



Office of the Town Manager  
Frank Cassidy

# STAFF REPORT

**Warrenton Town Council**  
Carter Nevill, Mayor  
Roy Francis, Ward 1  
William Semple, Ward 2  
Larry Kovalik, Ward 3  
Michele O'Halloran, Ward 4  
Eric Gagnon, Ward 5  
Paul Mooney, At Large  
David McGuire, At Large

<b>Town Council Meeting Date:</b>	July 8, 2025
<b>Agenda Title:</b>	ZOTA-25-1 – A Text Amendment to Remove Data Centers as a Permissible Use within the Industrial District
<b>Requested Action:</b>	Hold a Public Hearing
<b>Department / Agency Lead:</b>	Community Development
<b>Staff Lead:</b>	Heather Jenkins, Zoning Administrator

## EXECUTIVE SUMMARY

On March 22, 2025, Town Council adopted a Resolution to initiate a text amendment to Articles 3, 9, and 12 of the Town of Warrenton Zoning Ordinance. This text amendment is for the purpose of removing Data Centers as a Permissible Use within the Industrial District, and therefore make Data Centers an impermissible Use within the Town of Warrenton.

On April 22, 2025, the Planning Commission held a work session to discuss the text amendment, and on May 20, 2025, held a public hearing to receive citizen comments. Upon closing the public hearing, the Planning Commission moved to recommend approval of the text amendment by a vote of four to approve, one to deny.

On June 10, 2025, Town Council held a work session to discuss the text amendment, after which the text amendment was scheduled for a July public hearing. Staff requests that Town Council hold a public hearing to discuss the text amendment and to consider public comments. Per Zoning Ordinance Section 11-3.9.9 *Town Council Review and Action*, the Town Council must act on the proposed text amendment within one year. The one-year deadline falls on Wednesday, March 11, 2026. An Ordinance to approve the text amendment has been included with this staff report as [Attachment H – Ordinance to Approve](#).

