Lansing Town Board

Lansing Town Hall

Lansing, NY 14882

Re: Proposed Local Law Amending Zoning Code § 270-3

November 13, 2026

Dear Town Board Members:

The recent mid-term election results appear to have accelerated an already growing reassessment of the social, political, and financial viability of large-scale data center development. Communities across the country are increasingly questioning whether the promised economic benefits of these projects justify their environmental, infrastructure, and quality-of-life impacts. According to Redbud Consulting, 47 referendums were tracked in 44 municipalities across 12 states, with restrictions on data center development approved in 44 of 45 elections that reported.

At the same time, the artificial intelligence (AI) market is experiencing growing financial uncertainty. Concerns include slowing growth in enterprise demand, mounting debt among infrastructure providers, and enormous capital expenditures that may not generate sufficient revenue to justify the investments. There is growing skepticism about whether the anticipated returns from AI will materialize at a scale sufficient to support the massive investments now being made in data center infrastructure. The principal risk is not necessarily a physical oversupply of data centers, but financial overbuilding: companies are committing billions of dollars to capital-intensive facilities that may not recover their costs if chip efficiency improves, technology changes, or demand for computing capacity falls short of expectations.

These developments reinforce the importance of local governments carefully evaluating the long-term consequences of data center development rather than relying on developers' projections and promises of economic benefits.

Of greatest concern to Cayuga Lake Environmental Action Now (CLEAN) are the potential impacts on our environment and quality of life. Hyperscale and AI data centers consume enormous amounts of electricity and water. Their demands can strain regional power grids, increase pressure to retain or expand fossil-fuel generation, and contribute to higher electricity and utility costs for households. Other significant concerns include:

- **Noise Pollution:** Continuous, low-frequency noise from massive cooling fans, HVAC systems, and backup diesel generators can disturb nearby residential neighborhoods and diminish residents' quality of life.
- **Resource Strain and Utility Costs:** Heavy demands on local water supplies for cooling and regional electricity grids can strain public infrastructure and potentially increase costs for local households and businesses.
- **Traffic and Community Character:** Construction and ongoing maintenance bring substantial truck and worker traffic, potentially changing the rural character and appearance of the surrounding community.
- **Environmental and Air Quality Concerns:** Increased electricity demand may prolong reliance on fossil-fuel power plants. Backup generator testing and operation can also contribute to localized air pollution and greenhouse gas emissions.
- **Limited Economic Returns Relative to Community Impacts:** The permanent employment and financial benefits of data centers may be considerably less substantial than developers' projections suggest. The experience of the Town of Barker with TeraWulf raises legitimate questions about whether the financial benefits to the host community have been accurately represented and whether they justify the associated costs and impacts.

For many residents, quality of life and the preservation of family land and community character cannot simply be measured in dollars. Consider the recent example of Ida Huddleston, 82, and her daughter, Delsia Bare, who rejected a $26.48 million offer from a data center developer for their multigenerational family farm in Kentucky. After learning that the property would be used for AI infrastructure, Bare reportedly told the developer's representatives, "Kick rocks and don't come back." Their decision reflected a commitment to preserving their family heritage, their land, and the way of life they valued more than a multimillion-dollar offer.

This example illustrates an important point: economic offers, however substantial, do not necessarily compensate communities and families for the permanent loss of the places and qualities that make them unique.

According to the Pew Research Center, most new data centers in the United States are being developed in rural areas. (https://www.pewresearch.org/short-reads/2026/04/13/most-new-data-centers-in-the-us-are-coming-to-rural-areas/). This trend presents particular challenges for rural municipalities. When large-scale industrial development, including data centers, manufacturing facilities, or major residential subdivisions, is proposed in rural communities, local governments face significant challenges in evaluating its consequences. Municipalities often lack the administrative capacity, technical expertise, and financial resources needed to assess complex projects and negotiate with well-funded developers. The resulting imbalance can leave local governments at a considerable disadvantage when attempting to protect their communities' long-term interests.

The situation in Lansing illustrates this challenge. I cite TeraWulf as an example as that is the data center with which I am most familiar. TeraWulf's financial relationships extend well beyond our local community, involving outside investors and institutional financial interests, including private equity and other large investment entities. The company is headquartered in Maryland

and has retained 2 prominent New York City law firms. These organizations have access to financial, legal, and technical resources that are far beyond those available to an individual community or its residents. This is, in many respects, a David-and-Goliath situation. It underscores why the Town Board must carefully consider its responsibility to protect the interests of Lansing residents.

Since the public comment session at Lansing Middle School on September 29, questions have been raised about the Town's legal authority under New York State law to prohibit data centers as a permitted land use through zoning. In response, CLEAN asked its attorney to prepare a legal memorandum addressing this issue in support of the proposed prohibition. As explained in the attached memorandum, New York law generally grants municipalities broad authority to regulate land use through zoning and does not require them to accommodate every proposed industrial use within their boundaries. We hope this analysis will help address the concerns raised and provide the Town Board with a sound legal foundation for its deliberations.

Finally, CLEAN's mission is consistent with Lansing's longstanding commitment to preserving its open spaces and natural resources. The Town's Open Space Plan states:

"Vast open spaces, scenic vistas, and an abundance of natural resources are the defining features of the Town of Lansing, and are invaluable assets to the community's residents and leaders. As such, Lansing will protect and celebrate its open spaces and natural resources to maintain its identity and preserve the rich quality of life that they afford the Town's residents. The Town will prioritize conservation efforts..."

These are more than aspirational words. They represent a commitment to the future of Lansing and the quality of life its residents value. The proposed local law provides the Town with an opportunity to act consistently with that commitment.

We sincerely hope the Town Board will stand by its vision for Lansing and exercise its responsibility to protect the community's environment, natural resources, and quality of life for current and future generations.

Sincerely,



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