

Site application SITE-25-9 appeals submittal receipt

Documents submitted:

- Cayuga Zoning Interpretation Appeal (11.05.25)vF
 - 4 pages
- Exhibit 1 - TeraWulf_ZoningDetermination_2025.1022
 - 4 pages
- Exhibit 2 - WULF Tenant Letter of Support
 - 1 page
- Exhibit 3 - Zoning Map 2023
 - 1 page
- Exhibit 4 - Cayuga Data Campus Renderings (Nov 2025)
 - 3 pages

Documents received by

Print name: Kelly Geiger

Signature: Kelly Geiger

Date: 11/7/25

Site application SITE-25-9 appeals submittal

Documents submitted on November 7, 2025, to the Planning & Code Enforcement Department:

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RECEIVED
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TOWN OF LANSING ZONING BOARD OF APPEALS

Administrative Appeal of CEO Zoning Interpretation

Pursuant to Town Code §270-62 and Town Law §267-b(1)

Date of Submission: November 5, 2025

Project Name: Cayuga Data Campus

Submitted by: TeraWulf Inc. and Cayuga Operating Company LLC (the “Applicants”)

I. Applicant Information

Applicants: Cayuga Operating Company LLC (Property Owner)
Lake Hawkeye LLC / TeraWulf Inc. (Lessee/Developer)

Subject Property: 228 Cayuga Drive, Lansing, NY 14882

Tax Parcel No.: 11.-1-3.211

Zoning District: IR – Industrial / Research

II. Nature of Appeal

This administrative appeal is submitted pursuant to §270-62 of the Town Code and Town Law §267-b(1) in response to the Code Enforcement Officer’s (CEO) written zoning interpretation dated October 22, 2025 (see Exhibit 1). In that interpretation, the CEO determined that the proposed high-performance computing (“HPC”) research facility is not a permitted principal use in the IR District.

The Applicants respectfully appeal that determination and seek a finding that the proposed use is properly classified as a “Scientific Research Laboratory”, a permitted principal use within the IR District under the Town of Lansing Zoning Code.

III. SEQR Classification

This administrative appeal constitutes a Type II action under 6 NYCRR 617.5(c)(37), as it involves a zoning interpretation only and no approval of physical development or land disturbance.

IV. Project Background and Context

The subject parcel at 228 Cayuga Drive is the site of the former Cayuga coal-fired generating station, which permanently retired in 2019. The property has remained continuously zoned

IR (Industrial/Research) and has long been identified for industrial and research-oriented reuse.

The Applicants propose to redevelop the site as the Cayuga Data Campus, a HPC research facility supporting scientific, engineering, and data-intensive research applications. The project will utilize the existing industrial infrastructure on-site and transform the former coal facility site into a modern research campus.

Key characteristics include:

- No combustion, no emissions, and no process discharge.
- A fully closed-loop cooling system with no lake withdrawals or thermal discharge.
- Non-adjacency to any residentially zoned parcels.
- Location within a continuous industrial and utility corridor.
- Demolition of the coal plant stack and replacement with a non-emitting, low-impact research facility.

This redevelopment represents a significant environmental improvement and directly advances the objectives of the Town's 2018 Comprehensive Plan, which encourages adaptive reuse of former industrial lands for research, technology, and clean-energy-oriented economic development.

V. Basis for Appeal

A. The Proposed Use Meets the Definition of "Laboratory"

The Applicants respectfully request that the Board interpret the zoning ordinance in accordance with established New York law. Because zoning regulations restrict the common-law right to use property freely, they must be strictly construed, with any ambiguity resolved in favor of the property. See *FGL & L Prop. Corp. v. City of Rye*, 66 N.Y.2d 111, 119 (1985) (holding that zoning ordinances, like statutes, should be construed according to their plain and ordinary meaning and to avoid constitutional infirmities). Accordingly, zoning provisions must be interpreted in their ordinary sense and as a whole to ascertain legislative intent.