## BACKGROUND

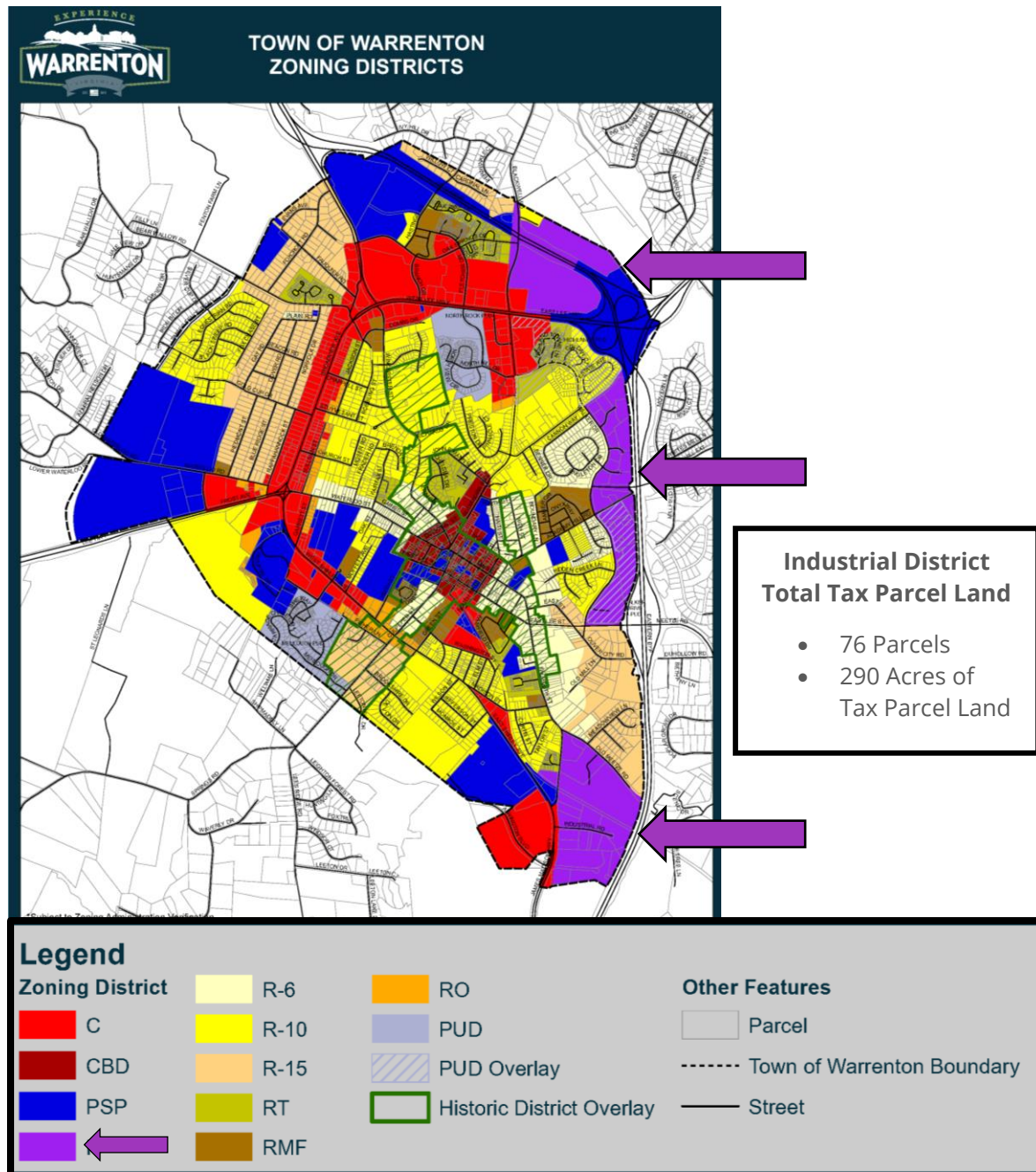
On August 10, 2021, Town Council adopted an Ordinance to add Data Centers as a Permissible Use within the Industrial District with the approval of a Special Use Permit by Town Council. This text amendment added Data Centers as an allowable use under Section 3-4.12.3 *Permissible Uses*, as defined in Article 12 *Definitions*, and subject to the standards listed in Section 9-26 *Data Centers*. A copy of the adopted text amendment is included with this staff report as [Attachment A – Ordinance to Adopt ZNG 2021-0321](#). A brief timeline of the text amendment process for the previous Data Center text amendment is as follows:

### Data Center Text Amendment (ZNG 2021-0321) Timeline:

- July 11, 2017 – Town Council initiates a Zoning Ordinance Text Amendment to research industrial areas and the possibility of adding data centers.
- The originally initiated Text Amendment was not pursued with the Planning Commission or Town Council.

- April 13, 2021 – Town Council initiates a Zoning Ordinance Text Amendment to allow data centers within the Industrial District with the approval of a Special Use Permit.
- May 25, 2021- Planning Commission holds a work session on the Text Amendment.
- June 15, 2021 – Planning Commission holds a public hearing on the Text Amendment.
- July 20, 2021 – Planning Commission holds a public hearing on the Text Amendment, and recommends approval 5-1.
- August 10, 2021 – Town Council holds a public hearing on the Text Amendment, and approves the Text Amendment 7-0.

### Zoning Map - Industrial District Locations



Following approval of the initial text amendment on August 10, 2021, one Special Use Permit application for a Data Center was submitted for consideration by the Planning Commission and Town Council, application number SUP-22-3, located at 719 Blackwell Road (PIN 6984-69-2419-000). On February 14, 2023, Town Council approved this Special Use Permit application subject to the associated Conditions of Approval. The Special Use Permit SUP-22-3 and the associated Site Development Plan, case number SDP-23-6 approved on April 18, 2024, remains the sole approved Data Center Use within the Town. A copy of the resolution to approve SUP-22-3 is included with this staff report as [Attachment B – Resolution to Approve SUP-22-3](#).

