

Agreement, ordinance, plan, or workforce agreement: which instrument a community actually needs

Five instruments that all get called a CBA, who signs each, what binds, what happens after, and the gap every one of them shares.

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Why This Matters

The phrase "community benefit agreement" is doing too much work. In the data center debate it is used to mean at least five different instruments with different parties, different legal force, and different lives after signing. A township that asks a developer for "a CBA" and receives a community benefit plan has received a document with no signature on the other side. A developer that offers a plan when the county's ordinance requires an agreement has offered the wrong thing. And a state program, like Pennsylvania's GRID standards, that asks for good-faith negotiation of one instrument while calling for another in the same paragraph leaves both sides guessing.

This piece sorts the instruments, using the definitions Science for Georgia published for Georgia communities, the World Resources Institute's database of 72 executed frameworks, and the executed data center agreements now public. It ends with the point that matters most to us: none of the five instruments says who checks whether it is kept, and that gap is the same whichever one a community chooses.

The Five Instruments

Community Benefits Agreement (CBA)

What it is. A legally binding contract between a developer and a host community, represented by a coalition, a nonprofit, or the local government, or some combination. The developer commits to specific benefits and mitigations; the community provides support or reduced opposition. Enforceable in court by the parties.

Who signs. In the classic form, a community coalition and the developer, with the municipality sometimes a party and sometimes not. In the data center wave the municipality is usually the signatory: the Lancaster, Pennsylvania agreement is between the City of Lancaster and the developer, with residents represented by their council.

What it does well. Specificity and enforceability. Lancaster's water cap, noise standard, payment schedule, letter of credit, and transfer clause are all contract terms a court would read.

Where it fails. Columbia's Sabin Center found even Lancaster relies on "reasonably maximize" and "where feasible" in places, and reports to City Council once a year. A CBA is only as enforceable as its numbers, and it is enforced by whoever has the resources to sue. Smaller communities often do not. Of 32 CBAs in the WRI database, most have reporting language, about half have enforcement language, and few have a standing community body with real authority.

When to use it. Whenever a specific project is in front of a specific community and there is a signature to get. It is the default instrument for a data center, and it is the one every executed data center agreement to date has used.

Host Community Agreement (HCA)

What it is. A CBA's close cousin, usually between a developer and a municipality alone, common in energy siting. It typically trades payments in lieu of taxes or per-unit payments for the town's cooperation. Eighteen of the 72 frameworks in the WRI database are HCAs, mostly wind and solar.

What it teaches data center communities. HCAs invented the per-unit payment. The Eight Point Wind agreement in New York pays \$3,000 per megawatt of nameplate capacity per year for the life of the project. South Fork Wind pays 25 annual installments with a 2 percent escalator. That is the formula a data center contribution should borrow, on energized megawatts.

Where it fails. HCAs are municipal instruments. Residents are represented only through their elected officials, and the money often lands in the general fund, where it is indistinguishable from any other revenue by the following year. The community rarely governs it.

Community Benefit Ordinance (CBO)

What it is. A local law, passed by a county or city, that requires every project meeting defined criteria to deliver defined benefits or to negotiate an agreement before approval. Instead of one agreement per project, the ordinance sets the floor for all of them. Science for Georgia's definition: "legally binding law that can be applied across multiple communities within a defined jurisdiction."

What it does well. It removes the leverage problem. A township with an ordinance does not have to win a negotiation against a well-resourced developer; the developer has to comply with the law to get a permit. Cleveland has used a CBA ordinance since 2013, distinguishing standard agreements for

projects under \$20 million from expanded ones above it. Loudoun County's March 2025 decision to end by-right data center development is the first half of an ordinance: it made every project come to the board. The second half, what the board requires when they arrive, is what a CBO would supply.

Where it fails. An ordinance can be preempted by the state. Mike Turner of Loudoun County warned on a Brookings panel in February 2026 that federal and state governments are moving to take siting authority from counties. An ordinance is also only as good as its floor; a weak one legalizes weak agreements.

When to use it. When a jurisdiction expects more than one project. Every Pennsylvania county on the Data Center Proposal Tracker with three or more proposals should have one. It is also the instrument that makes the technical assistance line real: an ordinance can require the developer to fund the township's own advisors as a condition of application.

Community Benefit Plan (CBP)

This is the term that causes the most confusion, because it means two different things.

The federal meaning. A non-binding document a developer writes and submits to a government funder, typically the U.S. Department of Energy, describing the benefits a project will deliver, as a condition of funding eligibility. Science for Georgia's definition: "non-legally binding agreements often constructed by the developer and presented to federal government organizations." Seven of the 72 WRI frameworks are CBPs of this kind. There is no counterparty. Nobody signs on the community's behalf. It is a promise, and the Economic Policy Institute's advice is to treat it as "a great starting point for expansion and refinement" into an ordinance or agreement, not as an end.