The CEO's determination improperly treats "data center" as a distinct, unlisted use. The relevant inquiry is not whether the term "data center" appears in the permitted use schedule, but whether the proposed use meets the Code's defined category of a permitted use. The Town Code defines "Laboratory" (§270-3) as:

"Facilities for research, investigation, testing or experimentation."

When a permitted use is defined, specific subcategories need not be separately enumerated. Medical, chemical, and computational laboratories are all "laboratories" under the ordinary meaning of the term. The Code does not restrict the definition to a particular scientific field, methodology, or type of equipment.

According to Merriam-Webster, a data center is:

“a facility used to house computer systems and associated components, such as telecommunications and storage systems.”

By its nature, such a facility supports the processing, storage, and analysis of data—activities integral to research, investigation, testing, and experimentation. Therefore, under the plain language of §270-3, a data center used for research computing clearly qualifies as a laboratory.

The Cayuga Data Campus is designed to provide high-performance computing infrastructure that enables:

- Scientific simulation and modeling
- Algorithm development and testing
- Machine learning research and experimentation
- Data-intensive computational research
- Engineering analysis and investigation

Each of these activities constitutes “research” within the meaning of §270-3. As further supported by a letter from an existing research tenant at a comparable TeraWulf facility (Exhibit 2), the infrastructure is used exclusively for dedicated research computing, including model training, scientific simulation, and data-driven experimentation.

For these reasons, the Applicants respectfully request that the Board interpret “Laboratory” in accordance with its plain meaning. A computational research facility—such as the proposed Data Campus—clearly satisfies the definition of a laboratory under §270-3.

B. Alignment with the IR District Purpose

The IR (Industrial/Research) District is expressly intended to accommodate “light manufacturing, fabrication, assembly or research, mining and power generation/utilities.” (Town Code §270-5(H)).

Schedule I of Permitted Uses further authorizes: “Scientific research laboratory” (P*)

The Cayuga Data Campus satisfies both the letter and the spirit of these provisions. Its primary function is to provide the computational infrastructure necessary for research, modeling, and data-driven experimentation—modern equivalents of the same research activity long contemplated by the IR District’s permitted use categories.

C. Conclusion

Because the term “data center” is not defined in the Town Code, its ordinary meaning applies. Under that meaning, and consistent with the Town’s definition of “laboratory,” the proposed Cayuga Data Campus is properly classified as a Scientific Research Laboratory, a permitted principal use within the IR District.

VI. Findings and Justification

1. The proposed use's principal function is scientific research, investigation, modeling, and experimentation conducted through high-performance computing systems. These activities meet the definition of a "laboratory" in §270-3.

Note: The Applicants have provided a letter of support from an existing tenant at TeraWulf's Lake Mariner campus (Fluidstack Ltd.), confirming that the HPC data centers are used exclusively for dedicated research compute, including model training, scientific simulation, and other data-intensive research workloads (see Exhibit 2).

2. Schedule I expressly permits both "scientific research laboratory" and "industrial or educational research," encompassing modern research and computational infrastructure.
3. The project is situated within an established industrial and utility corridor, consistent with the surrounding land use pattern and the IR District's intent.
4. The redevelopment eliminates the legacy smokestack and replaces heavy industrial operations with a non-emitting, lower-impact research use.
5. The project advances the Town's Comprehensive Plan objectives by supporting sustainable economic growth and the reuse of legacy industrial property.

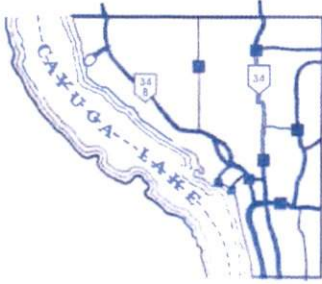
VII. Relief Requested

Based on the foregoing, the Applicants request that the Zoning Board of Appeals:

1. Reverse the Code Enforcement Officer's October 22, 2025 interpretation.
2. Determine that the proposed use qualifies as a "scientific research laboratory", a permitted principal use in the IR District.
3. Confirm that the project is a permitted principal use under the Town of Lansing Zoning Code and may proceed to Site Plan Review without the need for a variance.

