DIVISION OF
LOCAL GOVERNMENT
SERVICES

Local Finance Notice

LFN 2026-13

August 25, 2026

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Data Centers

On May 27, 2026, Governor Sherrill announced a comprehensive Statewide plan to address the growing impact of data centers on energy demand, resource use, and local communities. As demand for data centers accelerates, this framework will establish strong guardrails to protect communities, strengthen transparency, create employment, and ensure these facilities invest in New Jersey's energy infrastructure.

The plan includes four key principles:

- **Establishing fair-share rules** to ensure data centers bring new clean energy online and contribute to the grid infrastructure needed to support their growth, shifting costs away from residents and ratepayers rather than to them.

- **Improving transparency** starting with requiring reporting on energy and water use so the public has greater visibility into the impact of large-scale facilities.

- **Developing strong Statewide standards for Community Benefits Agreements** and providing State resources to ensure municipalities can negotiate from positions of strength, ensuring data centers address impacts like light, noise, and pollution while making meaningful local investments.

- **Delivering good-paying jobs** by ensuring data centers leverage local trades and pay prevailing wages.

This Local Finance Notice explains how recent legislation and municipal community benefits agreements help fulfill the above principles by mitigating data center impacts and more equitably distributing their economic benefits. This Notice also provides a primer on considerations for negotiating community benefits agreement provisions, information on support that exists within State government, and guidance relevant to data center land use approvals and wage and hour compliance; along with property tax incentives for data centers located in redevelopment areas. A helpful FAQ document is also provided in the Appendix.

Data Center Fair Share

P.L. 2026, c.32, signed into law by Governor Sherrill on July 7, 2026, creates a new ratepayer class and rate structure for large data centers, ensuring data centers pay for their own energy use and associated grid infrastructure. The law requires the Board of Public Utilities (BPU) to establish standards governing electric service to large data center customers for each electric public utility, and mandates cost-allocation rules to ensure other utility customers do not subsidize large data center customers. Further, the law incentivizes data centers to bring in cheaper, clean power to the grid and requires data centers to reduce power demand before grid strain impacts residential ratepayers. The law would also create a separate retail program whereby a data center would offset its capacity obligation by paying to reduce demand elsewhere in the system. The BPU will work to implement the legislation over the coming months, including seeking stakeholder feedback as it develops the tariff.

Host Community Benefits Agreements

Overview

Community Benefits Agreements (CBAs) are legally binding contracts between developers and host municipalities that can serve to mitigate local impacts of large infrastructure projects, such as data centers. These agreements can take multiple forms as described below and can be tailored to meet the specific needs of the host community and to address the specific impacts of a project. The agreements typically provide the host community with a combination of financial and non-financial benefits. These agreements often require community engagement and can additionally serve as a vehicle for transparency around a particular project, detailing mutually agreed-to expectations for development between a project and community.

An electric generating facility, which certain data center projects incorporate, is one example of a type of project where a community benefits agreement can be useful. See N.J.S.A. 40:50-16. The Aspire Program and Emerge Program, both administered by the New Jersey Economic Development Authority (EDA), generally require projects with a total cost of $10 million or more to enter into a community benefits agreement with the county or municipality in which a qualified business facility is located. Community benefits agreement provisions may also be incorporated into other agreements, such as those connected to redevelopment projects.

The State is prepared to support local communities as they consider and work on entering into a community benefits agreement with a data center developer. Among other things, this Notice guides municipalities on what to consider as part of a community benefits agreement. Additionally, the EDA has a team of professionals to provide guidance and technical support, and direct municipalities to advisors and resources that can support municipalities in the design and negotiation of community benefits agreements. Municipalities are also strongly encouraged to consult with legal counsel when crafting a community benefits agreement.

