

The Northeast Georgia Regional Commission (NEGRC) has completed its review of the following Development of Regional Impact (DRI). This report contains the NEGRC's assessment of how the proposed project relates to the policies, programs, and projects articulated in the Regional Plan and Regional Resource Plan. Also included is an assessment of likely interjurisdictional impacts resulting from the proposed development, as well as all comments received from identified affected parties and others during the fifteen-day comment period.

The materials presented in this report are purely advisory and under no circumstances should be considered as binding or infringing upon the host jurisdiction's right to determine for itself the appropriateness of development within its boundaries.

Transmittal of this DRI report officially completes the DRI process. The submitting local government may proceed with whatever final official actions it deems appropriate regarding the proposed project, but it is encouraged to take the materials presented in the DRI report into consideration when rendering its decision.

Project I.D.:	DRI #4428
Name of Project:	Gregory Road Data Center
Name of Host Jurisdiction:	Covington

Background

DRI review was initiated following the developer's request for an annexation into the City of Covington and a rezone from Agricultural (A) and Agricultural Residential (A-R) to Heavy Industrial (M-2) and Neighborhood Residential (NR-1). Potentially affected parties were asked to submit comments on the proposal during the 15-day period of 4/16/2025 to 5/1/2025.

Proposed Development

John B. Williams is proposing construction of 1,410,000 square feet of industrial development and 307 acres of residential space on a 520-acre site. The development would include 5 data center buildings, 2 maintenance buildings, an electrical power substation, an electrical switch yard, a wastewater treatment plant, and 27 residential units on lots ranging from 2.5 to 4 acres. The entrance to the data center would be located at the intersection of Flat Rock Road and Gregory Road, while the residential area would have two separate entrances along Gregory Road. All parcels in the site are currently located in unincorporated Newton County and are proposed for annexation into the City of Covington. Currently, the site is primarily woodlands and farmland with 8 single family homes and 1 agricultural building.

The proposed development would occupy property north and south of Gregory Road, and along the east and west sides of Flat Rock Road. The parcel numbers are 0079 010, 0096 013, 0096 069, 0096 008G, 0097 003A, 0096 003A, 0096 004, 0096 007, 0096 006, 0079 011, 0079 011A, 0079 009, 0079 009A, 0096 001, 0096 005A, 0096 005, 0096 010, 0096 012. The project would be completed in 3 phases with an estimated completion date in 2036.

Compatibility with Existing Plans

Compatibility with Regional Plan

The site is identified as “Rural” on the Northeast Georgia Regional Plan’s Regional Land Use Map (dated 6/15/2023). The Regional Plan recommends development that

- Enhances economic mobility and competitiveness
- Elevates public health and equity
- Supports and adds value to existing communities
- Creates housing that is diverse, adequate, equitable, and affordable
- Includes transportation choices and is well-connected with existing and planned transportation options, and
- Protects natural and historic resources.

The following table outlines the proposal’s alignment with these recommendations:

REGIONAL PLAN RECOMMENDATIONS	PROPOSED PROJECT’S COMPATIBILITY WITH RECOMMENDATION
Enhances economic mobility and competitiveness	<p>The applicant states that the regional workforce is sufficient to meet the demand created by the proposed project.</p> <p>The project would create job opportunities within the data center and in related industries such as software development and telecommunications. The project would also increase the City’s tax revenue and attract investment opportunities.</p>
Elevates public health and equity	<p>The project has the potential to advance equity in the community by providing employment opportunities at the data center within a short distance of housing.</p> <p>The project would contribute to health benefits for residents of the proposed residential development by providing access to Lake Varner. The developer should consider including walking trails or a common greenspace area near the lake to further improve public access to outdoor spaces.</p> <p>The site plan includes a 100-foot agricultural buffer between the data center and the adjacent residential area. The developer should preserve as much of the existing vegetation as possible and consider installing a vegetated buffer or sound wall to mitigate noise from the data center.</p>
Supports and adds value to existing communities	<p>The electrical infrastructure required to support data center operations could be leveraged to expand broadband services and improve internet connectivity for the existing community.</p>
Creates housing that is diverse, adequate, equitable, and affordable	<p>The proposed development would include 27 single-family estate lots. Equitability and affordability are unable to be determined as no indication of marketing prices were included in the application.</p>
Includes transportation choices and is well- connected with existing and planned transportation options	<p>The proposed development would create a dead-end at the southeast end of Gregory Road, requiring residents to use the intersection of Alcovy Road and Hwy 142. The developer should consider installing pedestrian sidewalks or paths throughout the residential development.</p>
Protects natural and historic resources	<p>The proposal includes a 150-foot shoreline buffer around Lake Varner, which is a drinking water resource for Newton and Walton Counties. A tributary of Cornish Creek flows across the southern portion of the data center site. Mitigation of stormwater runoff should be a high priority for this project to mitigate any downstream effects of erosion and sedimentation in Lake Varner and Cornish Creek, especially given that Lake Varner is a significant surface water drinking source.</p> <p>The City of Covington should consider requiring the installation of cooling technologies that minimize water consumption to reduce any potential strain on the municipal water supply.</p>

