be used to reduce water usage, understand the potential fluctuations in water usage based on temperature, system maintenance or other system operations, assess investments that would need to be made to meet demand, and identify long term commitments and agreements needed to protect the water and sewer agency.

Next Step 2: Wake County will work with water agency partners (Raleigh, Cary, Holly Springs, Fuquay-Varina) and others to determine the best ways to modify the commercial water service application process to require further documentation and assessment for large water uses. Like Duke Energy policy, it is very possible that this process will entail upfront fees to cover detailed studies. A recent review of water capacity across Wake County, noted that a use requiring 1 to 5 million gallons per day would require significant site-specific and regional investments and would likely trigger system-wide capacity concerns as well. Based on this, it is possible that the area would prohibit uses that directly cool with municipal water and require usage of municipal gray water or other on-site solutions.

Recommendation 3: Consider a separate unified development ordinance category specifically for uses that require more than 100 Megawatts of power. This use would be permitted only in specific zoning districts or overlay.

Next Step 3: Wake County and its partners will develop model language for a unified development ordinance (UDO) category that covers a use that will require more than 100 MW of power. This language will explore the best ways to fit into various municipal regulations and may not be one size fits all. The goal of this language will be to define that data centers are allowed if they meet all minimum requirements, but that a rezoning process will be required to designate a specific site. This site-specific process will allow adequate dialogue between the developer and the community regarding community impacts and investment. If the partners determine that model language cannot be developed quickly enough, the group shall develop model language for a temporary moratorium on uses requiring more than 100 Megawatts of power that will stay in place only until full UDO changes are adopted.

Recommendation 4: Review ordinance requirements to verify that adequate provisions are in place to allow the community to work with the developer to find the best solutions to ensure that adjacent properties are shielded from generator noise and other impacts. Potential issues not covered by the noise ordinance may need to be discussed as part of the rezoning process.

Next Step 4: Wake County and its partners will develop model language for unified development ordinance (UDO) changes related to placement and use of back-up generators and battery energy storage systems (BESS), noise / low frequency sounds, setbacks and screening, reuse and decommissioning, and other site-specific issues as identified.

Recommendation 5: As part of facilities assessment, particularly water and sewer facilities, and public outreach, municipalities should understand community needs and identify potential investment opportunities. These opportunities should be prioritized based on impact and categorized based on location. As appropriate, as part of the rezoning approval process, the municipality should consider these investments as part of developer approved conditions or part of a developer approved community benefit agreement.

Next Step 5: As an extension of ongoing municipal facility and community needs assessments, Wake County and its partners will identify and prioritize projects like fire stations, parks or transportation improvements that could be funded to offset specific community impacts. This work will include a review of recommendations for best practices in developer approved conditions and developer approved community benefit agreements. This work will be right-sized with the understanding that hyperscale data center applications may be limited in Wake County by high land costs and competition for water, sewer and electrical capacity.

Further Notes

1) *Work Coordinated with Central Pines Regional Council of Governments (CPRC):* All Wake County work on data centers will continue to be coordinated with CPRC. CPRC is currently coordinating similar discussions, gathering research about best practices and has produced a report. [CPRC report](#)

2) *Data Center Depreciation Table Example:* The following table is provided by Wake County's Tax Administration Office showing an example depreciation schedule for servers and equipment within a data center.

Data Processing Equipment Depreciation Schedule (U-5)			
	Installed Cost New	Percent Good	Taxable Value
Year 1	\$20,000	80%	\$16,000
Year 2	\$20,000	61%	\$12,200
Year 3	\$20,000	41%	\$8,200
Year 4	\$20,000	20%	\$4,000
Year 5	\$20,000	5%	\$1,000
Year 6	\$20,000	5%	\$1,000
Year 7	\$20,000	5%	\$1,000

Data Centers

Findings, Recommendations, and Next Steps

Terry Nolan

March 23, 2026



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wake.gov

Background

- Wake County hosts regular meetings with municipal planning directors and stakeholders.
- Municipalities expressed interest in the county organizing regional discussions.
- Focus is on hyperscale data centers requesting 100+ Mega Watts (MW) of power.

Goals

Establish a unified set of tools, resources and documentation to help guide decision-making

- Coordinate planning efforts across jurisdictions to address shared challenges and opportunities.
- Develop a unified framework for evaluating and managing the impacts of data centers on infrastructure, environment, land use, and community well-being.

What we learned

- Most municipalities in Wake County have fielded inquiries for a data center.
- Wake County Tax Administration notes value of data centers includes significant business personal property that rapidly depreciates. Value is uncertain because assets are listed annually and include large additions or removals.
- Many resources available and model ordinances are being developed to help communities.

Wake County Report Structure

- **Initial Considerations**
 - Power and Water
- **Site Considerations**
 - Unified Development Ordinance Use
 - Backup power
 - Noise and low frequency sound
 - Setbacks and screening
 - Reuse and decommissioning
- **Community Considerations**
 - Limited tax revenues and job creation
 - Advanced understanding of community needs

Recommendation 1: Power

Ensure developers are aware of Duke Energy's assessment policy for uses needing over 100 Megawatts.

- Upfront costs for review and analytics.
- Power request may require new infrastructure and time to construct.
- Assessment is the basis for discussion on future costs and commitments.

Next Steps

- Work with Duke Energy to determine how this process can best be aligned with the rezoning and site development process.

Recommendation 2: Water

Work with agencies to develop a water and sewer assessment policy for uses needing over 500,000 gallons per day (equivalent to ~3,000 homes).

- Model intent of Duke Energy process
- Determine threshold for “hyperscale”

Next Steps

- Work with agencies to determine thresholds, process steps, and technical tools to be used. Draft model language. Create a basis for future cost and commitment discussion.

Recommendation 3: Land Use

Work with municipalities to develop unified development ordinance (UDO) land use type for uses that require more than 100 Megawatts.