VIII. Exhibits Submitted

1. Code Enforcement Officer Zoning Interpretation (October 22, 2025)
2. Letter of Support from Research Tenant (Fluidstack Ltd., Lake Mariner Campus, October 27, 2025)
3. Zoning Map and Parcel Identification
4. Project Renderings



TOWN of LANSING

"Home of Industry, Agriculture and Scenic Beauty"

ZONING, PLANNING AND CODE ENFORCEMENT

Box 186

Lansing, NY 14882

E-mail: telecodes@lansingtown.com

Fred DelFavero
Project Manager, Beowulf
228 Cayuga Drive
Lansing, NY 14882

23 Oct 2025

Dear Mr. DelFavero

This letter is issued in response to your application for a site plan review from the Town of Lansing Planning Board.

Request Summary:

According to the site plan review application you have applied for a site plan review from the Town of Lansing Planning Board for Research based artificial intelligence server buildings. The project is proposed to be located at a 228 Cayuga Drive, Lansing NY, TPN 11.-1-3.211. This project is located within the IR – Industrial/Research zoning district. The type of development listed within Project Information is described as "Data center facilities – high compute and AI". The primary use listed in the Non-Residential Use Building Information portion of the application is "AI High Compute data servers".

An email narrative submitted on 18 Oct 2025 by Fred DelFavero, Project Manager, further describes the project:

"The core purpose of the project is scientific and educational research, enabled through high-performance computing. The facility will provide infrastructure for research, investigation, testing, and experimentation — including AI model development, institutional research workloads, and scientific/engineering simulations such as energy and grid modeling. There is no manufacturing or commercial production component.

High-performance computing is widely recognized as the modern research environment used by universities and scientific institutions. Google, for example, operates its HPC platform specifically for these purposes through the Google Cloud Research Credits Program, which provides compute to university researchers for experimentation and model development. HPC is not commercial hosting — it is the research infrastructure itself. As you may know, TeraWulf is partnered with Google at our Lake Mariner campus in Niagara County, and regional academic institutions — including Cornell and TC3 — have expressed interest in a regional innovation and research hub with Lake Mariner and the Cayuga campus serving as anchors.

Importantly, zoning classification is determined by the primary function of the facility, and in this case the primary function is data processing and storage for research, not commercial hosting or manufacturing. The Town Code defines a laboratory as “facilities for research, investigation, testing or experimentation,” and this definition is purpose-based and technology-neutral — it does not limit research to wet-lab settings. The facility also fits within any common or dictionary definition of scientific research laboratory...”

The full email document is appended to this letter.

Zoning Ordinance Review:

The IR -Industrial/Research district is defined in § 270-5.H of the Town’s zoning code.

§ 270-5.H Industrial-Research (IR) District. The intent of the IR District is to designate areas where some form of light manufacturing, fabrication, assembly or research, mining and power generation/utilities are appropriate and desired land uses. These areas will become small employment centers that could contain a variety of land use activities. To achieve the type of development that will be compatible with the surroundings, it is appropriate to consider each proposal individually. Site planning concerns relate to accessibility, impact on nearby neighborhoods, parking and safe traffic movement, landscaping, buffers, environmental factors, lighting, size, location and such other elements as may be reasonably related to health, safety, property value and the general welfare of the Town.

Schedule I: Schedule of Land Use or Activities permits several land uses through various review processes, such as site plan review, under the general category of Industrial/Research. Schedule I has been appended to this letter.

§ 270-8 Uses not listed as permitted are not allowed.

Any land use not specifically permitted under this chapter shall be disallowed unless a use variance therefore shall be properly obtained, unless such use is a lawful pre-existing, non-conforming use, or unless such use is permitted in any newly created zone, such as (but not limited to) planned development zones. As to preexisting, nonconforming uses, this chapter shall be interpreted and applied so as to eliminate the same as soon as legally practicable.

Definitions:

§ 270-3 of the Zoning Code defines “Laboratory” as “A building or group of buildings within which are located facilities for research, investigation, testing or experimentation, but not facilities for manufacturing or selling of products except as may be necessary for prototype development or as incidental to the main purpose of the laboratory.”

