

Executive Summary

Culpeper County is distinct in its rural character and historic landscapes, from the Brandy Station Battlefield and Salubria to the Rapidan and Rappahannock Rivers and the beautiful Town of Culpeper. Possessing a strong sense of place, development has mostly remained at a smaller, context-sensitive scale. However, a combination of new development pressures could change this trajectory in a significant way. As one of the few nonprofit organizations following conservation and land use issues in the county, we have been encouraged by recent decisions to promote agriculture and limit industrial development in rural areas. The following policy recommendations would help Culpeper continue on this track and serve the best interests of its residents.

Data and Energy Infrastructure

Culpeper County has approved over 12 million square feet of new data centers; these facilities are poised to have a significant impact on Culpeper, both positively and negatively. We ask our local decision makers to be prepared for this impending industrialization and to protect Culpeper residents and rural lands from the unmitigated impacts of this industry and its associated electrical infrastructure.

- **Recommendation 1: Limit further approvals until the full impacts of this industry are known.**
 - Culpeper has exponentially increased the number of new data centers in the Town and County. It is unclear which of these projects will be built to completion and when they will begin to deliver their promised tax revenue. Cumulative impacts of noise, construction traffic, and water usage remain to be seen. We ask that Culpeper officials limit new data center growth until the approved projects have been completed and the implications of this industry are better understood by the community.
- **Recommendation 2: Prepare for uncertain tax revenue and consider reforming local tax incentives.**
 - Data center tax revenue is known to fluctuate wildly due to the rapid depreciation of computing equipment. There is also uncertainty about the long-term viability of AI and the potential that some data center projects are purely speculative and will not be built. We encourage local decision makers to plan accordingly for this instability and refrain from “banking” on tax revenue from data centers, which may not appear as anticipated, to pay for known costs.

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- Culpeper's Economic Development Department has developed an incentive program for data centers known as the Culpeper Tech Zone, wherein these facilities can be reimbursed for up to 40% of their machine and tools tax for five years if they invest \$10 million and hire ten full-time employees at the prevailing average wage (\$47k/year in Culpeper). We ask that Culpeper reconsider giving tens of millions of dollars in tax breaks to some of the wealthiest corporations in the world, especially given the negative impacts these facilities will likely have on the community and local tourism.
- **Recommendation 3: Prepare for impacts from associated transmission lines, substations, and onsite power generation.**
 - The approved data centers in Culpeper are anticipated to need over 2 GW of electricity, roughly the total output of the North Anna Nuclear Power Station. This explosion of growth has necessitated the construction of new and expanded transmission lines as well as multiple substations, some near residential areas. More transmission lines may be necessary if all the data centers are built out. We ask that local leaders communicate with Dominion Energy and Rappahannock Electric Cooperative regularly and amplify community voices so that any new infrastructure has minimal impact. We also ask that local leaders advocate for better transparency and fairness in the distribution of the cost of new infrastructure, which is only needed to serve data centers.
 - The data centers are increasingly trending towards on-site power generation. This could mean that Culpeper data centers use diesel or natural gas generators to generate electricity at times other than an electrical outage, as is already happening at certain facilities in Loudoun, VA, and Memphis, TN. On-site power generation could expose Culpeper residents to dangerous pollutants from diesel and natural gas emissions. Small Modular Nuclear Reactors are also being discussed, which would also present potential risks. We ask that local leaders take steps to regulate on-site power generation and restrict it to true electrical outages and maintenance testing.
- **Recommendation 4: Support smarter, cleaner, more distributed energy systems.**

Solar is an important component to achieving a carbon-neutral grid at a time when the need for electricity is skyrocketing due to data centers. We want to see:

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- Support for distributed solar projects that help residents gain energy independence and contribute to grid stability
- Well-sited utility and distributed solar projects that fit within the existing fabric of communities and support existing agricultural operations rather than replace them.
- Local governments lead the way in developing distributed renewables in developed areas, such as rooftop and parking lot solar, which not only reduces local dependence on fossil fuels but can also be a great cost-saver.

Rural Area Protection and Conservation

Culpeper's thriving town, clean and navigable waterways, and working family farms and timberlands are also vital assets to the county and state's economic, social, and environmental health. Caring for these assets and making sure they are accessible to residents and every Virginian requires state investment in conservation. Thanks to the forethought from past administrations and legislatures, Virginia has strong programs and tools. These mechanisms simply need sufficient, consistent, and dedicated funding to ensure Virginia's future generations have the kind of Commonwealth we want to leave to them.

- **Recommendation 1: Support the funding and implementation of the Culpeper Purchase of Development Rights (PDR) program.**

Permanently protecting Culpeper's farms and forestlands is a critical component of ensuring the continuation of a strong agricultural economy as well as the many ecosystem services that come from maintaining a rural land base. We encourage the County to invest in the future of farming in Culpeper and to take advantage of federal and state funding currently available for conservation while these opportunities last.

Smart Growth and Sustainable Communities

The Town of Culpeper is the hub and heart of the county. Removed from the crush of Northern Virginia, Culpeper maintains a small-town feel with its carefully restored downtown area, thriving local businesses, thoughtful residential development, accessible green spaces, and celebration of the area's rich local history.

- **Recommendation 1: Continue to support well-planned, site-appropriate residential development with high liveability.**

Culpeper's low cost of living, commutability to NOVA, and rural beauty have made it a highly desirable place to live, work, and play. However, residential sprawl continues to threaten local farmlands, and a booming population has necessitated the need for

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increasing public services, including multiple new schools and eventually the need for career emergency services. PEC supports efforts to find a balance between the need to provide affordable, workforce housing in the community without sacrificing the farms and forestland that define Culpeper. We ask that local leaders support smart growth practices that create a diversity of housing types in areas with access to necessary infrastructure to support infill development.

- **Recommendation 2: Recognize and protect historic communities and resources.**

Culpeper has a rich, diverse history that spans centuries. Even though the landscape and land use have evolved over time, many of the most important cultural and historical features still remain and contribute to the unique sense of place that defines Culpeper.

- The **Culpeper National Cemetery** is an important place not only for Culpeper residents but for armed forces veterans across Virginia. We ask that the Town Council support the wishes of the veteran community to preserve the solemnity of this irreplaceable cultural and spiritual resource by removing any tax incentives that would promote the industrialization of the National Cemetery environs.
- **Brandy Station**, the focal point of the new State Park at Culpeper Battlefields, not only played a key role in the American Civil War, but also was one of the early communities where emancipated African Americans settled and farmed post-Civil War. We ask that the elected officials of Culpeper support efforts to acknowledge, document, and protect the many historic resources still present in the area before they are lost.

- **Recommendation 3: Support access to greenspace increased community walkability.**

The Town of Culpeper has already made significant efforts to become more walkable and to provide residents with ready access to greenspace. We encourage the Town and the County to continue these efforts and expand them to increase the livability of the town and reduce the need to get into a car to access needed goods and services.