- Most municipalities don't have a specific land use category currently
- Create new category
- Require community dialogue before approval (rezoning)

Next Steps

- Work with municipalities to determine the best definitions and other elements to incorporate into the local UDO. Draft model language.

Example for illustration only

- Definition = uses 100MW power or more
- Allowed zoning districts = Industrial
- Water assessment required, if applicable
- Development standards
 - Set a large minimum lot size for the use (ex. 200 acres)
 - Set basic performance standards: setbacks, screening, lighting, parking, etc.

Sites that meet these criteria (in Wake County) will need to be annexed into a municipality and rezoned.

Recommendation 4: Use Standards

Work with municipalities to verify UDO requirements on setback, buffers, noise and lighting and update as needed.

- Ensure that ordinances cover potential specialized concerns
- Start with available guidance

Next Steps

- Work with municipalities and Regional Pines Council of Governments to determine the best definitions and other elements to incorporate into the local UDO. Draft model language.

Recommendation 5: Community Needs

Work with municipalities to identify and prioritize larger facility needs.

- Data centers do not provide traditional jobs or consistent tax base associated with commercial development.
- Identify ways community can balance expected impacts with community benefits.

Next Steps

- Work with municipalities to identify and prioritize community needs. Detail best practices for developer/ community rezoning commitments and community benefit agreements.



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Date: May 4, 2026

To: Mayor Williams
Mayor Pro Tempore Caballero
Council Member Burris
Council Member Cook
Council Member Kopac
Council Member Rist

Through: Diana Schreiber, City Clerk

From: Council Member Baker

Subject: Ordinance Imposing a Temporary Moratorium on Development Approvals for Data Centers, Cryptocurrency mining, and Related High-Impact Data Processing Facilities within the City of Durham

Executive Summary

This Ordinance is being proposed by Council Member Nate Baker to impose a Temporary Moratorium, pursuant to N.C.G.S. § 160D-107, on development approvals for data centers, cryptocurrency mining operations, data processing facilities, and other related high impact uses within the City of Durham.

The draft ordinance was posted on the City's website, and the public hearing was noticed in accordance with N.C.G.S. 160D-601.

Motions

To hold a public hearing to consider the following motion:

To adopt an ordinance imposing a temporary sixty-day moratorium on development approvals for data centers, cryptocurrency mining operations, and any use associated with data center processing facilities within the City of Durham pursuant to N.C.G.S. 160D-107.

Background

Durham City Council is responsible for promoting the health, safety, and general welfare of the City's residents. The City Council has observed a recent increase in inquiries and potential applications for data centers and cryptocurrency mining operations (collectively "high impact facilities") in nearby counties and acknowledges that existing data center

facilities could be expanded within the City of Durham. These types of high-impact facilities present unique challenges not adequately addressed by Durham's current Unified Development Ordinance (UDO) and not addressed at all in the Durham City Code provisions that deal with the extension of water and sewer utilities. The potential impacts of data centers and other related high-impact uses include, but are not limited to:

- Extremely high energy consumption and strain on existing utility infrastructure.
- Utility rate increases to residents to fund these private commercial uses.
- Significant noise generation from cooling systems and backup generators affecting adjacent residential areas and general quality of life.
- Substantial water usage for cooling purposes.
- Potential environmental impacts, including air, water and soil pollution, hazardous material storage, and electronic waste disposal.
- Remediation and other obligations for abandoned infrastructure and assets should construction of such facilities not come to full fruition or be put to their intended use.
- Land use compatibility and opportunity cost concerns in districts with residential uses.

The City of Durham joins several other local governments from across North Carolina that have observed the above-listed challenges posed by the development of data centers and other high-impact facilities. In the last six months, temporary moratoria halting development approvals for data centers and similar uses have been adopted by Chatham County, Town of Apex, City of Kings Mountain, Gates County, Town of Canton, Town of Boone, Town of Wendell, and the City of Brevard. It has been widely reported that additional local governments throughout the state are currently evaluating the need for a moratorium to be better prepared to respond to development applications for data centers and high-impact uses.

Issues

The City's existing regulations were not developed with these specific types of high-impact uses in mind, and the City of Durham needs time to develop appropriate, comprehensive standards to ensure that any future development and expansion of such facilities is consistent with the City's long-term land use plan and protects the public's health and interests. The table of permitted uses in the current zoning ordinance does not define "data centers," "data processing facilities," "cryptocurrency mining operations," and any other uses associated with data processing facilities. Additionally, the Durham Code of Ordinances does not consider the impact of the aforementioned uses on existing City infrastructure and how the impact will affect utility extensions. Some data centers are already located in Durham, but the impact of their continued development and expansion is not yet regulated. A temporary moratorium on accepting and processing new applications for such facilities is a reasonable and necessary measure to allow City staff and the Planning and Development Department sufficient time to study the issues, engage with stakeholders, draft appropriate amendments to the Unified Development

Ordinance, consider appropriate provisions for the future LDC, to allow the City to adopt any needed amendments to the Durham Code of Ordinances to address utility extension for these high impact uses.

Alternatives

- A. **Modify and Approve the Proposed Ordinance.** City Council may elect to modify the proposed ordinance prior to approval.
- B. **Not approve the Proposed Ordinance.** City Council may elect to not approve or pass the ordinance imposing a temporary moratorium on data centers.

Financial Impact

Beyond costs associated with the publication of the legal advertisement to notice the requisite public hearing, there are no other financial impacts associated with this item.