On March 22, 2025, Town Council adopted a Resolution to initiate a text amendment to Articles 3, 9, and 12 of the Town of Warrenton Zoning Ordinance. This Resolution includes the statement that a Data Center is a Use that does not further the health, safety and welfare of the public, nor does a Data Center Use promote public necessity or public convenience within the Town of Warrenton. A copy of this Resolution is included with this staff report as [Attachment C – Resolution to Initiate ZOTA-25-1](#).

On April 22, 2025, the Planning Commission held a work session to discuss this text amendment. During the April 22, 2025, work session, Planning Commission members requested information on the possible impacts of data centers on communities. On May 20, 2025, the Planning Commission held a public hearing to discuss the text amendment and to hear comments from citizens. As a part of the May 20, 2025, public hearing, staff provided a copy of the *Data Centers in Virginia* report provided to the Governor and General Assembly of Virginia by the Joint Legislative Audit and Review Commission (JLARC), dated December 9, 2024. The JLARC report provides an in-depth analysis of the impact data centers can have on local communities, to include economic, fiscal, energy, natural and historic resource impacts, as well as potential impacts on residential areas adjacent to data centers. The JLARC report is included with this staff report as [Attachment D – JLARC Data Center Report](#). A briefing of this report, as presented to the General Assembly and other bodies, is included with this staff report as [Attachment E – JLARC Data Center Presentation](#), where this briefing summarizes the findings of the JLARC report.

Prior to the May 20, 2025, public hearing, citizen comments were received that expressed either support of the proposed text amendment or caution regarding removal of the Data Center use altogether. During the May 20, 2025, public hearing six citizens spoke in favor of the proposed text amendment to remove Data Centers as an allowable use in the Town. A copy of the May 20, 2025, meeting minutes is included with this staff report as [Attachment F – Planning Commission Public Hearing Meeting Minutes](#). Upon closing the public hearing, the Planning Commission moved to recommend approval of the text amendment, by a vote of four to approve, one to deny.

## **STAFF RECOMMENDATION**

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Staff requests that the Town Council hold public hearing. A red-lined version of the proposed ordinance language has been included with this staff report as [Attachment G – Draft Text Amendment](#); an Ordinance to approve the text amendment has been included with this staff report as [Attachment H – Ordinance to Approve](#).

Per Zoning Ordinance Section 11-3.9.1 – *Authority for Change* – zoning ordinance text amendments are meant to *further the public necessity, convenience, general welfare, or good zoning practice*; Ordinance Section 11-3.9.13 – *Criteria for Consideration of Text Amendments* includes the two considerations of 1. *whether the proposed text amendment is consistent with the Comprehensive Plan* and 2. *whether the text amendment is consistent with the intent of [the] Zoning Ordinance*. Additionally, Section 11-3.9.13 directs Town Council

members to the fourteen (14) consideration criteria from Section 11-3.9.12 – *Criteria for Consideration of Zoning Map Amendments* – specifically, only those criteria that are *relevant to the text amendment*.

#### **11-3.9.12 – Criteria for Consideration of Zoning Map Amendments**

*Note – Per 11-3.9.13 – Criteria for Consideration of Text Amendments, only those criteria that are relevant to the specific text amendment should be considered.*

