

NEWS RELEASE

Contact/Media Inquiries:

Hailey Hall

Communications Manager/Clerk to the Board

P.O. Box 1968, Sanford, NC 27331

(919) 718-4605, ext. 5521



FOR IMMEDIATE RELEASE

LEE COUNTY COMMISSIONERS RELEASE STATEMENT REGARDING LOWER MONCURE ROAD DATA CENTER PROJECT

LEE COUNTY, NC – October 1, 2026 – On behalf of the Lee County Board of Commissioners, Lee County Government issues the statement below on the intended data center project located on Lower Moncure Road.

The Board of Commissioners would like to provide the public with additional information on the current project, including a timeline of activity and the agencies and staff involved.

The property that is subject to the current data center project was validly rezoned by this Board from Residential Agricultural (RA) to Light Industrial (LI) in September 2025. When the property was rezoned, regardless of how the applicant said the property would be used, by law the property can be developed for any permitted use listed in LI according to the Table of Permitted Uses in the County's Unified Development Ordinance (UDO).

In late October 2025, a news reporter emailed Planning staff about a potential data center project in Cumnock, and staff immediately began researching data centers and protective ordinances.

Planning staff determined the County's UDO did not provide a permitted use for data centers or any safeguards for that type of development given the novelty of that particular use. By law, if a zoning ordinance does not specifically identify or directly address a type of land use, the use must be placed in the zoning district that most closely fits the particular use. In the case for data centers, the use according to the County's UDO would be LI and only the general development standards for LI zoning would apply.

To immediately address the significant issues data centers present, Planning staff initiated a text amendment to the UDO to require supplemental standards for data centers. In North Carolina, only a few counties have created standards for data centers.

Staff's initial standards were presented, as is usual with any UDO text amendment, to the Joint Planning Commission, which reviews all proposed text amendments and makes advisory recommendations to the three governing Boards. Representatives from all three jurisdictions (Lee County, City of Sanford, and Town of Broadway) are members of the Joint Planning Commission. The Joint Planning Commission reviewed the proposed standards, provided input, and made changes to the text amendment. Once the Joint Planning Commission approved the proposed text amendment, it recommended consideration by all three jurisdictions.

On February 16, 2026, the Sanford Area Growth Alliance (SAGA) advised the Board of Commissioners in closed session that it had been informed a data center developer intended to submit an application in the immediate future to the Planning Department for a data center project to be developed in the Lower Moncure area. If the application had been filed at that time, there would have been no additional standards imposed on the data center project and the regular standards of the LI zoning district would have applied, which would not have provided any additional protection for the citizens. Being advised that data center standards were being developed, SAGA asked the developers for this project to wait to file its application until the standards were approved.

The Board of Commissioners and the Lee County Planning Board held a workshop on the draft data center standards on April 6, 2026, and after a joint public hearing on April 20, 2026, the Board of Commissioners voted to adopt the UDO text amendment ordinance.

On June 1, 2026, an application was submitted by Jonathan Rhine, Property Owner Jon Keener, and Project Manager Steve Russell for a proposed data center consisting of a site plan for a building, fire water tank, fire pump house, and infrastructure on the Lower Moncure Road property, currently zoned LI, with a master plan showing other future buildings to be constructed in phases. This application was filed after the data center supplemental standards were added to the UDO as a permitted use in both the LI as well as Heavy Industrial (HI) zoning districts. This application, filed after the adoption of the UDO text amendment, therefore must adhere to the standards adopted April 20, 2026, and is allowed by right in any LI zoning district.

Based upon legal advice, the Board acknowledges that the current data center project on Lower Moncure Road will proceed and be subject to the current UDO standards.

Because the building permit for that project has been issued, the project cannot be stopped by a moratorium according to state statute and will not be subject to any revised UDO standards during any vested timeframe even if any were enacted in the immediate future.

There is no further vote or action that this Board will take concerning the Lower Moncure Road project.

Planning staff will continue to monitor the standards adopted by other jurisdictions and they are well aware of the suggested changes the public has submitted to the Board. As always, the Planning Department will bring updated text amendments to the Joint Planning Commission when legally acceptable and in the best interest of the three jurisdictions.

Members of the public have continued to accuse this Board and County staff of impropriety concerning this data center project. To be absolutely clear, no member of this Board or any Administrative staff member has any monetary interest or ownership interest in the real property at issue or in any part of the project. No member of this Board or any Administrative staff member signed a Non-Disclosure Agreement concerning the project and no member of this Board or any Administrative staff member has received any money, kickbacks, promises, or other improper incentives concerning this project whatsoever. Additionally, the Board did not provide any economic development incentives or any funding for this project.

The Board of Commissioners tried to protect County citizens by enacting a local ordinance to provide Constitutionally acceptable safeguards that were not in the existing UDO before a data center application was received.

Lee County Government and the Board of Commissioners remind the public to contact our representatives at the state and federal level to express concerns and seek stronger legislation for all sizes of data centers.

In addition, while this Board is taking no further action on this matter, the County and staff will continue to monitor and oversee the project, just as it does with any other construction or development project in the County.

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