

**MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS  
OF THE BUFFALO AND ERIE COUNTY  
INDUSTRIAL LAND DEVELOPMENT CORPORATION  
(ILDC)**

**DATE AND PLACE:** October 25, 2023, at the Center of Excellence in Bioinformatics and Life Sciences (CBLIS), 701 Ellicott Street, The Event Space/Conference Room B2-205, located on the 2nd floor, Buffalo, New York 14203.

**PRESENT:** Hon. April Baskin, Daniel Castle, Hon. Howard Johnson, Richard Lipsitz, Jr. and Hon. Mark C. Poloncarz

**EXCUSED:** Denise Abbott and Hon. Byron W. Brown

**OTHERS PRESENT:** John Cappellino, President & CEO; Beth O’Keefe, Vice President of Operations; Gerald Manhard, Chief Lending Officer; Andrew Federick, Property & Business Development Officer; Atiqa Abidi, Accounting Manager; Soma Hawramee, Compliance Portfolio Manager, Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/Assistant Secretary; Laurie Hendrix, Administrative Coordinator; and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC

**GUESTS:** Zachary Evans on behalf of Erie County

There being a quorum present at 1:03 p.m., the Meeting of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation was called to order its Chair, Mr. Poloncarz.

**MINUTES**

Mr. Lipsitz moved, and Mr. Castle seconded to approve of the September 27, 2023 minutes. Mr. Poloncarz called for the vote and the minutes were unanimously approved.

**REPORTS / ACTION ITEMS / INFORMATION ITEMS**

Financial Report. Ms. Abidi presented the September financial reports. The balance sheet shows ILDC ended the month with total assets of \$17.8M (Grants receivable of \$9.2M, represents amounts awarded by several sources, the largest being Buffalo Billion II funds of

\$6.7M from Empire State Development. Liabilities are mainly deferred grant revenue of \$7.3M. Net assets total \$7.7M. One loan under the County Microloan program closed during the month. The September income statement shows \$1,700 of revenue, mainly loan interest income under the County's Microloan program. There were also \$1,900 of expenses and \$2,600 of special project revenue, resulting in net loss of about \$2,800 in September. The year-to-date income statement shows revenues of \$159,000 and expenses of \$58,000, included in this figure is \$10,000 of bond administrative fee revenue that was subsequently paid to ECIDA under the existing shared services agreement. Net special project revenue of \$261,000 leads to net income of \$362,000 so far in 2023. Mr. Poloncarz directed that the report be received and filed.

Finance and Audit Committee Update. Ms. Abidi reviewed the various processes of the ILDC budget development and confirmed formal budget approval will be presented at the October Board meeting. Ms. McDuffie directed that the report be received and filed.

Review of 2024 Budget Timetable and Approval of 2024 Proposed Budget. Ms. Abidi reviewed the budget review process. She stated that the ILDC held two Budget Q&A sessions since the last Board meeting and had some good insights and conversation around the process. Ms. Abidi also recommended the proposed 2024 budget be approved and explained the changes to the budget for 2024 and the budget itself. She stated there haven't been any changes to the 2024 budgeted amounts since the budget was reviewed last month. The 2023 projections were updated. For 2024 we are budgeting revenue of \$783,000, factoring in cost of land sales we have total revenue of (\$66,500), expenses of \$211,000, and net special project expenses of \$300,000. Special projects include Renaissance Commerce Park and the Angola Ag Park. After depreciation, budgeted net loss amounts to \$582,000. She also reviewed the 3-year forecast as required by the ABO. Mr. Johnson moved, and Mr. Castle seconded to approve the proposed 2024 budget. Mr. Poloncarz called for the vote and the proposed 2024 budget was unanimously approved.

Loan Status Report. Mr. Manhard provided this report to Committee members. Mr. Poloncarz directed that the report be received and filed.

3445 River Road Property Discussion. Mr. Lipsitz moved and Mr. Castle seconded to enter into Executive Session to discuss the contemplated sale/lease of real property publicity of which would substantially affect the value of the property. Mr. Poloncarz called for the vote and the motion was then unanimously approved.

At 1:10 p.m., the ILDC entered into Executive Session.

Upon motion made by Mr. Lipsitz and seconded by Mr. Castle, and unanimously approved, the ILDC terminated Executive Session at 1:28 p.m.

Mr. Johnson moved, and Mr. Lipsitz seconded to approve of providing MN8 Energy with an option to lease the ILDC property at 3445 River Road, Tonawanda, New York, said option providing MN8 Energy with time to conduct due diligence for purposes of potentially entering into a lease upon the same property, for purposes of installing a battery storage facility. General

discussion ensued. Mr. Poloncarz called for the vote and the following resolution was then unanimously approved.

RESOLUTION OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (THE "ILDC") AUTHORIZING THE ILDC TO (i) EXECUTE AND DELIVER A NONBINDING TERM SHEET TO BE ENTERED INTO BETWEEN ILDC AND MN8 ENERGY ("MN8") FOR THE LEASE OF 3445 RIVER ROAD, TONANWANDA, NEW YORK AND (ii) NEGOTIATE AND EXECUTE AN OPTION AND LEASE AGREEMENT WITH MN8 IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE TERM SHEET

There being no further business to discuss, Mr. Poloncarz adjourned the meeting at 1:33 p.m.

Dated: October 25, 2023



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Elizabeth A. O'Keefe, Secretary