Compatibility with Regional Resource Management Plan

The chart below summarizes the number of acres within the site area as well as within a one-mile buffer around the site that contains 1) wetlands, 2) conservation land, 3) regionally important resources, and 4) threatened regionally important resources. Please refer to the footnotes for definitions for each of these terms.

Wetland, Conservation, and Regionally Important Resources			
	AREA TYPE	AREA (ACRES)	PERCENT OF AREA
SITE AREA (520 Acres)	Wetland Acres ¹	13.0	2.5%
	"Conservation Land" ²	378.0	72.7%
	Regionally Important Resource Land ³	310.0	59.6%
	Threatened Regionally Important Resource Land ⁴	0.0	0.0%
	"Conservation Land"	3,987.0	71.2%
	Regionally Important Resource Land	3,264.0	58.3%
	Threatened Regionally Important Resource Land	155.0	2.8%

The site acreage is part of the Northeast Georgia Green Infrastructure Network (GIN) as identified in the Northeast Georgia Resource Management Plan for Regionally Important Resources (dated 8/7/2018). The Northeast Georgia Green Infrastructure Network is intended to serve as a strategically planned and managed network of wilderness, parks, greenways, conservation easements, and working lands with conservation value that benefits wildlife and people, supports native species, maintains natural ecological processes, sustains air and water resources, links urban settings to rural ones, and contributes to the health and quality of life for the communities and citizens sharing this network. Given the significant portion of GIN land in this area, the developer should consider incorporating elements that would contribute to the intention of the Network for public benefit.

The proposed site is located within one mile of Lake Roy Varner, which is a Regionally Important Resource. Therefore, the developer and local government should carefully consider the impacts of land clearing, development, and land application activities on the proposed site as it could have negative downstream impacts on sensitive resources.

Potential Interjurisdictional Impacts

Natural Resources and Stormwater Management

The proposed site is located adjacent to Lake Roy Varner, which is a drinking water reservoir in the Cornish Creek Reservoir watershed. Additionally, the site is located within the Alcovy River watershed. An unnamed tributary to Cornish Creek flows across the southwest corner of the site. The applicant states that an estimated 20% of the site would be covered in impervious surfaces. There are 2 detention ponds planned to manage stormwater runoff. There are also 2 existing open surface ponds on the site. The proposal should be designed to minimize disruption to the existing streams, associated wetlands, and floodplains to avoid future erosion, flooding, and degraded water quality onsite and downstream from the site. Low impact design measures, like bioswales, rain gardens, and other green infrastructure should be incorporated into the project design. At minimum, the project should be in accordance with the latest edition of the Georgia Stormwater Management Manual (Blue Book) and meet all relevant EPD requirements.

¹ Wetland acres are derived from the National Wetland Inventory (NWI)

² "Conservation" land is derived from the Northeast Georgia Regional Plan's Conservation and Development Map (6/15/2023).

³ Regionally Important Resources were identified as a part of the Northeast Georgia Resource Management Plan for Regionally Important Resources (2/15/2018).

⁴ This area represents the intersection between Conservation areas (identified on the Conservation and Development Map, 6/15/2023), adopted Regionally Important Resources (RIR), and "Developed" and "Developing" Regional Land Use areas (identified on the Regional Land Use Map, 6/15/2023).

The applicant states that the project is likely to affect water supply watersheds, wetlands, floodplains, and other environmentally sensitive resources. The site is located within the southern Piedmont fault zone. According to the applicant, granite rock outcroppings are located on the site. The development will likely require blasting to remove portions of the granite rock outcroppings, which are environmentally sensitive resources due to the types of vegetation (lichens and mosses) that rely on them. A site survey is recommended to identify whether any rare species of lichens or mosses are present.

Transportation

No traffic study was submitted for the proposed development. WMB Engineering submitted a traffic analysis that estimates 494 new daily trips, including 127 AM peak hour trips and 42 PM peak hour trips from the proposed development. The developer is proposing to abandon a portion of Gregory Road, which will result in a dead-end road at the southeast end of Gregory Road, disconnecting the connecting roadway. Local traffic would be redirected to use the intersection of Alcovy Road and Hwy 142.