Equal Business Opportunity Summary

This is an ordinance. It was not reviewed by the Finance Department for compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

Attachments:

Attachment A: Draft Ordinance- Data Center Temporary Moratorium

Attachment B: Public Notice- Data Center Temporary Moratorium

AN ORDINANCE IMPOSING A TEMPORARY MORATORIUM ON DEVELOPMENT APPROVALS FOR DATA CENTERS, CRYPTOCURRENCY MINING OPERATIONS, AND ANY USE ASSOCIATED WITH DATA CENTER PROCESSING FACILITIES WITHIN THE CITY OF DURHAM PURSUANT TO N.C.G.S. §160D-107

WHEREAS, pursuant to N.C. Gen. Stat. § 160D-107 local governments may adopt an ordinance authorizing a temporary moratorium on any development approvals required by law; and

WHEREAS, pursuant to Durham Unified Development Ordinance (UDO) sec. 3.19.6, in order for a governing body to impose a temporary moratorium on development approvals, the governing body must first adopt a resolution which includes appropriate supportive findings for the moratorium and calls for a public hearing;

WHEREAS, the Durham City Council passed a resolution on May 4, 2026, with the required supportive findings and calling for a public hearing;

WHEREAS, the UDO does not specifically define “cryptocurrency mining,” “data center,” “data processing facility,” and other associated uses as a specific use; and

WHEREAS, the Durham Code of Ordinances does not consider the impact of the aforementioned uses on existing City infrastructure and how the impact will affect utility extensions; and

WHEREAS, the Durham City Council at its May 4, 2026 regular meeting held a legislative hearing regarding this moratorium in accordance with N.C. Gen. Stat. § 160D-601; and

WHEREAS, the Durham City Council believes such a moratorium will protect the public interest and welfare of the residents of the City of Durham until such regulations regarding the aforementioned uses are adopted, and until the City can assess the potential impact of such uses on utility extensions made pursuant to the Durham City Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM:

Section 1. A temporary moratorium is hereby imposed commencing on May 4, 2026 and expiring no later than July 3, 2026, or on approval of new zoning regulations regarding data centers, data processing facilities, cryptocurrency mining, and any other uses associated with data processing facilities not yet defined by the Durham Unified Development Ordinance. The moratorium specifically includes the corporate limits of the City of Durham as well as any future City of Durham planning area as depicted on the City of Durham Land Use Map. For the purposes of this moratorium, a “data center” or “data processing facility” refers to a building, a dedicated space within a building, or group of buildings housing computer systems and associated components, such as telecommunication and data processing systems, to be used for remote storage, processing, or distribution of large amounts of data. Examples of such data include, but are not

limited to, computationally intensive applications such as cryptocurrency mining, artificial intelligence (A.I.) computing, weather modeling, genome sequencing, application hosting, cloud storage, video and technical streaming services, etc. Such facilities may include air handlers, power generators, water cooling and storage facilities, utility substations, and other infrastructure to support operations.

This moratorium shall not apply to data processing equipment or server rooms that are clearly incidental and subordinate to a permitted principal use and are intended solely to support on-site operations of such principal use, provided such equipment or server rooms comply with all other applicable provisions of the Durham Unified Development Ordinance. Such principal use may include, but is not limited to, hospitals, medical facilities, financial institutions, offices, educational institutions, or similar uses, as long as such data processing activities are not offered as a primary service to off-site users. Projects classified as exempt in accordance with N.C. Gen. Stat. 160D-107(c) are also excluded from this moratorium as a matter of law.

Section 2. In compliance with the requirements of N.C. Gen. Stat. 160D-107 the City of Durham makes the following statements:

(1) Data centers, data processing facilities, cryptocurrency mining operations, and any other uses associated with data processing facilities require considerable amounts of electricity, land, and water, and their operation can result in exceedingly high greenhouse gas emissions, harmful decibel levels that exceed safe hearing limits and cause chronic sleep disturbances, the creation of heat islands, widespread pollutant exposure from back-up diesel generators, e-waste, and other local impacts to residents and communities living near the facilities. The Durham Planning and Development Department is in the process of developing zoning standards and mitigation methods for these intensive land use types which may cause detrimental harm to the natural environment and the quality of life of City residents. The City seeks time to develop such standards. The City has looked at alternative solutions to a moratorium but found none. The City has determined that to simply allow this intensive land use to be permitted without regard to location, height, size, density, population, industry, residence or other purpose would be counter to the stated goals of the City of Durham Comprehensive Plan and hinder implementation of the City of Durham Code of Ordinances and the adopted Unified Development Ordinance.

(2) The UDO table of permitted uses does not currently include “data centers” nor does the ordinance provide a definition of this use or similar uses. The City seeks to update the UDO definition section and table of uses to specifically define “data center,” “data processing facility,” and “cryptocurrency mining operation” as a specified land uses. The City further seeks to review the City Code of Ordinances to address the potential impact on infrastructure and utility extension. Therefore, the City seeks to place a moratorium on the use of property within the City of Durham planning jurisdiction for data centers, data processing facilities, cryptocurrency mining, and any other uses associated with data processing facilities for a period of sixty (60) days or until such time that specific land use standards for these uses can be developed. All development approvals for data centers,

data processing facilities, cryptocurrency mining operations, and any uses associated with data processing facilities are subject to the moratorium.

(3) The moratorium shall begin May 4, 2026 and shall end on July 3, 2026, or upon adoption of a Zoning Ordinance Text amendment addressing the land uses of data centers, data processing facilities, cryptocurrency mining, and associated uses and any necessary amendments to the Durham Code of Ordinances to address utility extension, whichever comes first. This sixty (60) day moratorium is necessary to allow sufficient time for the Durham Planning and Development staff to study these uses and their impacts, to consider zoning standards and mitigation methods and to prepare an amendment to the UDO to address data centers, data processing facilities, cryptocurrency mining, and other uses associated with data processing facilities, as well as to allow the City to adopt any needed amendments to the Durham Code of Ordinances to address utility extension for these high impact uses prior to the expiration of the moratorium.