<u>Considerations for Community Benefits Agreements:</u>

At minimum, community benefits agreements should be informed by the following:

- Analysis of how the proposed data center project conforms to the municipality's master plan and any redevelopment or rehabilitation plans;
- Review of detailed emergency response plans and infrastructure impact assessments submitted by the developer as part of the initial application package. These materials should be reviewed jointly by municipal engineering, public works, and emergency services before negotiations on a community benefits agreement commence;
- A clear understanding of how the proposed project will impact the municipality's resources and infrastructure including, but not limited to, water supply, wastewater capacity, and fire protection in consultation with, as applicable, water and wastewater utility providers and any local authorities (including fire districts);
- A clear understanding and agreement regarding any quantifiable investments in the community in addition to the primary development project. As described below, these agreements may take a number of forms including, but not limited to, stand-alone community benefits agreements, redevelopment agreements, or property tax incentive agreements; and
- Feedback from engagement with residents, community leaders, trades, and local non-profits to ensure equitable distribution of project benefits, training and apprenticeship opportunities, along with identifying potential negative impacts requiring mitigation, including noise and light pollution. Even if not required under law, public hearings concerning community benefits agreements or provisions incorporated into other agreements are strongly encouraged for purposes of transparency.

Detailed considerations that may drive the design of an effective community benefits agreement include:

Infrastructure – A municipality should ascertain the impact of a proposed data center on its above-ground and underground infrastructure by working closely with its engineer, head of public works, and any utilities servicing the municipality including electric and water/sewer. Depending on the nature and extent of a data center's infrastructure impact and resource demands, a community benefits agreement could require the data center entity to contribute towards road reconstruction, along with the replacement and improvement of water and sewer mains and other key infrastructure. Where impacted infrastructure is owned by another local government, such as a county road or water infrastructure owned by a municipal utilities authority, those local governments will need to factor into the negotiations. Please note that Prevailing Wage Act and Public Works Contractor Registration (PWCR) requirements apply to public works projects "done on property or premises" owned, leased, or to be leased by a municipality, regardless of whether the data center entity pays the entirety of the cost of the improvements. As discussed further below, certain infrastructure projects such as lead service line replacement, traffic-calming, and pedestrian-focused improvements could help address historic disparities in underserved communities.

Fire Protection and Emergency Response – Municipalities should also evaluate a proposed data center's impact on fire protection infrastructure and emergency response, including water supply, access, roadway/bridge capacities, communications, and the local fire department's ability to respond to the hazards of the data center site. Warranting particular attention are on-site alternative power sources (including emergency generators) fuel storage systems, battery energy storage systems, and uninterrupted power supply (UPS) installations, due to the unique fire, electrical, and hazardous materials risks these elements may present. If the project necessitates improvements to public fire protection infrastructure and emergency response capabilities, a municipality is strongly encouraged to require the developer to fund such improvements as part of the community benefits agreement.

Further, municipalities should also facilitate early coordination among the developer, fire official, emergency management coordinator, and construction official to identify any site-specific fire protection considerations and emergency response needs. This coordination should also include fire department preplanning for the facility along with training for firefighters on the specific hazards present at each site.

Sustainability – Municipalities should require data centers to adopt best-practice sustainability measures, including water-efficient cooling technologies, heat-recovery systems, stormwater impact mitigation, a facility decommissioning plan, and integration of onsite or contracted clean energy resources aligned with State decarbonization goals.

Consultation with Relevant Utility Providers – Municipalities should consult with their local electric utility to determine whether a data center's interconnection load will require substation upgrades, transmission enhancements, or resiliency investments, and clarify in agreements how the developer will assume responsibility for such costs under new law P.L. 2026, c. 32. Water and wastewater utility providers should also be consulted regarding the project's impact on water supply and wastewater capacity.

Regional Coordination – Municipalities should coordinate early with all other relevant jurisdictions and agencies, such as county emergency management, local utilities, regional planning entities, and relevant State agencies, to ensure consistent oversight and avoid conflicting requirements.

