

PUBLIC HEARING SCRIPT

**Stark Real Estate Holdings, LLC and/or
Individual(s) or Affiliate(s), Subsidiary(ies),
or Entity(ies) formed or to be formed on its
behalf Project**

Public Hearing to be held on May 24, 2023 at 9:00 a.m.
at the Town of Tonawanda, Town Board Conference Room #20,
located at 2919 Delaware Avenue, Kenmore, New York 14217

ATTENDANCE:

Lisa Poloizzi, - Stark Tech
Chris Ahlers – Stark Tech
Keith Sernick – Stark Tech
Jill Szpylman- Stark Tech
Joseph Emminger – Town of Tonawanda

☒ 1. WELCOME: Call to Order and Identity of Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is 9:10 a.m. My name is Andrew Federick. I am the Property and Business Development Officer for the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com.

☒ 2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the Stark Real Estate Holdings, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Thursday, May 11, 2023.

☒ 3. PROJECT SUMMARY: Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 91 Sawyer Avenue and 189 Sawyer Avenue, Town of Tonawanda, Erie County, New York and all other lands in the Town of Tonawanda where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the purchase and renovation on the Land of an approximately 125,000 square-foot building with high bay ceilings and high capacity cranes to accommodate efficient handling of the Company's large skid systems for building larger and more complex equipment at a much higher

capacity rate (the “Improvements”), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and, together with the Land and the Improvements, the “Facility”), to be subleased to Stark Compression, LLC (the “Tenant”). The Facility will be initially operated and/or managed by the Company.

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits, mortgage recording tax exemption benefits, and real property tax abatement benefits (in compliance with Agency's uniform tax exemption policy).

4. FORMAT OF HEARING: Review rules and manner in which the hearing will proceed.

Hearing Officer: All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency’s website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on June 27, 2023. There are no limitations on written statements or comments.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

Hearing Officer: If anyone is interested in making a statement or comment, please raise your hand, state your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

Chris Ahlers, Vice President of Operations. Stark Tech has been an energy solutions provider for over 30 years, beginning in the building controls and automation space to support commercial and industrial building owners in managing their energy consumption. Through acquisition and organic growth, Stark Tech has expanded its capabilities to support the reduction of carbon emissions through battery energy storage and renewable natural gas plants. Last year, Stark Tech acquired Glauber Equipment out of Lancaster, NY to support the design and manufacturing of equipment for the renewable natural gas industry. Our equipment and systems process dirty methane from landfills, farms, food waste, and wastewater treatment facilities and turn it into pipeline quality renewable natural gas which can be used the same as natural gas or for the generation of electricity. Methane is thirty times more potent than carbon dioxide so upgrading facilities to cut methane from the environment is critical to the decarbonization goals of New York State. Our systems provide a dual environmental benefit: #1 the capture and elimination of harmful methane in the atmosphere and #2 the production of clean energy from a renewable resource. The market for renewable natural gas is expected to see explosive growth of 30 – 40 times its current size over the next 5 years. We intend to use our many years of experience and knowledge to support this rapidly growing industry.

About our Sawyer Avenue project – Our Sawyer Avenue project involves a manufacturing capacity expansion of 4x our current facility size to meet rapidly growing market demands for green tech renewable natural gas equipment and battery energy storage systems. Our current facility in Lancaster has significant space and ceiling height restrictions which limits our capacity and ability to support this

rapidly growing industry. The new production facility in Tonawanda will afford us the opportunity to build larger and more complex equipment at a much higher capacity rate. We will be investing over 15 million dollars into the purchase and renovation of the existing 125,000 square foot building, and several other parcels on Sawyer Avenue in the Town of Tonawanda. The project includes 91, 93, 185 and 189 Sawyer Avenue. A sizeable portion of this investment will be required to make repairs and upgrades to an asbestos roof which has exceeded its useful life. We are proud and excited to add an additional 130 new jobs at this new facility to support our growth, maintain 50 existing jobs, and purchase an additional 25 to 50-million dollars in materials, parts, and services from local suppliers over the next several years. At our Sawyer facility we will be manufacturing equipment used to process landfill and biogas and convert it to renewable natural gas which can be supplied directly to the existing natural gas pipeline system. The renewable energy sector is constantly evolving, and manufacturing equipment for renewable energy requires cutting edge technology and innovation. By investing in research, development and manufacturing of renewable energy equipment, Stark Tech is contributing to the development of new technologies and solutions that can help address pressing environmental challenges. The ECIDA incentives for this project are critical to supporting our efforts and maintain our competitiveness. The proposed facility will be a boost to the local economy. The new jobs will provide employment opportunities for residents and stimulate economic growth in the area. Our primary manufacturing jobs will be coming from local pipefitters union UA-22. The salary range for our office jobs will be between 50 and 100-thousand dollars per year. Tonawanda is conveniently located near major transportation routes, making it an ideal location for businesses like ours looking to expand. Tonawanda is home to many thriving businesses, including many that have been in the area for generations. This is a testament to the town's supportive business climate and its commitment to helping businesses succeed. We appreciate that very much and look forward to a growing partnership with the town for years to come.

Hon. Joseph Emminger – Supervisor, Town of Tonawanda. You said it all, but I'll just elaborate on that a little bit. I am here on behalf of the entire town board to offer our 100% support for this project. The town has spent a lot of time, energy and money over the past 10-15 years repurposing that area in our town going from an old industrial base and trying to be a newer, greener technological space in that River Road/Sawyer Avenue corridor. Certainly, what Stark is proposing to do on Sawyer Avenue is inline with what the town wants to see take place over in that area. The increased job opportunities, the retaining of jobs obviously its all about jobs when you are talking about providing benefits like this that you are looking to get and you, I think, have met that threshold and are going to meet that threshold. Again, I just want to give my 100% support today and if there is anything that's needed in the future from the ECIDA or from Stark know that the town and I will make ourselves readily available.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:19 a.m.

**SIGN IN SHEET
PUBLIC HEARING**

May 24, 2023 at 9:00 a.m.
at the Town of Tonawanda, Town Board Conference Room #20,
located at 2919 Delaware Avenue, Kenmore, New York 14217, regarding:

**Stark Real Estate Holdings, LLC and/or Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 91 Sawyer Avenue and 189 Sawyer Avenue, Town of Tonawanda, Erie County, New York

Name	Company and/or Address	X box to speak/ comment
Lisa Poloizzi,	Stark Tech 91 Sawyer Avenue Tonawanda, New York 14150	
Keith Sernick	Stark Tech 91 Sawyer Avenue Tonawanda, New York 14150	
Chris Ahlers	Stark Tech 91 Sawyer Avenue Tonawanda, New York 14150	X
Jill Szpylman	Stark Tech 91 Sawyer Avenue Tonawanda, New York 14150	
Supervisor Joseph Emminger	Town of Tonawanda 2919 Delaware Avenue Kenmore, New York 14217	X