Water Supply and Wastewater

The project would be served by the Newton County Water & Sewerage Authority with an estimated daily demand of 1.08 MGD for the water system. The applicant states that water supply demands for the first phase of the project can be covered by existing capacity. An expansion to Newton County's treatment capacity is underway, and water supply demands for phases 2 and 3 of the project will need to undergo further review. No water line extensions are required. However, the development would require the relocation of the existing 30-inch water transmission main, which is located in the Gregory Rd right-of-way. This water line supplies water to the Cornish Mountain elevated water tank, northern and western Newton County, and a primary interconnect serving Walton County.

The project has an estimated daily demand of 0.36 GPD for the sewer system. There is currently no designated wastewater treatment provider for the proposed site. A sewer line extension of 0.66 miles would be required to serve this project. The developer has proposed constructing an on-site water treatment facility to manage the discharge of water from the cooling towers within the data center buildings. For this option to proceed, the Newton County Board of Commissioners must designate a wastewater treatment provider.

Solid Waste

The applicant estimates the project would generate 33 tons of solid waste annually and that sufficient landfill capacity exists to handle this waste. According to annual tonnage reports from the Georgia Environmental Protection Division, almost all municipal solid waste (MSW) generated in Newton County is disposed of in a landfill in Newton County. The applicant states that no hazardous waste would be generated.

Lifecycle Costs and Revenues

The applicant estimates that the project would be worth \$5,700,000,000 at build-out in 2036 and generate \$19,171,758.50 in annual local taxes. On a per-acre basis, the project would be worth approximately \$10,961,538 and generate approximately \$36,869 in tax revenue. Prior to approval, the City should measure the life cycle costs of the infrastructure needed to serve this project to ensure that they would not be committing to more maintenance expenses than the new tax revenue can cover.

Comments from Affected Parties

Alan Hood, Airport Safety Data Program Manager, Georgia Department of Transportation

This proposed construction of 1,410,000 square feet of industrial space and 27 residential units on a 520 - acre tract zoned Agricultural (A) and Agricultural Residential (A-R) is 1.5 miles NE of the Covington Municipal Airport (CVC). It is located outside of the FAA approach or departure surfaces, and airport compatible land use areas, and does not appear to impact the airport.

If any construction equipment or construction exceeds 100' AGL, an FAA Form 7460-1 must be submitted to the Federal Aviation Administration according to the FAA's Notice Criteria Tool found [here](#)

(<https://oeaaa.faa.gov/oeaaa/external/gisTools/gisAction.jsp?action=showNoNoticeRequiredToolForm>). Those submissions for any associated cranes may be done online at <https://oeaaa.faa.gov>. The FAA must be in receipt of the notifications, no later than 120 days prior to construction. The FAA will evaluate the potential impacts of the project on protected airspace associated with the airports and advise the proponent if any action is necessary.

Shena Applewhaite, Director, Newton County Department of Development Services

Development Services Comments

Residential use

The applicant is proposing to rezone to a higher density than what is currently allowed (A and, AR). There are implications for the property in this regard.

This proposed project, a mixed use development for a data center and residential zoning, is in the Alcovy River and Cornish Creek watersheds. These are both protected watersheds in the County. The proposed use will result in a land use that differs from what it is currently zoned for (A, AR). The current majority zoning of agricultural (A) allows for 10 acre minimum lots. The developer is proposing a density of 2.5 acres per lot. While the county has concerns for this drastic increase in density we would not recommend that it be less than the minimum mandated by the zoning and protected watersheds. .

In order to allow appropriate separation between this proposed project and surrounding residential areas the County would recommend at least a 100' fully vegetated transitional perimeter buffer with opaque fencing. At a minimum this buffer should be placed where they are adjacent residential zonings or uses.

Further, the applicant is proposing 2.5 acre lots which will have an added road networks and infrastructure while removing Gregory Road, a key connector to Flat Rock Road. The thru access provided by Gregory road will be cut off when this road is disconnected. This could potentially create a hardship for residents as they have to drive further north along Alcovy road to access Flat Rock road or alternatively further south along Alcovy Rd to access Flat Rock road via Industrial Blvd.

Industrial Use

The applicant is proposing to rezone from Agricultural uses (A, AR) to an industrial use M2. Industrial uses tend to be much harsher compared to Agricultural and Residential uses and could have implications for the protected watershed and the County's drinking water Reservoir. The industrial use of M2 is the most intensive use in the County. There are also concerns for the added Stormwater disposal methods proposed for the new development as they indicate using the reservoir.