Social Benefits and Community Investment – Community benefits agreements may include funding for specific programs to develop social benefits and deliver human capital. Based on feedback from residents, community leaders, trades, local businesses, and local non-profits, community benefits agreements should consider requirements that ensure equitable distribution of project benefits, training and apprenticeship opportunities, along with identifying potential negative impacts requiring mitigation. Examples from the Aspire and Emerge programs include requirements for training, employment, and youth development and free services for underserved communities.

Municipalities are strongly encouraged to adapt the planning, equity, and evidence principles outlined in Local Finance Notice 2021-21 for use of ARP Local Fiscal Recovery Funds (LFRF) in determining the types of measures and projects to incorporate into a community benefits agreement. Be mindful of racial and economic equity - particularly in design, outreach, access, geographic and demographic distribution, and outcomes – and weigh how a community benefits element can achieve maximum longer-term impact while avoiding substantial unfunded legacy costs for taxpayers. Community benefits agreement funding for specific programs should be designed to deliver social benefits and develop human capital, with such programs being evidence-based. Municipalities should also consult their board(s) of education to determine the extent to which a community benefits agreement could be utilized to address school district needs such as, but not limited to, educational technology and training in areas such as artificial intelligence or robotics.

Monitoring – The efficacy of any community benefits provisions requires implementing long-term monitoring requirements such as annual reporting on energy and water usage, emergency system testing, and updated risk assessments for ensuring compliance throughout the operational life of the facility.

Standardized Assessment/Scoring Rubric – Municipalities should consider establishing a standardized scoring framework assessing economic benefits, infrastructure burdens, environmental impacts, public safety risks, and community benefits commitments to support consistent and transparent decision-making.

Existing Statewide Community Benefits Agreement Frameworks

As noted above, the Aspire Program and Emerge Program, both administered by the New Jersey Economic Development Authority ("NJEDA"), generally require projects with a total cost of $10 million or more to enter into a community benefits agreement with the county or municipality in which a qualified business facility is located. Community benefits provisions in both laws offer a helpful guide for crafting community benefits agreements associated with data centers. NJEDA offers a community benefits agreement template for its Emerge Program that can be adapted for municipal agreements with data centers.

For an Aspire Program or Emerge Program project, the community benefits agreement may include, but shall not be limited to, requirements for training, employment, and youth development along with free services to underserved communities in and around the community in which the facility is located. A community benefits agreement entered into under these programs may be incorporated into a redevelopment agreement and/or a property tax incentive agreement (described further below in the section entitled "Property Tax Incentive Agreements"). The governing body must hold at least one public hearing at which residents, community groups, and other stakeholders can provide testimony on community needs that the agreement should address. The agreement must also provide for the creation of a community advisory committee, made up of residents and community groups, to oversee agreement implementation and ensure compliance with its terms, monitor successes, and produce an annual public report. The entity submitting the annual report must certify the entity's compliance with the terms of the community benefits agreement. See N.J.S.A. 34:1B-328(f) and 34:1B-341(b).

If the eligible business fails to provide the certification required under the Aspire Program or Emerge Program, or NJEDA determines that the eligible business is not in compliance with the terms of the community benefits agreement based on the reports submitted by the community advisory committee, then NJEDA may rescind the award or recapture all or part of any tax credits awarded. Similarly, a community development agreement with a data center entity should specify the consequences for the entity's failure to abide by the agreement.

Similar agreement structures may be available under property tax incentive agreements as described below.

Technical Assistance

The EDA's Data Center Community Benefit Agreement Municipal Resource Hub provides New Jersey municipalities with the technical assistance contacts, a resource library model documents intended to inform the development of a community benefits agreement. Components include:

- Technical Assistance: Access to energy/grid, water, and economic impact experts that can help municipal staff evaluate developer-submitted information.
- Resource Library: A collection of community benefits agreement information, model agreement language, case studies, and comparable documents from peer jurisdictions.
- Contact: Municipalities can reach the Hub at DataCenterTA@njeda.gov to request technical assistance.

Please visit the Hub to learn more.