(4) Durham Planning and Development Staff will study the impacts of data centers, data processing facilities, cryptocurrency mining, and any other uses associated with data processing facilities on communities within the first thirty (30) days of the moratorium. Concurrently, the Planning and Development Staff will investigate how other communities in North Carolina and across the United States have addressed these impacts through zoning regulations. Planning and Development staff will develop the land use regulations required to mitigate negative impacts associated with land uses described as data centers, data processing facilities, cryptocurrency mining operations, and any other uses associated with data processing facilities. Subsequently, in the final thirty (30) days, a series of text amendments to the Unified Development Ordinance and any necessary amendments to the Durham Code of Ordinances to address utility extension will be proposed which will follow the legislative process for adoption. The research, policy development, and legislative processes necessitate an adequate moratorium limit of sixty (60) days.

Section 3. If any section, subsection, sentence, phrase, or part of this ordinance is declared invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

Section 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This ordinance is effective upon adoption.

Adopted this the 4th day of May, 2026.

**NOTICE OF PUBLIC HEARING
CITY OF DURHAM**

Notice is hereby given that the Durham City Council will hold a public hearing on **May 4, 2026**, at a meeting starting at 7 p.m. to consider the adoption of a proposed moratorium on the acceptance and processing of applications for new or expanded data centers within the City of Durham. The meeting will be held in person in the City Council Chambers, 1st Floor, 101 City Hall Plaza and online using the Zoom virtual meeting platform. The purpose of the proposed moratorium is to allow the City to evaluate the impacts of data center facilities on utility capacity, environmental resources, energy consumption, and local zoning, and to prepare appropriate land-use regulations. The proposed ordinance would temporarily prohibit the construction, development, or permitting of data centers, cryptocurrency mining operations and any use associated with data center processing facilities for a period of 24 months. Changes to the proposed action may be made following the public hearing.

All interested persons are invited to attend the public hearing and provide comment. Written comments may be submitted prior to the meeting by emailing the Durham City Council at shay.castro@durhamnc.gov or by contacting the City Clerk's Office at 919-560-4166 during business hours (Mon-Fri, 8 a.m. to 5 p.m.) in advance of the meeting. A copy of the proposed ordinance is available for review on the City website at <https://www.durhamnc.gov/AgendaCenter/City-Council-4>.

The proposed ordinance follows this notice of public hearing.

AN ORDINANCE IMPOSING A TEMPORARY MORATORIUM ON DEVELOPMENT
APPROVALS FOR DATA CENTERS, CRYPTOCURRENCY MINING OPERATIONS, AND
ANY USE ASSOCIATED WITH DATA CENTER PROCESSING FACILITIES WITHIN THE CITY
OF DURHAM PURSUANT TO N.C.G.S. §160d-107.

WHEREAS, pursuant to N.C. Gen. Stat. § 160D-107, local governments may adopt an ordinance authorizing a temporary moratorium on any development approvals required by law; and

WHEREAS, the City of Durham Unified Development Ordinance does not define cryptocurrency mining, data center, and other uses associated with data centers as specific uses; and

WHEREAS, the Durham City Council at its May 4, 2026 regular meeting held a legislative hearing regarding this moratorium in accordance with N.C. Gen. Stat. § 160D-601; and

WHEREAS, the Durham City Council believes such a moratorium will protect the public interest and welfare of the residents of the City of Durham until such regulations regarding the aforementioned uses are adopted.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM:

Section 1. A temporary moratorium is hereby imposed commencing on May 4, 2026 and expiring no later than May 4, 2028, or on approval of new zoning regulations regarding data centers, data processing facilities, cryptocurrency mining, and any other uses associated with data processing facilities not yet defined by the Durham Unified Development Ordinance. The moratorium specifically includes the corporate limits of the City of Durham as well as any future City of Durham planning area as depicted on the City of Durham Land Use Map. For the purposes of this moratorium, a "data center" or "data processing facility" refers to a building, a dedicated space within a building, or group of buildings housing computer systems and associated components, such as telecommunication and data processing systems, to be used for remote storage, processing, or distribution of large amounts of data. Examples of such data include, but are not limited to, computationally intensive applications such as cryptocurrency mining, artificial intelligence (A.I.) computing, weather modeling, genome sequencing, application hosting, cloud storage, video and technical streaming services, etc. Such facilities may include air handlers, power generators, water cooling and storage facilities, utility substations, and other infrastructure to support operations.

This moratorium shall not apply to data processing equipment or server rooms that are clearly incidental and subordinate to a permitted principal use and are intended solely to support on-site operations of such principal use, provided such equipment or server rooms comply with all other applicable provisions of the Durham Unified Development Ordinance. Such principal use may include, but is not limited to, hospitals, medical facilities, financial institutions, offices, educational institutions, or similar uses, as long as such data processing activities are not offered as a primary

service to off-site users. Projects classified as exempt in accordance with N.C. Gen. Stat. 160D-107(c) are also excluded from this moratorium as a matter of law.

Section 2. In compliance with the requirements of N.C. Gen. Stat. 160D-107 the City of Durham makes the following statements:

(1) Data centers, data processing facilities, cryptocurrency mining operations, and uses associated with data processing facilities require considerable amounts of electricity and water usage, which can result in greenhouse gas emissions, as well as additional pollution, e-waste, noise, and other local impacts to residents and communities living near the facilities. The Durham Planning and Development Department is in the process of developing zoning standards and mitigation methods for these intensive land use types which may cause detrimental harm to the natural environment and the quality of life of City residents. The City seeks time to develop such standards. The City has looked at alternative solutions to a moratorium but found none. The City has determined that to simply allow this intensive land use to be permitted without regard to location, height, size, density, population, industry, residence or other purpose would be counter to the stated goals of the City of Durham Comprehensive Plan and hinder implementation of the City of Durham Code of Ordinances and the adopted Unified Development Ordinance.