There does not appear to be a specific end user at this time for the data center. In order to protect the Alcovy and Cornish Creek watersheds and other sensitive environmental areas the County would recommend rezoning the entire project to residential use with a minimum of 10 acre lots (A zoned areas) until an end user is identified for any industrial use. At that time the portion of the project allocated for the data center can then be rezoned to industrial. Once the industrial use has been identified recommended conditions of zoning such as increased riparian and transition buffers, and a specific Stormwater management method should be included to further protect sensitive environmental areas.

There are critical waterlines covered by the proposed buildings that could impact water distribution in the County. Sewer connections would be required as additional septic would impact the drinking water and protective watersheds. (See reports below for NCWSA and Water Resources.)

Transportation Comments

The cul-de-sac on Gregory Road creates a 5 mile detour (vs. current 0.5 mile distance) to the intersection of Gregory Rd. and Flat Rock Road going south along Alcovy rd and an approx. 9 mile detour in the opposite direction. Gregory Road is an important link between Alcovy Road and Flat Rock Road for Newton County residents. I do not recommend the closure of Gregory Road. Also, the County does not own any right-of-way on parts of Gregory Road. The developer does

not have the power of eminent domain to acquire right-of-way for the proposed improvements, making the necessary improvements to Gregory Road from the cul-de-sac to Alcovy Road practically impossible for the developer.

Fire Services

Newton County Fire Services agrees with the annexation of the properties to the City of Covington. This decision is due to the City of Covington Fire Services having a better response time to the citizens and businesses in that particular area during emergencies or for public safety education. As always, we will continue to use our resources to mutually provide assistance to the City of Covington Fire Department in the annexed area when needed.

Water Resources

I am writing to express concerns regarding the proposed project that may significantly impact Newton County's water resources, particularly with respect to a major transmission line located near the site. Based on the information provided, it appears that a building will be placed directly on top of this vital water infrastructure. This raises serious issues regarding the potential disruption of the water supply, which could affect not only the local water treatment facility but also the citizens of Newton, Walton, and Jasper counties.

At this time, relocating the major transmission line is not feasible. The costs and logistical challenges associated with such a move are significant, and it may not be possible to proceed with this project without compromising water services to the aforementioned areas. We strongly urge the project developers and relevant authorities to take this critical issue into account and ensure that any construction plans avoid encroaching upon or disrupting the transmission line.

Additionally, I would like to highlight concerns regarding the water usage for this project. It has been noted that a substantial amount of water will be required without a confirmed end user for the facility. Newton County Water Resources does not reserve capacity to any provider without knowing the specifics of the water demand, such as the gallons per minute required during both peak and off-peak hours. It is crucial that the project developer provides a clear and detailed plan outlining the water usage, including the required water quality specifications.

Another matter of concern is the proposed zoning change for this project, with the request to designate the site as M2Heavy Industrial. Currently, the land is zoned as Agriculture and Agricultural Residential, and there is no confirmed end user for the site. We are particularly concerned about the potential for the project to evolve from a data center to another type of facility, such as a warehouse or manufacturing complex, which could have significantly different water and infrastructure demands.

We urge all stakeholders involved to carefully consider these issues to ensure that the project, if approved, does not have an adverse impact on water resources or the long-term planning and development of the area. We recommend further discussion and coordination between all parties involved to address these concerns and ensure that the project aligns with Newton County's goals for sustainable development.

Stormwater Management

Data centers require a lot of cooling from water, due to the heat generated.

- o There is the potential of the water being released to State waters such as creeks, streams, rivers, and or reservoirs and treatment plants. This causes problems for fish and other aquatic and/or micro-organisms that live in these water ways and affect the surrounding environment.
- o This project will require additional resources to properly manage and regulate the water produced and released onsite as well as downstream water quality monitoring. This will include additional sampling up and downstream and laboratory testing for pH, N, NO₃, BOD, O₂, bacteria, TSS, and others as part of a well-managed regulatory practice.
- o If the cooling water is released to reservoirs or treatment/reclamation facilities, the diverse temperature of the water entering one of these facilities could dramatically affect treatment measures. This would upset the balance of beneficial bacteria and micro-organisms that are utilized in the treatment of wastewater.
- o Furthermore, the water can be treated onsite. But it must be brought to ambient water temperature prior to releasing to a water way. If not, there will be a disruption of the aquatic balance of living wildlife and micro-organisms.

The impact on the environment as a whole.

Data centers require a lot of land for the development and the substation, power, and other infrastructure.

- o They typically have large amounts of impervious surface area requiring greater than typical stormwater management. Not to mention the loss of green infrastructure.
- o The loss of green infrastructure rarely gets replaced with any substantial benefits. And this affects the aesthetics of the neighboring communities, the loss of wildlife and habitat, the change in an ecosystem, and dampening of noise.
- o Finally, where and what types of stormwater management structures will be included? And how will future access be granted for routine inspections and management?