Infrastructure Improvements as Condition of Certain Land Use Approvals

The Municipal Land Use Law at N.J.S.A. 40:55D-42 authorizes municipal governing bodies to establish, through ordinance, regulations requiring a developer, as a condition for subdivision or site plan approval, to pay the proportionate share of the cost of providing reasonable and necessary street improvements and water, sewerage, and drainage facilities (including associated easements) located off of the property but necessitated by the project. The regulations shall be based on circulation and comprehensive utility service plans and must establish fair and reasonable standards to determine the developer's proportionate share of the cost of necessary off-site improvements.

Although outside the context of a community benefits agreement, such regulations could be useful in ensuring that, as a condition of subdivision or site plan approval, a data center developer pays the proportionate cost of street and underground infrastructure improvements necessitated by a data center project. Municipalities with existing off-site improvements ordinances should review their regulations with land use counsel to determine what updates may be necessary for data centers.

Labor-Related Compliance Requirements & Project Labor Agreements

P.L. 2025, c.335, signed into law on January 20, 2026, applies Prevailing Wage to data center construction projects commencing on or after March 1, 2026 if the data center is designed to have an annual usage of five megawatts or greater after construction. Any general contractor or subcontractor performing work on a data center project must have a current Public Works Contractor Registration (PWCR), submit certified payrolls to the New Jersey Wage Hub maintained by the New Jersey Department of Labor and Workforce Development (NJDOL), and shall not be debarred by NJDOL from engaging in public works contracts in the State. A contractor shall be jointly and severally liable for any wages, benefits, or other amounts owed to any worker not appropriately paid by a subcontractor on a data center construction project.

Further, all contractors and subcontractors must have a worker's compensation experience modifier rate of 0.95 or lower and shall maintain and make available the following:

- the Log of Work-Related Injuries and Illnesses (OSHA Form 300) for the previous three years;
- all federal Occupational Safety and Health Administration (OSHA) citations received in the previous 10 years;
- evidence of a safety plan that is compliant with the requirements established by OSHA with relevant data which may include, but is not limited to, a safety manual and records of employee participation;
- proof of workers' compensation insurance; general liability insurance of not less than $2 million per occurrence; and owned and leased motor vehicle insurance of not less than $2 million per vehicle, with subcontractors responsible for their own insurance coverage; and
- a performance and payment bond in accordance with N.J.S.A. 2A:44-143 and 2A:44-147 in an amount not less than 150 percent of the value of the contract.

A contractor shall maintain daily sign-in sheets, which shall be submitted weekly to the entity awarding the contract and shall include, in print each worker's name, their contractor, and the worker's arrival and departure time. All workers employed on a data center construction project shall undergo drug testing and complete general construction training meeting or exceeding OSHA-10 standards and, for every 15 workers employed by a contractor on the worksite, at least one worker shall have completed construction training meeting or exceeding OSHA-30 standards. At least one on-site supervisor or foreperson having completed construction training meeting or exceeding OSHA-30 standards. Any worker operating heavy construction equipment or power actuated tools shall provide proof of equipment-specific training. Temporary labor services shall not be utilized unless the workers provided are verifiably enrolled in an apprenticeship program registered by the Office of Apprenticeship of the United States Department of Labor and meeting the standards established by that office, or registered by a State apprenticeship agency recognized by said office.

A data center construction project designed to have an annual electrical usage of 25 megawatts or greater after construction may include a project labor agreement with the labor organizations with collective bargaining agreements that are or were the basis for a determination of the prevailing wage. Project labor agreements for data center projects of this scale are encouraged as a means to advance State and local community interests regarding energy, efficiency, quality, safety, project timeliness, and a skilled labor force.

Property Tax Incentive Agreements

When a data center fits within a municipality's redevelopment plan, a municipality can enter into tax exemption or abatement agreement with developer constructing a data center within an area in need of redevelopment or rehabilitation. Relevant laws to consider are the Long-Term Tax Exemption Law (N.J.S.A. 40A:20-1 et seq.), and the Five-Year Exemption and Abatement Law (N.J.S.A. 40A:21-1 et seq.).