(2) The Unified Development Ordinance table of permitted uses does not currently include "data centers" nor does the ordinance provide a definition of this use or similar uses. The City seeks to update the Unified Development Ordinance definition section and table of uses to specifically define "data center," "data processing facility," and "cryptocurrency mining operation" as specified land uses. Therefore, the City seeks to place a moratorium on the use of property within the City of Durham planning jurisdiction for data centers, data processing facilities, cryptocurrency mining, and any other uses associated with data processing facilities for a period of twenty-four (24) months or until such time that specific land use standards for these uses can be developed. All development approvals for data centers, data processing facilities, cryptocurrency mining operations, and any uses associated with data processing facilities are subject to the moratorium.

(3) The moratorium shall begin May 4, 2026 and shall end on May 4, 2028, or upon adoption of a Zoning Ordinance Text amendment addressing the land uses of data centers, data processing facilities, cryptocurrency mining, and associated uses, whichever comes first. This twenty-four (24) month moratorium is necessary to allow sufficient time for the Durham Planning and Development staff to study these uses and their impacts, to consider zoning standards and mitigation methods, and to prepare an amendment to the Unified Development Ordinance to address data centers, data processing facilities, cryptocurrency mining, and other uses associated with data processing facilities prior to the expiration of the moratorium.

(4) Durham Planning and Development Staff will study the impacts of data centers, data processing facilities, cryptocurrency mining, and any other uses associated with data

processing facilities on communities within the first year of the moratorium. Concurrently, the Planning and Development Staff will investigate how other communities in North Carolina and across the United States have addressed these impacts through zoning regulations. Planning and Development staff will develop the land use regulations required to mitigate negative impacts associated with land uses described as data centers, data processing facilities, cryptocurrency mining operations, and any other uses associated with data processing facilities. In the second year of the moratorium, a series of text amendments to the Zoning Ordinance will be proposed which will follow the legislative process for adoption. Public input will be sought during each part of the process. To allow adequate time for research, policy development, and legislation, a twenty-four-month moratorium is necessary.

Section 3. If any section, subsection, sentence, phrase, or part of this ordinance is declared invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

Section 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This ordinance is effective upon adoption.

Adopted this the 4th day of May, 2026.

**ORANGE COUNTY
BOARD OF COMMISSIONERS
ACTION AGENDA ITEM ABSTRACT
Meeting Date: March 17, 2026**

**Action Agenda
Item No. 6-c**

SUBJECT: Discussion of Moratorium on “Data Centers” as a Land Use

DEPARTMENT: County Attorney’s Office &
Planning and Inspections

ATTACHMENT(S):

- 1) Overview of Potential Impacts from Large-Scale Data Centers
- 2) Presentation

INFORMATION CONTACT:

John Roberts, County Attorney, 919-245-2318
Cy Stober, Planning Director, 919-245-2575

PURPOSE: To receive an overview of the impacts of data centers and discuss a possible 1-year moratorium on new data centers as a permitted land use.

BACKGROUND: At the March 5, 2026, Board Business meeting, Commissioner Marilyn Carter petitioned to ask staff to prepare a presentation for the Board’s March 17, 2026, Business meeting addressing the following:

- 1) The potential impacts of large-scale data center development in Orange County, including electricity demand, water usage, land use compatibility, environmental considerations, and potential impacts on residents’ utility costs, and water quality.
- 2) Policy options available to the County, including, but not limited to, a temporary moratorium on data center development, revising the Orange County Land Use Plan and UDO, and the legal process required to implement each option.
- 3) Recommendation(s) for Board action.

Commissioner Jamezetta Bedford asked that noise and environmental justice also be included.

The County Attorney and Planning Director have prepared a presentation, with sources cited for reference, regarding the potential impacts from “large-scale data centers”. The County Attorney also assessed two policy options available to the Board in declaring a moratorium on this land use, less than or greater than 60 days. There are differing public notice criteria for the two moratorium options.

A pending amendment to the Unified Development Ordinance (UDO) to regulate data centers as a permitted land use may also be directed to staff, at the Board’s pleasure. It is not possible to amend the UDO’s text within 60 days due to the administrative requirements of Orange County’s UDO.

FINANCIAL IMPACT: There is no financial impact associated with this item.

ALIGNMENT WITH STRATEGIC PLAN: This item supports:

- **GOAL 1: ENVIRONMENTAL PROTECTION AND CLIMATE ACTION**

OBJECTIVE 6. Protect water supply/watersheds.

OBJECTIVE 7. Conserve and protect high priority open space, including Natural Heritage sites, nature preserves, watershed riparian buffers, and prime/threatened farmland.

OBJECTIVE 8. Include environmental stewardship objectives in the Comprehensive Land Use Plan.

- **GOAL 2: HEALTHY COMMUNITY**

OBJECTIVE 7. Invest in services and programs that improve the health and quality of life of the community (e.g., recreation and public open spaces, arts, etc.)

RECOMMENDATION(S): The Manager recommends that the Board consider the following options and direct staff to take actions accordingly:

- 1) Direct staff to prepare materials for and give public notice of a legislative public hearing at the April 21, 2026 Board Business meeting to declare a moratorium on “large-scale data centers” for one (1) year; and
- 2) Initiate an amendment to the Orange County UDO to define and regulate “large-scale” data centers, inclusive of Artificial Intelligence Data Centers, Cryptocurrency Mining Facilities, Data Centers, Data Processing Facilities, and similar uses.