Michael A Hopkins, Executive Director, Newton County Water and Sewerage Authority

See the attached letter below for comments.

Morris Jordan, Director, Walton County Water Department

See the attached letter below for comments.



April 11, 2025

Shena Applewhaite
Director
Department of Development Services
Newton County
1113 Usher Street
Covington, GA 30014

Judy Thagard
Planning & Development Director
City of Covington
2194 Emory Street, NW
PO Box 1527
Covington, GA 30015

Subject: Annexation – City of Covington – 520.50 acres
Comments

Dear Ms. Applewhaite; and Ms. Thagard;

The Newton County Water and Sewerage Authority appreciates the opportunity to provide you with comments on the subject proposed annexation by the City with a requested zoning to M-2 Heavy Industrial, and NR-1 Neighborhood Residential zoning.

The properties included in this annexation request are in the Newton County Water & Sewerage Authority's Water Service Area. Newton County has a 30-inch water transmission main along Gregory Rd between Alcovy Road and Flat Rock Rd. and concepts plans show data center buildings over the current location of this critical transmission main. The Newton County Water & Sewerage Authority has 11 active customers along Gregory Road, and this main is critical to providing water to Newton County's Cornish Creek Elevated Storage Tank, the interconnect with Walton County at Flat Rock Rd, and customers throughout north and western Newton County. The users of the system who have made the investment in the existing water infrastructure must not bear the additional costs associated with the development of this property. We request that any rezoning be conditioned to require the developer to

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Michael Hopkins

bear the cost of improvements required to mitigate impacts to the transmission/distribution system from planned development over a section of the current Gregory Rd right of way and the 30-inch water main.

The applicant's expressed intent is to zone to M-2 Heavy Industrial, and NR-1 Neighborhood Residential to site a Data Center. Projected water use is speculative as there is no end user for this property. As we've discussed, Data Centers exert demand for large volumes of water seasonally when their need for cooling water is the highest. Recently, all water systems in Newton County began implementing a coordinated review with Newton County Water Resources of each large water user proposed to be added to the system. Should this annexation move forward, we respectfully request that the zoning to an industrial category be deferred, initial zoning to a less intense use.

The properties included in this annexation request are in an area not currently designated for sewer services. To serve this property's proposed use with sewer infrastructure, an amendment to the Service Delivery Strategy needs to be adopted and the effort should be funded by the property owner or developer.

The Authority has significant concern for the protection of water quality in Lake Varner, the source of the drinking water for citizens throughout Newton County. We further request that any annexation should be conditioned on the following:

- Applying provisions of the County's watershed protection overlay for the reservoir.
- Applying requirements of the County's Reservoir Management Plan to the property.
- Prohibiting private wastewater treatment solutions.
- Routing stormwater runoff from the parcels that the applicant requests M2 zoning to streams that are not tributary to the reservoir.

Please feel free to contact me with any questions.

Sincerely,



Michael A Hopkins
Executive Director

cc: James Brown, Newton County
Kevin Sorrow, City of Covington
Laurie Ashmore, NCWSA

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Walton County Board of Commissioners Water Department

April 8, 2025

James Brown
Newton County Board of Commissioners
Newton County Water Resources
11905 Alcovy Road
Covington, GA 30014

Dear James:

It was with great concern that I noticed a footprint of a proposed project on Gregory Road that could have a major impact on the primary water supply line for Walton County. In 1988, an Intergovernmental Agreement was signed by the City of Covington, Walton County and Newton County for the Cornish Creek Water Plant. In this agreement, and subsequent amendments, Walton County made a significant financial investment and was granted access to 6.25 million gallons per day (mgd) of water from the Cornish Creek Water Plant. The primary transmission main from the water plant to our primary pumping station on Flat Rock Road runs down Gregory Road. The footprint on the proposed project indicated that Gregory Road would be closed off. This would not only impact the transmission main due to the grading and building but would also prevent or limit access to the line. This line is the primary water source for Walton County and would harm our community. Due to the vital importance of this line, relocating it is not an option. Since moving the line is not an option any change in the R/W and access would also be detrimental. Walton County cannot afford any interruption in this line. Should this property be annexed into the City of Covington, the R/W and Gregory Road should not be altered. We are not against development, but a project such as this should not be allowed to have a major negative impact on an entire community.

I would respectfully ask that any annex request include an agreement that Gregory Road would not be changed or impacted so as to safeguard the transmission main.

Sincerely,


Morris Jordan
Director