The above-referenced laws exist to incentivize private developers to invest in the development of a property in a manner that may not be economically viable without a financial incentive. The incentive reflects the municipality's policy interest in advancing economic development at a site in need of rehabilitation or redevelopment, and its willingness to forego property tax revenue in the short to mid-term to achieve this result. While too little incentive may cause a municipality to fail to realize the development objective, too rich of an incentive in the form of an insufficient contribution towards municipal services may unduly burden other taxpayers who must offset the subsidy through their own property tax dollars. Each municipality should consider what municipal services are impacted by a given data center project as part of its analysis of the proposed incentive including, but not limited to, the long-term costs associated with fire protection, emergency medical services, fire prevention inspections, emergency management, and other public safety services that may be affected by the construction and operation of the facility. Another critical element of a property tax incentive is active monitoring of the developer's compliance with the underlying agreement, including payment of the correct annual service charge amount pursuant to the agreement formula.

As discussed above, broader community benefits provisions negotiated into a property tax incentive agreement should, among other things, be built on principles of transparency, equity, and robust public dialogue.

The Division of Local Government Services' Municipal Tax Abatement Toolkit contains a Municipal Tax Abatement Handbook with further guidance on evaluating projects for municipal tax exemptions and abatements and a PILOT Financial Agreement Forecast tool for evaluating the net cost to the municipality of a given PILOT scenario.

Pursuant to P.L. 2025, c.152, effective October 20, 2026, construction, reconstruction, demolition, alteration, custom fabrication, duct cleaning, or repair work or maintenance work undertaken on any property subject to a tax incentive shall require the contractor to submit certified payrolls to both the municipality and NJDOL. This would apply to data centers designed to have an annual usage of less than five megawatts after construction, although such projects would still not be subject to prevailing wage.

<u>Long-Term Tax Exemption Law</u>

For a developer creating an urban renewal entity for the purpose of constructing a data center, the Long-Term Tax Exemption Law offers municipalities the ability to offer a long-term property tax exemption ("Long-Term PILOT") on the property upon which the data center will be located. Here the land would continue to be subject to property taxes while the urban renewal entity (i.e. developer) pays an annual service charge on the improvements pursuant to a financial agreement. The annual service charge is based on a computation of the project's annual gross revenue and subject to parameters established under N.J.S.A. 40A:20-12, with 5% due to the county and no more than 2% that may be charged by the municipality as an additional annual administrative fee.

A financial agreement for a Long-Term PILOT must be for a specific duration not to exceed:

- 30 years from the completion of the entire project, or unit of the project if the project is undertaken in units, or not more than 35 years from the execution of the financial agreement between the municipality and the urban renewal entity; or
- For each project undertaken pursuant to a redevelopment agreement which allows the redeveloper to undertake two or more projects sequentially, the financial agreement may specify a duration of not more than 30 years from the completion of a project, or unit of the project if the project is undertaken in units, or not more than 50 years from the execution of the first financial agreement implementing a project under a redevelopment agreement entered into pursuant to subsection f. of N.J.S.A. 40A:12A-9.

The municipal governing body must approve a Long-Term PILOT agreement by ordinance, which requires a public hearing prior to adoption. The municipality shall notify the county chief financial officer and the clerk to the board of county commissioners of the county within which the municipality is located of the date, time, and place of the public hearing required to be held prior to the passage of the ordinance. Any modifications to the agreement must likewise be effectuated by municipal ordinance.

Municipalities should closely review and independently verify redeveloper figures with respect to a data center's gross revenue. The financial agreement shall provide that the urban renewal entity shall submit an annual audit to the mayor and governing body of the municipality within 90 days after the close of the entity's fiscal year. Municipalities should review these audits as part of their continual monitoring of the financial and operational health of any urban renewal entity and, by extension, the development that is subject to the Long-Term PILOT.

