Citizen
ENVIRONMENTAL LAW

**MEMORANDUM**

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**From:** Stephen D. Daly, Esq.
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**Re:** Town of Lansing's Legal Authority to Adopt Local Law Prohibiting Data Center Uses

**Date:** November 6, 2026

The purpose of this memorandum is to summarize the Town of Lansing's legal authority under New York law to prohibit data center uses through zoning. I understand that certain questions have been raised by a developer concerning whether municipalities must accommodate data centers somewhere within their borders, and whether an outright prohibition could expose the Town to legal liability.

As discussed below, New York law generally provides municipalities broad authority to regulate land uses and does not require municipalities to allow every industrial use within the Town. Whether Lansing should prohibit data centers is ultimately a legislative and policy decision. New York law does not require the Town to allow data centers somewhere within its borders.

1. **Can Lansing prohibit data centers altogether?**

Yes. A municipality may prohibit an industrial use such as a data center entirely, provided the prohibition is supported by a legitimate zoning rationale, the same as any zoning law or amendment.

The leading case on this subject is *Gernatt Asphalt Prods. v. Town of Sardinia*,[1] where the Court of Appeals of New York rejected the argument that a municipality must allow every potentially valuable industrial use. The Court stated:

> *A municipality is not obliged to permit the exploitation of any and all natural resources within the town as a permitted use if limiting that use is a reasonable exercise of its police powers to*

[1] 87 NY2d 668 [1996].

*prevent damage to the rights of others and to promote the interests of the community as a whole*.[2]

This principle has been reinforced in several other decisions.[3]

New York municipalities routinely distinguish among industrial uses. Lansing's existing zoning code already prohibits certain industrial activities while permitting others. For example, the following industrial and commercial uses are expressly "not permitted" in any zoning district in Lansing, regardless of the economic or societal benefits they might offer:

- Banquet hall/reception venue;
- Commercial excavation, rock, sand, gravel, salt and similar near-surface products;
- Solid waste landfill;
- Toxic waste disposal[4]

The fact that a use may generate economic benefits does not require a municipality to accommodate it somewhere within its borders.

Other municipalities in Tompkins County, including the Towns of Dryden and Danby, have recently adopted zoning amendments prohibiting data centers.[5]

**2. What limits are there on banning data center uses under New York law?**

The main limitations are the same ones that apply to virtually any new zoning law or amendment: the law must be rationally related to a legitimate land-use purpose affecting public health, safety, morals or general welfare, and consistent with a comprehensive plan.[6]

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[2] *Id.* at 683-84.
[3] *See Matter of Wallach v. Town of Dryden*, 23 NY3d 728, 743 [2014] (stating that municipalities ordinarily possess the home rule authority to impose restrictions or bans on types of industrial uses in furtherance of local interests); *Pete Drown Inc. v. Town Bd.*, 229 AD2d 877 [3d Dept 1996] (upholding local law banning commercial incinerators).
[4] Schedule I: Schedule of Land Uses or Activities, Town of Lansing.
[5] "Wave of municipalities move to ban data centers," Ithaca Voice, May 6, 2026, https://ithacavoice.org/2026/05/wave-of-municipalities-move-to-ban-data-centers/; "Town of Danby Bans Data Centers and Crypto Mines," Ithaca.com, Apr. 15, 2026 (https://www.ithaca.com/news/ithaca/town-of-danby-bans-data-centers-and-crypto-mines/article_e59fdc05-a17a-4462-8c26-a74e84dd4741.html)
[6] Town Law §§ 261, 263; *Albright v. Manlius*, 34 AD2d 419,422-23 [4th Dept 1970].

In the case of data center restrictions or prohibitions, a valid and rational land-use purpose could include things such as protecting community character; protecting tourism and recreational interests; electrical infrastructure demands; environmental/resource concerns associated with Cayuga Lake or other natural resources; noise and light pollution; and emergency services planning. Many of these considerations were identified by members of the public during the special meeting held on September 29, 2026, according to the approved meeting minutes.

These considerations appear relevant to several planning objectives identified in the Town's Comprehensive Plan (2018). The Plan provides, for example, that "[t]he Town greatly values, and is steward, to a wide range of natural and scenic resources, including Cayuga Lake, various streams, gorges, parks, trails, rural landscapes, and scenic views, all of which contribute significantly to the community's growth and economic base," adding that preservation of the community's natural areas and resources is "of the utmost importance to the town."[7] Moreover, while the Plan acknowledges the value of economic growth, it also directs that the growth must be "sustainable" and that it must not "negatively influence the overall character of the town."[8]

In any event, it is ultimately up to the Town Board to determine whether data center uses fit within the Town's land-use goals and planning objectives. But these materials suggest that the Town Board likely has ample justification for prohibiting them should it choose to do so.

**3. Would a data center ban constitute unlawful "exclusionary zoning"?**

No, not in New York State. In New York, the doctrine of exclusionary zoning is focused on residential housing, socioeconomic discrimination, and regional housing needs.[9] Courts here have consistently held that "the rule of exclusionary zoning, [is] designed to prevent a municipality from improperly excluding people from obtaining housing."[10]

The rule against exclusionary zoning does not apply "to prevent the exclusion of **industrial uses**."[11] It therefore has no applicability to industrial uses like data centers.

Some states have broader limitations on exclusionary zoning than New York. Local land use regulation is fundamentally governed by state-specific law. Those state-specific authorities in other jurisdictions do not alter the scope of municipal zoning power under New York law.

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[7] Comp. Plan at 14-15.
[8] Comp. Plan at 15.
[9] *Berenson v. New Castle*, 38 NY2d 102 [1975].
[10] *McGann v Inc. Vil. of Old Westbury*, 256 AD2d 556, 558 [2d Dept 1998].
[11] *Gernatt*, 87 NY2d at 684 (emphasis added).

**4. Could the Town still be sued over a data center ban?**

Potentially yes, as any zoning amendment can be challenged in court. But under New York law, zoning laws are entitled to a strong presumption of validity,[12] and parties seeking to invalidate them bear a heavy burden of proof.[13]

Courts tend to afford the greatest deference to zoning enactments that are supported by a developed legislative record and careful consideration of local planning objectives. In this case, I understand that the Town Board has done so by, for example, holding special public meetings, soliciting input from the Planning Board, and reviewing public statements and written comment.

**Conclusion**

New York law affords municipalities broad authority to determine what land uses are compatible with local planning objectives. Under existing Court of Appeals precedent, municipalities are not required to provide a location for every industrial use within their borders, and New York's exclusionary zoning doctrine does not prohibit the exclusion of industrial uses. Ultimately, whether Lansing should prohibit data centers is a matter of local legislative judgment.

[12] *Marcus Associates, Inc. v. Huntington*, 45 NY2d 501, 505 [1978].
[13] *Matter of Meteor Enters., LLC v. Bylewski*, 38 AD3d 1356, 1358 [4th Dept 2007].