General Definition of a Data Center

A large group of networked computer servers typically used by organizations for the remote storage, processing, or distribution of large amounts of data. *Source – Dictionary.com*

Environmental Impact of Data Centers

- Data centers require large cooling systems to function, and these systems emit a steady hum that can disturb nearby residents. To address this, local governments are setting noise limits, often 65 decibels at the property line and 55 decibels in quieter or residential areas. How these limits are met is up to the data center designer, but common approaches include sound-absorbing or sound-blocking structures, berms or increased setbacks. *Source – National Association of Counties*
- Communities living in close proximity (i.e., one mile) to EPA-regulated data centers have higher air pollution burdens compared to the national median (i.e., 50th percentile of air pollution). *Source – Environmental Data and Governance Initiative*
- In particular, communities of color within one mile of EPA-regulated data centers face worse air pollution than other communities near data centers and the typical (median) community in the country. These trends are relatively consistent, but not as pronounced when considering state-specific averages. *Source – Environmental Data and Governance Initiative*
- Low-income communities within one mile of EPA-regulated data centers do not have a statistically significant association with air pollution at the national level, but they do tend to face higher levels of nitrogen dioxide and diesel particulate matter (PM) than other parts of the states where they are located. *Source – Environmental Data and Governance Initiative*

Land Use Compatibility

- Not currently listed as a specific use in the UDO.
- Staff must examine what land use categories are compatible with Data Centers.
 - Including Artificial Intelligence Data Centers, Data Centers, Data Processing Facilities, Cryptocurrency Mining Facilities.
- Due to the high utility needs of Data Centers there are very few areas of the County that would be practical for such a use and a substantial impact is not expected in rural areas of Orange County.

Electrical Usage Impact of Data Centers

- Large data centers can span hundreds of acres and can have unique power and water infrastructure needs. Data centers can require large amounts of power similar to a medium-sized city, accounting for nearly 4.4 percent of U.S. annual electricity in 2023. In

response to transformations in technologies including AI, hyperscale development across the country and new domestic manufacturing, the total national energy demand is estimated to increase 20 percent by 2030.² This level of power demand can trigger the need for additional generation sources and new grid infrastructure. *Source – National Association of Counties*

- Nationally, evidence suggests that large facilities' drains on electrical grid infrastructure leads to higher costs for residents.

Water Usage Impact of Data Centers

- Large data centers can consume up to 5 million gallons *per day*, equivalent to the water use of a town populated by 10,000 to 50,000 people. *Source -- Data Centers and Water Consumption By Miguel Yañez-Barnuevo*
- Novel technologies like direct-to-chip cooling and immersion cooling can reduce water and energy usage by data centers. *Source -- Data Centers and Water Consumption By Miguel Yañez-Barnuevo*
- Nationally, evidence suggests that large facilities' drains on water utility infrastructure leads to higher costs for residents.

Policy Options Available to the County and Process

Temporary Moratorium – Two options for moratoria, less than or greater than 60 days. Less than 60 days requires a legislative public hearing with more than 7 days advance public notice and may be imposed by BOCC majority vote/resolution. Greater than 60 days requires a legislative public hearing with notice of the hearing given once a week for two successive calendar weeks. The notice must be published the first time not less than 10 days nor more than 25 days before the date scheduled for the hearing and must be adopted by ordinance. Either option requires specific findings by the BOCC.

Revising the UDO – During a moratorium the actual amendment to the UDO would go through the usual process for a text amendment, i.e., staff drafting and review, planning board hearing, review, and recommendation, BOCC hearing and decision. Amending the UDO with regard to data centers would be subject to downzoning restrictions such that Data centers could not simply be prohibited. For any use specifically eliminated, another use must be added. For example, "Data Center" over 20,000 square feet prohibited while "Data Center Local" under 20,000 square feet allowed each with specific descriptions.

Recommendations for BOCC Action

Manager recommends the BOCC – Direct staff to bring back to the BOCC a public hearing on a one-year moratorium on data center development for the purpose of developing appropriate UDO safeguards related to Artificial Intelligence Data Centers, Cryptocurrency Mining Facilities, Data Centers, Data Processing Facilities, and similar uses.



Item 6-c:
Discussion of Moratorium on “Data
Centers” as a Land Use

General Definition of a Data Center

A large group of networked computer servers typically used by organizations for the remote storage, processing, or distribution of large amounts of data.

Air Quality Impact of Data Centers

- Communities living in close proximity (i.e., one mile) to EPA-regulated data centers have higher air pollution burdens compared to the national median
- Communities of color within one mile of EPA-regulated data centers face worse air pollution than other communities near data centers and the typical (median) community in the country
- Low-income communities within one mile of EPA-regulated data centers tend to face higher levels of nitrogen dioxide and diesel particulate matter than other parts of the states where they are located.

Water Use Impact of Data Centers

- Large data centers can consume up to 5 million gallons *per day*, equivalent to the water use of a town populated by up to 50,000 people.
- Novel technologies like direct-to-chip cooling and immersion cooling can reduce water and energy usage by data centers.

Electrical Use Impact of Data Centers

- Data centers can require large amounts of power similar to a medium-sized city, accounting for nearly 4.4 percent of U.S. annual electricity in 2023.
- The total national energy demand is estimated to increase 20 percent by 2030.
- Evidence suggests that large facilities' drains on water utility infrastructure leads to higher costs for residents.

Noise Impact of Data Centers

- Data centers require large cooling systems to function, and these systems emit a steady hum that can disturb nearby residents.
 - Local governments are setting noise limits, often 65 decibels at the property line and 55 decibels in quieter or residential areas.