1. whether the rezoning request, if granted, would further the public interest, and whether it conforms with the goals, objectives, and policies of the Comprehensive Plan;
2. whether the rezoning is consistent with the town's Future Land Use Plan, as identified in the Comprehensive Plan, and established character of the area and land use patterns;
3. whether the rezoning is justified by changed or changing conditions;
4. whether the rezoning, if granted, would create an isolated district unrelated to adjacent districts;
5. whether utility, sewer and water, transportation, school, recreation, stormwater management and other facilities exist or can be provided to serve the uses that would be permitted on the property if it were rezoned;
6. whether the rezoning will be compatible with properties and uses in the vicinity and not have an adverse impact on these properties or their values;
7. whether there are adequate sites available elsewhere in the Town for the proposed use, or uses, in districts where such uses are already allowed;
8. whether the impact that the uses that would be permitted if the property were rezoned will have upon the volume of vehicular and pedestrian traffic and traffic safety in the vicinity and whether the proposed rezoning provides sufficient measures to mitigate such impacts;
9. whether a reasonable and viable economic use of the subject property exists under the current zoning;
10. whether the effect of the proposed rezoning on environmentally sensitive land or natural features, wildlife habitat, vegetation, water quality and air quality is compatible with the Town's Comprehensive Plan;
11. whether the proposed rezoning encourages economic development activities in areas designated by the Comprehensive Plan and provides desirable employment and enlarges the tax base;
12. whether the proposed rezoning considers the current and future requirements of the community as to land for various purposes, including housing and business, as determined by population and economic studies;
13. the effect of the proposed rezoning to provide moderate housing by enhancing opportunities for all qualified residents of the Town; and
14. the effect of the rezoning on natural, scenic, archaeological, or historic features of significant importance.

#### **Service Level/Collaborative Impact**

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There are no known service level or collaborative impacts.

#### **Policy Direction/Warrenton Plan 2040**

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The Zoning Ordinance currently allows for Data Centers as a Permissible Use within the Industrial District. Industrial Zoned parcels within the Town are located along the eastern boundary of the Town jurisdictional limits, adjacent to the Eastern Bypass and Route 17 Spur. The Comprehensive Plan, Future Land Use Map shows that Industrial Zoned properties are located within the New Town Mixed Use/New Town Character

District, Old Town Mixed Use/Old Town Character District, and Greenway and Wellness Mixed Use/Greenway and Makers District. The desired development for these character districts is described in the Comprehensive Plan, Town Warrenton 2040, in Goals L2, L3, and L5, predominantly as mixed-use and walkable.

While the New Town Character District, Goal L3, calls for the establishment of a major employer, a Data Center was not specifically listed in any of the Future Land Use or Character Districts. This issue was raised during the initial Zoning Ordinance Text Amendment public hearing process for *ZNG 2021-0321*. As such, Town Council asked staff to prepare a Text Amendment to remove Data Centers as a Permissible Use within the Industrial District.

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## **Fiscal Impact**

The potential fiscal impacts associated with data center development are highly individualized as to the circumstances of the locality and the proposed site-specific data center development conditions, so that a quantitative analysis is not feasible other than what has been provided as a part of the JLARC Data Center Report (Attachment D). Generalized fiscal impacts are summarized in the JLARC Data Center Report, and this report finds that the greatest amount of revenue generation from data centers to a locality comes during the initial construction phase, due both to the large number of construction-related jobs that are generated and the purchase of building materials, as well as secondary revenue generators such as hotel stays, food purchases, and other service-sector related transactions.

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## **Legal Impact**

Should a text amendment be approved to remove Data Centers as a Permissible Use within the Industrial District, the Data Center approved as a part of case number SUP-22-3 may become a non-conforming use, subject to the standards found in Zoning Ordinance Section 11-4 *Non-Conforming Uses and Structures*. A determination of non-conformity requires the concurrence of the Zoning Administrator and the Town Attorney; however, staff defers to the Town Attorney for any questions as to how this text amendment may or may not affect any existing Data Center approvals.

There are multiple court cases currently filed within the Circuit Court that may or may not be impacted by this proposed text amendment to remove Data Centers as a Permissible Use. Staff defers to the Town Attorney for all questions related to on-going litigation.

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## **ATTACHMENTS**

- [Attachment A](#) – *Ordinance to Adopt ZNG 2021-0321*
- [Attachment B](#) – *Resolution to Approve SUP-22-3*
- [Attachment C](#) – *Resolution to Initiate ZOTA-25-1*
- [Attachment D](#) – *JLARC Data Center Report*
- [Attachment E](#) – *JLARC Data Center Presentation*
- [Attachment F](#) – *Planning Commission Public Hearing Meeting Minutes*
- [Attachment G](#) – *Draft Text Amendment*
- [Attachment H](#) – *Ordinance to Approve*