The Pennsylvania meaning. GRID's standards ask developers for a community outreach plan and for good-faith negotiation of a community benefit agreement covering named topics. Public discussion, including ours, has often collapsed this into "GRID requires a community benefit plan." It does not use that phrase as a defined instrument. What it requires is a process commitment plus an agreement.

Our meaning, and a correction. Baseload Commons has published a guide titled The Pennsylvania Community Benefit Plan. In it, "plan" means the substantive document a developer publishes before the agreement is negotiated: the footprint disclosure, the listening record, the mitigation commitments with numbers, the contribution formula, the governance, and the reporting. It is meant to become the agreement. It is not a federal-style CBP and it is not a substitute for one that a township can enforce. We should have said that more clearly, and the guide's next version will.

When to use it. As a draft. A plan published before negotiation lets residents read what is on offer before their officials vote on it, which is what Lancaster's community coalition did not get when it received the agreement two days before the council vote. A plan that is never converted into an agreement or ordinance is a press release with a table of contents.

Community Workforce Agreement (CWA) and Project Labor Agreement (PLA)

What it is. A legally binding agreement between a developer and labor organizations, sometimes with community groups, governing construction and operating workforce terms: local hiring targets, prevailing wages, apprenticeship utilization, union neutrality. Science for Georgia notes CWAs are rare in Georgia because union density is low; they are common in the Northeast and on public works.

What it does well. It puts numbers on jobs. The NAACP template's 40 to 50 percent local hiring target and Cedar Rapids' 31 jobs at \$26.20 an hour are workforce terms that belong in a CWA or in the workforce section of a CBA.

Where it fails. It covers workers, not neighbors. Water, noise, the fund, and the council are outside its scope. A CWA alongside a CBA is the complete set; a CWA alone leaves the town with jobs and nothing else.

And two more worth naming

Good Neighbor Agreement (GNA). The Stillwater Mining agreement in Montana, signed in 2000 and still in force, gives community councils the right to enter the site, inspect, photograph, and sample. It is the strongest community power in the WRI database and the only instrument that gives residents a right to check rather than a right to be told.

Conditional use permit conditions and development agreements. In Georgia, Science for Georgia points communities to Developments of Regional Impact review, conditional use permits that can be revoked if conditions are not met, and moratoriums of six to twelve months to write the rules. These are not agreements, but they are the leverage that produces one.

How They Fit Together

Instrument	Parties	Binding?	Scope	Life after signing
CBA	Developer and community or municipality	Yes	Whole project	Enforced by the parties, if resourced

Instrument	Parties	Binding?	Scope	Life after signing
HCA	Developer and municipality	Yes	Payments, mitigation	Money to general fund; little community governance
CBO	Local government, applies to all projects	Yes, as law	Floor for every project	Enforced through permitting; preemption risk
CBP (federal)	Developer to funder	No	Promised benefits	None; no counterparty
CBP (as we use it)	Developer, published	No, until converted	Draft of the agreement	Becomes the CBA or expires
CWA / PLA	Developer and labor	Yes	Workforce	Enforced by the unions
GNA	Developer and community councils	Yes	Access, monitoring	Community inspects directly

The right combination for a data center in a township that expects more than one is: an ordinance that sets the floor and requires the developer to fund the township's advisors, a published plan the residents can read before the vote, an agreement with numbers that becomes binding on approval, and a workforce agreement where the labor market supports one.

What None Of Them Does

Every instrument on the list ends at the same place: a set of commitments and, at best, a right to sue if they are broken. None of them names a party outside the transaction who checks whether the commitments are being kept, publishes the result, and imposes a consequence short of litigation.

The Federation of American Scientists found that most data center agreements are negotiated behind nondisclosure agreements. The Brookings authors asked for public dashboards. The NAACP template

funds an independent annual audit chosen in consultation with the community board. Those are the right direction, and they are still self-reported, developer-funded, or both.

The missing layer is the same regardless of instrument: money held at a community foundation, a resident-majority council deciding, a public dashboard that outlives the contract, and an independent assessment against a published standard with a public scorecard and a consequence for misstatement. Baseload Commons builds the first three for developers and corporate funds after any of these instruments is signed. The Compute Stewardship Council, an independent nonprofit in formation convened by the same person, is designing the fourth; its draft standard's community pillar assesses whether an agreement is being carried out, not how it was negotiated. The relationship is disclosed at computestewardship.com/governance.

Pick the instrument that fits the leverage the community has. Then make sure someone outside the room is checking.

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