



RESOLUTION 26-686

A RESOLUTION OF THE TOWN OF MOUNT CARMEL, TENNESSEE TO PROHIBIT THE ESTABLISHMENT, CONSTRUCTION, INSTALLATION, EXPANSION, AND OPERATION OF CRYPTOCURRENCY MINING FACILITIES AND DATA CENTER FACILITIES WITHIN THE TOWN'S CORPORATE LIMITS

WHEREAS, the Board of Mayor and Aldermen of the Town of Mount Carmel is authorized pursuant to Tennessee Code Annotated § 6-2-201 to exercise powers for the protection of the public health, safety, welfare, and general prosperity of its citizens; and

WHEREAS, cryptocurrency mining facilities and large-scale data center facilities may impose extraordinary demands upon electrical transmission and distribution infrastructure, including substations, backup power generation, and related utility systems, in a manner disproportionate to the public benefits they provide; and

WHEREAS, such facilities may require substantial water usage, intensive cooling infrastructure, and other utility-intensive operations that may burden local natural resources and public infrastructure; and

WHEREAS, the continuous operation of servers, cooling equipment, ventilation systems, generators, and associated electrical equipment may create persistent industrial noise and other nuisance conditions incompatible with nearby residential, commercial, recreational, and institutional land uses; and

WHEREAS, the Board of Mayor and Aldermen finds that cryptocurrency mining facilities and similar industrial-scale data centers are inconsistent with the Town's existing land use patterns and may threaten the health, safety, comfort, convenience, and welfare of the citizens of Mount Carmel.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Mayor and Aldermen meeting at Mount Carmel, Tennessee, on this 23rd day of July, 2026, that

SECTION 1. No person, partnership, corporation, limited liability company, governmental entity, or other legal entity shall establish, construct, install, locate, operate, or expand a cryptocurrency mining facility or data center facility within the corporate limits of the Town of Mount Carmel.

SECTION 2. The Board hereby declares that the establishment or operation of such facilities is incompatible with the public health, safety, comfort, convenience, and general welfare of the residents of the Town of Mount Carmel.

SECTION 3. "Cryptocurrency Mining Facility" means any facility, building, structure, site, or portion thereof primarily used for the operation of computers, servers, application-specific integrated circuits (ASICs), graphics processing units (GPUs), or similar electronic equipment for validating blockchain transactions, solving cryptographic algorithms, securing distributed ledgers, or generating cryptocurrency or other digital assets, together with associated cooling systems, ventilation equipment, primary and backup power generation equipment, battery storage systems, substations, and related electrical infrastructure. The term shall not include electronic equipment that is merely accessory and incidental to another lawful business.

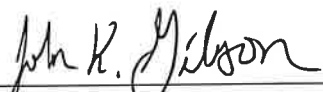
"Data Center Facility" means any facility, building, structure, site, or portion thereof primarily used to house or operate servers, computers, storage devices, network equipment, or related information technology infrastructure for processing, storing, transmitting, hosting, or managing electronic data or digital services, together with associated cooling systems, ventilation equipment, backup power generation, substations, battery storage systems, and related electrical infrastructure. The term shall not include customary office technology or information technology infrastructure incidental to another lawful business.

SECTION 4. Any violation of this Resolution shall constitute a municipal code violation and may be enforced through all remedies available under the Town's Municipal Code and applicable Tennessee law.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this Resolution is held invalid or unconstitutional, the remaining portions shall remain in full force and effect.

This Resolution shall take effect immediately, the public welfare requiring it.

ADOPTED this 23rd day of July, 2026.



John K. Gibson, Mayor

Attest:



Tyler S. Williams, CMFO
Town Recorder