Local Land Use Compatibility of Data Centers

- Not currently defined or regulated by UDO
- Due to high utility needs – namely water and power – there are very few areas in the county that can hypothetically support a data center
- Staff must examine what land use categories might be compatible with Data Centers
 - Work must include Artificial Intelligence Data Centers, Data Centers, Data Processing Facilities, Cryptocurrency Mining Facilities
 - Distinction between “large-scale” and “local” data centers is likely needed

Moratorium Options

- Temporary Moratorium
 - < 60 Days
 - Public hearing may be held with one public notice 7+ days prior to the hearing
 - 60+
 - Public hearing may be held with one public notice per week for two successive weeks prior to the hearing
 - First notice must be posted 25 – 10 days prior to hearing

Manager Recommendations

- Direct staff to prepare materials for and notice a legislative public hearing at the April 21 BOCC meeting to declare a moratorium on “large-scale data centers” for one (1) year; and
- Initiate an amendment to the Orange County UDO to define and regulate both “large-scale” data centers, inclusive of Artificial Intelligence Data Centers, Cryptocurrency Mining Facilities, Data Centers, Data Processing Facilities, and similar uses.

**ORANGE COUNTY
BOARD OF COMMISSIONERS
ACTION AGENDA ITEM ABSTRACT
Meeting Date: April 21, 2026**

**Action Agenda
Item No. 5-a**

SUBJECT: One-Year Moratorium Ordinance on “Data Centers” as a Land Use

DEPARTMENT: County Attorney’s Office &
Planning and Inspections

ATTACHMENT(S):

- 1) Ordinance Imposing a Temporary Moratorium
- 2) Presentation

INFORMATION CONTACT:

John Roberts, County Attorney, 919-245-2318
Perdita Holtz, Deputy Planning Director, 919-245-2578

PURPOSE: To hold a public hearing and receive comment on a proposed ordinance to impose a one-year moratorium on large-scale data centers as a land use, inclusive of Artificial Intelligence Data Centers, Cryptocurrency Mining Facilities, Data Centers, Data Processing Facilities, and similar uses.

BACKGROUND: At its March 5, 2026, Business meeting, the BOCC voted unanimously to direct staff to prepare a presentation addressing the following:

- 1) The potential impacts of large-scale data center development in Orange County, including electricity demand, water usage, land use compatibility, environmental considerations, and potential impacts on residents’ utility costs, and water quality.
- 2) Policy options available to the County, including, but not limited to, a temporary moratorium on data center development, revising the Orange County Land Use Plan and UDO, and the legal process required to implement each option.
- 3) Recommendation(s) for Board action.

The staff provided the presentation at the March 17, 2026, Business meeting. The Board voted unanimously to hold a public hearing at its April 21, 2026, Business meeting to allow for the opportunity to declare a one-year moratorium on large-scale data centers as a land use, inclusive of Artificial Intelligence Data Centers, Cryptocurrency Mining Facilities, Data Centers, Data Processing Facilities, and similar uses. The Board also voted unanimously to direct staff to develop amendments to the County’s Unified Development Ordinance (UDO) to define and regulate both “large-scale” data centers, inclusive of Artificial Intelligence Data Centers, Cryptocurrency Mining Facilities, Data Centers, Data Processing Facilities, and similar uses during this moratorium.

Pursuant to North Carolina General Statute (NCGS) 160D-107, “local governments may adopt temporary moratoria on any development approval required by law, [and] the duration of any moratorium shall be reasonable in light of the specific conditions that warrant imposition of the

moratorium and may not exceed the period of time necessary to correct, modify, or resolve such conditions.”

FINANCIAL IMPACT: There is no financial impact associated with this item.

ALIGNMENT WITH STRATEGIC PLAN: This item supports:

- **GOAL 1: ENVIRONMENTAL PROTECTION AND CLIMATE ACTION**

OBJECTIVE 6. Protect water supply/watersheds.

OBJECTIVE 7. Conserve and protect high priority open space, including Natural Heritage sites, nature preserves, watershed riparian buffers, and prime/threatened farmland.

OBJECTIVE 8. Include environmental stewardship objectives in the Comprehensive Land Use Plan.

- **GOAL 2: HEALTHY COMMUNITY**

OBJECTIVE 7. Invest in services and programs that improve the health and quality of life of the community (e.g., recreation and public open spaces, arts, etc.)

RECOMMENDATION(S): The Manager recommends that the Board:

- 1) Conduct the public hearing and receive public comment;
- 2) Close the public hearing; and
- 3) Vote to Approve the Ordinance to Apply a One-Year Moratorium on Data Centers as a Land Use in Orange County.

AN ORDINANCE IMPOSING A TEMPORARY MORATORIUM ON DEVELOPMENT APPROVALS FOR LARGE SCALE DATA CENTERS AND RELATED HIGH-IMPACT FACILITIES IN ORANGE COUNTY.

WHEREAS, the Orange County Board of Commissioners (the "Board") is responsible for promoting the health, safety, and general welfare of the County's residents; and

WHEREAS, North Carolina General Statute § 160D-107 authorizes local governments to adopt temporary moratoria on development approvals under certain conditions; and

WHEREAS, the Board has observed a recent increase in inquiries and potential applications for high-impact facilities, specifically large scale data centers and similar operations, within the unincorporated areas of the County; and

WHEREAS, these types of facilities present unique challenges and potential impacts not adequately addressed by the County's current Unified Development Ordinance (UDO) or zoning regulations, including but not limited to:

- Extremely high electricity consumption and strain on existing utility infrastructure;
- Significant noise generation from cooling systems and backup generators, affecting adjacent residential areas and general quality of life;
- Substantial water usage for cooling purposes;
- Potential environmental impacts, including hazardous materials and electronic waste disposal; and
- Land use compatibility concerns, including in rural or agriculturally zoned districts; and

WHEREAS, the County's existing regulations were not developed with these specific types of high-impact uses in mind, and the County needs time to develop appropriate, comprehensive standards to ensure that any future development of such facilities is consistent with the County's long-term land use plan and protects the public interest; and

WHEREAS, the Board has considered alternative courses of action, such as relying on existing general use permits or on-the-spot zoning amendments, but determined these were inadequate because they lack the specific performance standards (e.g., noise limits, utility capacity requirements, setbacks) needed to mitigate the unique impacts of data centers effectively; and

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

NOW, THEREFORE, BE IT ORDAINED by the Orange County Board of Commissioners:

Section 1. Moratorium Imposed

A temporary moratorium is hereby imposed for a period of one (1) year from the effective date of this Ordinance. During this period, the County shall not accept, process, or approve any applications for the following development approvals:

- Special Use Permits;
- Conditional Zoning Permits;
- Zoning Map Amendments (rezoning requests);
- Building Permits (except for interior renovations that do not expand capacity or impact

exterior appearance/noise);

- Any other development approval required by law;

for the establishment, construction, erection, alteration, or expansion of any data center, cryptocurrency mining facility, other high-impact data processing facility or other uses including but not limited to Artificial Intelligence Data Centers, Cryptocurrency Mining Facilities, Data Centers, Data Processing Facilities, and similar uses.