Wikipedia defines a “data center” as “... a building, a dedicated space within a building, or a group of buildings[1] used to house computer systems and associated components, such as telecommunications and storage systems”.

Amazon Web Services defines a "data center" as "...a physical location that stores computing machines and their related hardware equipment. It contains the computing infrastructure that IT systems require, such as servers, data storage drives, and network equipment. It is the physical facility that stores any company's digital data."

The American Planning Association (APA) defines a "data center" as "a physical facility that houses servers, storage, and networking infrastructure to support digital applications and services."

Interpretation:

After reviewing your request and all applicable sections of the ordinance, it is my determination that:

A data center is not defined by the Town of Lansing Zoning Code and § 270-8 of the zoning code disallows uses not specifically permitted. Therefore, the proposed use of "**Data center facilities – high compute and AI**" as found in the site plan application project description or "**data processing and storage for research**" as stated in Mr. DeFavero's email narrative are not permitted uses in the IR – Industrial/Research District.

Conclusion:

Based on the above, the use of Data Center at 228 Cayuga Drive, TPN 11.-1-3.211 is not permitted. Engaging in such a use without appropriate zoning relief (e.g., rezoning or ordinance amendment) may be subject to enforcement action under Article X of the zoning code.

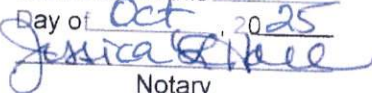
This interpretation is issued pursuant to the authority granted to the Code Enforcement Officer under § 270-62 of the Town of Lansing Zoning Ordinance. Should you disagree with this determination, you have the right to appeal to the Board of Zoning Appeals. You may also have the right to petition the Town Board for a change of zoning or the formation of a Planned Development Area per § 270-32 of the Zoning Code.

Please contact our office if you have further questions or require assistance with the appeal or application process.

Sincerely,



Scott Russell
Code Enforcement Officer

Sworn to me this 23rd
Day of Oct, 2025

Notary

JESSICA L. HALL
Notary Public, State of New York
No. 01HA6401119
Qualified in Tompkins County
Commission Expires Dec. 2, 2027



Fluidstack Ltd
Third Floor, 20 Old Bailey,
London, England, EC4M 7AN
United Kingdom
www.fluidstack.io

October 27, 2025

TeraWulf Inc.
9 Federal Street
Easton, MD 21601

Re: Description of HPC Research Compute Activity at Lake Mariner (Barker, NY)

