

PROPOSED LOCAL LAW NO. 7 OF 2026

A LOCAL LAW AUTHORIZING ADJUSTMENTS TO BUILDING PERMIT FEES FOR LARGE-SCALE PROJECTS AND PERMITTING COMMUNITY HOST AGREEMENTS

SECTION 1. TITLE

This Local Law shall be known as the

“Large-Scale Development Permit and Community Host Agreement Authorization Law.”

SECTION 2. LEGISLATIVE INTENT AND FINDINGS

The Town Board hereby finds that:

1. The Town of Clay may host large-scale development projects, including but not limited to semiconductor manufacturing facilities and other advanced industrial uses, with total project costs exceeding Ten Million Dollars (\$10,000,000).
2. Such large-scale projects create:
 - Extraordinary demands on municipal infrastructure, services, and administrative capacity;
 - Long-term impacts on housing, traffic, public safety, and environmental resources; and
 - Unique opportunities for economic growth and community benefit.
3. Under New York law, building permit fees must generally be limited to the reasonable costs of administration, review, and inspection.
4. The Town Board further finds that it is in the best interest of the Town and its residents to:
 - Ensure cost recovery for enhanced review and inspection activities associated with large-scale development; and
 - Establish a mechanism to secure additional voluntary mitigations and benefits through negotiated agreements that are separate from and not a condition of permit issuance.
5. Therefore, the Town Board adopts this Local Law to:

- Adjust building permit fee structures for large-scale development in a manner consistent with applicable law; and
 - Authorize the Town to enter into **Community Host Agreements** for the purpose of addressing impacts and securing community benefits.
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SECTION 3. DEFINITIONS

For purposes of this Local Law:

A. “Large-Scale Development Project”

Any construction, redevelopment, or phased development project with an estimated total construction value of **Ten Million Dollars (\$10,000,000) or more**.

B. “Building Permit Fees”

Fees imposed by the Town in connection with review, issuance, inspection, and enforcement of building permits.

C. “Community Host Agreement” or “CHA”

A voluntary, negotiated agreement between the Town and an applicant for a Large-Scale Development Project that may provide for mitigation measures, community benefits, or financial contributions, separate and apart from any fees imposed under the Town Code.

D. “Applicant”

Any individual, corporation, partnership, or entity seeking approval for a Large-Scale Development Project.

SECTION 4. BUILDING PERMIT FEES FOR LARGE-SCALE DEVELOPMENT

A. Fee Structure Authorization

The Town Board is hereby authorized to adopt, by resolution, a schedule of Building Permit Fees applicable to Large-Scale Development Projects.

B. Cost-Based Limitation

All Building Permit Fees shall:

1. Be based upon the reasonable and necessary costs of:
 - Plan review;
 - Engineering review;
 - Inspections;

- Administrative overhead directly related to review and enforcement; and
 - Retention of outside consultants where required; and
2. Comply with all applicable provisions of New York law limiting fees to actual or anticipated municipal costs.
 3. No Building Permit shall be issued for any qualifying large-scale project unless and until the applicant and the Town have executed a Community Host Agreement, where applicable, following the receipt of all required land use and zoning approvals.

C. Supplemental Cost Recovery Mechanisms

The Town may require:

- Escrow accounts for professional review fees; and
- Periodic replenishment of such accounts,

provided that such amounts are directly related to the costs incurred.

SECTION 5. AUTHORIZATION OF COMMUNITY HOST AGREEMENTS

A. Authority

The Town Board is hereby authorized to negotiate and approve Community Host Agreements with Applicants for Large-Scale Development Projects.

B. Voluntary Nature

1. A Community Host Agreement:
 - Shall be **voluntary** and **not a condition precedent** to the issuance of any permit or approval; and
 - Shall not be considered a fee, tax, or exaction.
2. No permit, approval, or certificate shall be denied solely due to an Applicant's refusal to enter into a Community Host Agreement.

C. Permissible Provisions

A Community Host Agreement may include, but is not limited to:

- Contributions toward:
 - Infrastructure improvements;
 - Public safety services;

- Workforce housing initiatives;
- Environmental mitigation measures;
- Funding for community benefit programs;
- Road, traffic, or utility improvements not otherwise required by law;
- Long-term monitoring or support services related to project impacts.

D. Nexus to Project Impacts

The terms of any Community Host Agreement shall:

- Be reasonably related to the nature, scale, and potential impacts of the proposed project; and
- Promote the health, safety, and welfare of Town residents.

SECTION 6. APPROVAL PROCESS

1. Any Community Host Agreement shall be:
 - Approved by resolution of the Town Board; and
 - Subject to a public meeting in accordance with the Open Meetings Law.
2. The Town Board may:
 - Consult legal counsel, financial advisors, and other experts; and
 - Coordinate with County, State, or regional entities as appropriate.

SECTION 7. SEVERABILITY

If any clause, sentence, paragraph, section, or part of this Local Law shall be adjudged invalid by a court of competent jurisdiction, such judgment shall not affect the validity of the remaining portions thereof.

SECTION 8. SUPERSESSION

To the extent necessary, this Local Law is intended to supersede any inconsistent provisions of the Town Code, pursuant to Municipal Home Rule Law § 10.

SECTION 9. EFFECTIVE DATE

This Local Law shall take effect immediately upon filing with the New York State Secretary of State in accordance with Municipal Home Rule Law § 27.