Section 2. Scope and Exemptions

This moratorium shall apply to all unincorporated areas of Orange County. Exemptions include:

- Any development that has received a valid development approval in accordance with G.S. 160D-107(c) prior to the effective date of this ordinance.
- Single and two-family residential dwellings.

Section 3. Plan of Action and Schedule

During the effective period of this moratorium, the Orange County Board of Commissioners and County Staff shall take the following actions:

- Step 1: Study the potential impacts (energy, water, noise, land use) of data centers and similar facilities.
- Step 2: Draft specific land use ordinance amendments and performance standards to regulate these facilities, including appropriate zoning districts, setback requirements, noise limitations, and utility capacity conditions.
- Step 3: Planning Board review of the draft amendments.
- Step 4: The Board of Commissioners will hold the necessary public hearings to consider and potentially adopt the final ordinance amendments.

Section 4. Duration and Termination

This Ordinance shall be in full force and effect from April 21, 2026 until April 21, 2027, unless earlier terminated, extended, or modified by the Board of Commissioners in accordance with North Carolina law. The stated duration is reasonably necessary to address the identified problems.

Section 5. Severability

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

Adopted this the 21st day of April, 2026.



Item 5a:

Public Hearing to consider a Moratorium on
“Data Centers” as a Land Use

General Definition of a Data Center

A large group of networked computer servers typically used by organizations for the remote storage, processing, or distribution of large amounts of data.

Air Quality Impact of Data Centers

- Evidence shows communities living in close proximity (i.e., one mile) to EPA-regulated data centers have higher air pollution burdens
- Evidence shows low-income communities and communities of color within one mile of EPA-regulated data centers face worse air pollution than other communities near data centers
- Recent evidence suggests data center operations cause “heat island” effects in surrounding areas

Electrical, Noise, and Water Impact

- Data centers require large cooling systems to function, which emit a steady hum
- Evidence shows data centers can require large amounts of power similar to a medium-sized city
- Evidence shows large data centers can consume up to 5 million gallons per day

Local Land Use Compatibility of Data Centers

- Not currently defined or regulated by the Orange County UDO
- Staff must examine what land use categories might be compatible with Data Centers and recommend appropriate standards
- For these reasons a moratorium on Data Center development in Orange County is recommended

Manager Recommendations

The Manager recommends that the Board take the following actions:

- 1) Conduct the public hearing and receive public comment;
- 2) Close the public hearing; and
- 3) Vote to Approve the Ordinance to Apply a One-Year Moratorium on Data Centers as a Land Use in Orange County.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: Administrative Services
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Town Manager Eric Peterson

ITEM TO BE CONSIDERED

Subject: Hot topics for work session May 27, 2026

Attachments:

None

Summary:

The May 27, 2026 work session may include a second budget workshop, if needed.

Financial impacts:

None

Staff recommendation and comments:

None

Action requested:

None



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: May 11, 2026
Department: All
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Department Heads

ITEM TO BE CONSIDERED

Subject: Staff (written reports in agenda packet)

Attachments:

Monthly departmental reports

Summary:

N/A

Financial impacts:

N/A

Staff recommendation and comments:

None.

Action requested:

Accept reports.



Administrative Services Report

April 2026

Budget

- Nonprofit partnership public hearing and application review as held at April workshop.
- Budget balancing continues.

Communications

- Emergency Management — Working to implement internal alerts system for employees.
- Website — Updated Water Conservation page and added page link to Services menu (under Water and Sewer Services). Created charts on reservoir level and days of water supply remaining. Updated online parking map.
- Other — Working with Orange County Arts Commission on materials for Independence Day celebration.

Fleet Maintenance

- No updates.

Human Resources/Town Clerk

- Biweekly payrolls.
- Quarterly employee newsletter.

RECRUITMENT AND SELECTION	
Position	Status
Customer Service Representative (Part-Time)	Interviews scheduled.
Equipment Operator	Closes 5/17.
Police Officer	Continuous Recruitment.
Wastewater Plant Operator	Closed 5/3.
Water Plant Operator (night shift)	Start date: 5/18

Information Technology

- Information Technology Intern selected for summer semester
- Per request, fiber project canceled, working with vendors to select fiber provider for all town sites
 - Also looking to incorporate parks (Cates Creek, Gold Park)
- AI policy finalized, working on training for staff, AI inventory, next steps with vendor requirements

Safety and Risk Management

- Workers' comp insurance renewals completed and submitted.
- 23 employees trained in CPR/AED/first aid.



Public Works Report: April 2026

Work Orders

45 Completed

Public Spaces

12.5 Staff hours

Stormwater Maintenance

93 Storm Drains cleaned, 571.5 Linear Feet and 61.5 Staff Hours

Inspections

0 Utility inspections, 3 sidewalk inspections, and 0 Driveway Inspections

Special Events

Asphalt Patches

0 Utility cut patches

Training

5 Staff completed training through NEOGOV

Cemetery

1 Grave marked and 0 Monument

Asphalt Repairs

1 Pothole

Leaf Collection