By email to: Paul Prager

Dear Paul,

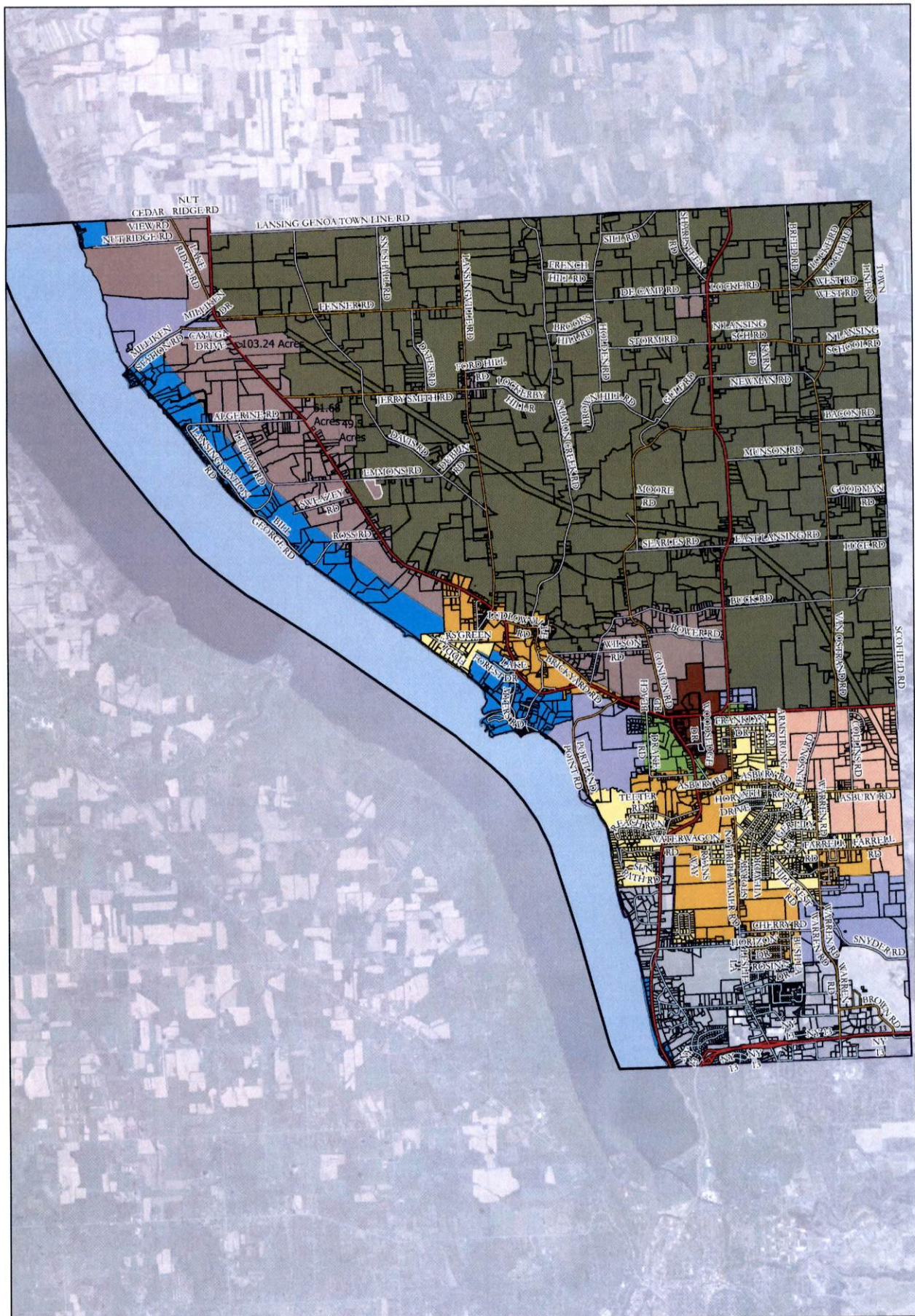
In partnership with Google, Fluidstack operates high-performance computing systems at TeraWulf's Lake Mariner campus in support of enterprise and institutional research workloads. The majority of compute usage is dedicated to model training, which involves developing, refining, and testing machine learning and AI models. A portion of compute capacity is used for inference, which applies those trained models to deliver the resulting research output to end users.

The infrastructure is used exclusively for dedicated research compute and is not operated as a public or retail colocation platform. In practice, the compute systems serve as research instrumentation, functioning in the same role that laboratory equipment plays in experimental or analytical research environments. These workloads support real-world scientific advancement, including medical modeling, materials research, climate simulation, and other data-intensive research applications that require specialized compute infrastructure.

Fluidstack expects continued growth in demand for this type of research infrastructure and is interested in scaling its deployments with TeraWulf. We're confident that the Company's proven operational discipline, energy expertise, and development scale are aligned with Fluidstack's ability to build and operate the sustainable compute infrastructure this moment requires.

Sincerely,
Zach Alexander
VP of Commercial Development

Fluidstack Ltd



Town of Lansing Zoning Map April 2023

Zoning April 2023

B1

B2

IR

L1

R1

R2

R3

RA

AG

<all other values>

Cayuga Lake



Exhibit 4
Cayuga Data Campus Renderings — Aerial and Lakeside Views
November 2025



Aerial view — with former stack.



Aerial view — after stack removal.



Lakeside aerial view — with former stack.



Lakeside aerial view — after stack removal.



Lakeside ground-level view — with former stack.



Lakeside ground-level view — after stack removal.