<u>Five-Year Exemption and Abatement Law</u>

For properties located in areas determined as needing rehabilitation or redevelopment, the Five-Year Exemption and Abatement Law ("Five-Year Law") authorizes municipalities to enter into agreements to grant short-term tax abatements and exemptions for commercial or industrial structures "which the governing body determines will tend to maintain or provide gainful employment within the municipality, assist in the economic development of the municipality, maintain or increase the tax base of the municipality and maintain or diversify and expand commerce within the municipality." N.J.S.A. 40A:21-3(d); 40A:21-8. The governing body must make the above determination with respect to a data center project before adopting an ordinance under the Five-Year Law authorizing a tax agreement with the data center entity. The PILOT would follow one of the following three formulas: cost basis, gross revenue basis, or tax phase-in basis. N.J.S.A. 40A:21-10. Applications for exemptions and abatements on new construction must include the content specified under N.J.S.A. 40A:21-9. Any agreement shall be in effect for no more than five (5) full years next following the date of completion of the project. The Division of Local Government Services must receive a copy of the agreement within 30 days after its execution.

For a data center incorporated into a retrofitted existing structure, if a municipality has adopted an ordinance under the Five-Year law authorizing an exemption from taxation of improvements for commercial or industrial structures, the true value of the improvements to the property shall not increase the value of the property during the 5-year period, while the land shall not be assessed lower than the assessed value immediately prior to the improvements being made (absent a weather event causing significant structural damage).

Approved: Michael F. Rogers, Director

Document	Internet Address
Statewide Data Center Plan	https://www.nj.gov/governor/news/2026/20260527a.shtml
P.L. 2026, c.32	https://pub.njleg.state.nj.us/Bills/2026/A1000/796_R4.PDF
Aspire Program (EDA)	https://www.njeda.gov/aspire/
Emerge Program (EDA)	https://www.njeda.gov/emerge/
LFN 2021-21	https://www.nj.gov/dca/dlgs/lfns/2021/2021-21.pdf
Community Benefits Agreement Template (Emerge Program)	https://www.njeda.gov/wp-content/uploads/2025/05/Community-Benefits-Agreement_Draft-Template.pdf
Comm. Benefits Agreement Technical Assistance Hub	http://www.njeda.gov/DataCenterTA
P.L. 2025, c.335	https://pub.njleg.state.nj.us/Bills/2024/AL25/335_.PDF
NJ Wage Hub	https://www.nj.gov/labor/wageandhour/prevailing-rates/njwagehub.shtml
OSHA Forms	https://www.osha.gov/recordkeeping/forms
OSHA-10 & 30 Training	https://www.osha.gov/training/outreach
Office of Apprenticeship - US Dept. of Labor	https://www.dol.gov/agencies/eta/apprenticeship
Municipal Tax Abatement Toolkit (DLGS)	https://www.nj.gov/dca/dlgs/taxabatementkit.shtml
Municipal Tax Abatement Handbook (DLGS)	https://www.nj.gov/dca/divisions/dlgs/resources/misc_docs/Municipal Tax Abatement Handbook - For municipal use - (FINAL 11.13.2020).pdf
PILOT Financial Agreement Forecast (DLGS)	https://www.nj.gov/dca/dlgs/misc_docs/2026/PFAF Model_2026.xlsm
P.L. 2025, c.152	https://pub.njleg.state.nj.us/Bills/2024/PL25/152_.PDF

Appendix

Data Center Community Benefits Agreement FAQ

1. What is a Community Benefit Agreement?

Community Benefits Agreements (CBAs) are legally binding contracts between developers and host municipalities that can serve to mitigate local impacts of large infrastructure projects, such as data centers. These agreements can take multiple forms as described below and can be tailored to meet the specific needs of the host community and to address the specific impacts of a project. The agreements typically provide the host community with a combination of financial and non-financial benefits. These agreements often require community engagement and can additionally serve as a vehicle for transparency around a particular project, detailing mutually agreed-to expectations for development between a project and community.

2. Who can negotiate, and be parties to, a Community Benefits Agreement?

A Community Benefits Agreement (CBA) is generally negotiated between a host municipality and the project developer.

3. Who else should be consulted while developing a CBA?

Municipalities should receive input from various local stakeholders to better understand the challenges development may create and the opportunities for improvement. Where impacted infrastructure is owned by another local government, such as a county road or water infrastructure owned by a municipal utilities authority, those local governments and entities will need to factor into the negotiations. The municipality should consult with other affected local governments, boards of education, and community non-profits to help determine where programs and/or funding may be allocated.

4. Am I required to pursue a community benefits agreement?

There is no statutory requirement for municipalities to pursue a CBA. However, a core element of Governor Sherrill's Guardrails on Data Centers plan is to provide municipalities the tools needed to evaluate proposed data center projects and resources for developing CBAs. It is strongly recommended that municipalities explore the benefits of a CBA if a data center is proposed in their community.

5. What resources exist for my municipality as it considers a proposed data center?

In partnership with the New Jersey Department of Community Affairs (NJDCA) New Jersey Department of Environmental Protection (NJDEP) and the New Jersey Board of Public Utilities (NJBPU), the New Jersey Economic Development Authority (NJEDA) has launched the Municipal Resource Hub to provide access to State experts that can help municipalities evaluate developer submitted project information, a resource library, and technical assistance for developing CBAs. Visit njeda.gov/DataCenterTA for additional information.

6. What are some examples of what community benefits agreements can include?

A community benefits agreement provides municipalities with the opportunity to understand what local resources they feel need to be preserved or expanded regarding the effects of building a local data center. Examples include:

a. **Water stewardship:** Establishing targeted Water Usage Effectiveness (WUE) metrics or implementing low-water cooling technologies aligned with local utility capacity.

b. **Power capacity commitments:** Establishing on-site or contracted generation capacity commitments proportional to facility load, including grid impact studies and interconnection cost-sharing terms.

c. **Clean energy procurement:** Establishing minimum renewable or carbon-free energy procurement targets (e.g., PPA percentage or RECs) benchmarked to facility load growth.

d. **Acoustic mitigation:** Establishing engineered acoustic mitigation standards and property-line sound benchmarks for continuous mechanical operations and routine equipment testing.

e. **Local workforce commitments:** Establishing local and workforce development hiring targets for construction and permanent operations roles, with reporting benchmarks.

f. **Environmental monitoring:** Establishing ongoing environmental monitoring protocols (air, water, groundwater) with defined reporting cadence and public disclosure requirements.

7. What are some examples of what a CBA can fund?

CBAs serve to mitigate local impacts of large infrastructure projects and other types of development. These agreements can be tailored to meet the specific needs of the host community and to address the specific impacts of a project. Examples of agreement funded programs or initiatives could include:

a. Public Infrastructure Improvements (e.g., parks, water, wastewater, sewer, roads, energy, transmission, landscaping, transit, recycling),

b. Community Anchor Institutions (e.g., libraries, hospitals, senior centers, food banks, museums)

c. Housing Initiatives (e.g., workforce housing, affordable housing, senior housing, weatherization, and energy efficiency improvements),

d. Workforce Development and Training Programs (e.g., community colleges, BOCES, apprenticeship programs, K-12 STEM education, professional certificate programs),

e. Childcare Facilities (e.g., new or expanded centers, safety upgrades, childcare scholarships, tuition assistance),

f. Broadband Expansion (e.g., fiber-optic networks, wireless infrastructure, network resiliency, speed upgrades, digital literacy training),

g. Public Safety Initiatives (e.g., fire and police stations, emergency medical services, safety cameras and lights, cybersecurity enhancements),

h. School Facility and Educational Enhancements (e.g., school expansions, K-12 programming, library and athletic improvements, curricula enhancement),

i. Blight Remediation (e.g., building rehabilitation, adaptive reuse, historic building restoration, streetscape improvements)

Municipalities should weigh how a community benefits element can achieve maximum longer-term impact while avoiding substantial unfunded legacy costs for taxpayers in future years' budgets.