

**MINUTES OF A MEETING OF THE
POLICY COMMITTEE OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

DATE AND PLACE: June 4, 2026, at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203

PRESENT: A.J. Baynes, Rev. Mark E. Blue, Zaque Evans, Andrew Federick, Gregory R. Inglut, Brenda W. McDuffie, Glenn R. Nellis, Hon. Brian Nowak, Peter Petrella, Laura Smith, David State and Lavon Stephens

EXCUSED: Denise Abbott, Grace Bogdanove and Dr. Susan McCartney,

OTHERS PRESENT: John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Grant Lesswing, Director of Business Development; Carrie Hocieniec, Operations Assistant/ Assistant Secretary; Brian Krygier, Director of Information Technology; Noah Cliff, Business Development Officer; Soma Hawramee, Director of Operations; Michelle Moore, Compliance Portfolio Manager; Alyssa Penny, Compliance Associate, Zach Norton, Harris Beach Murtha and Robert Murray, Esq., as General Counsel/Harris Beach Murtha

GUESTS: Joe Cozzo and Sam Savarino on behalf on behalf of BHSC; Joe Quinn on behalf of 1273-1277 Niagara Street, LLC

There being a quorum present at 9:09 a.m., the Meeting of the Policy Committee was called to order by Mr. Cappellino, who presided over the meeting in the absence of Chair Abbott.

PROJECT MATRIX

Mr. Cappellino reviewed the Project Matrix with the Committee.

Ms. McDuffie joined the meeting and presided over the remainder of the meeting.

MINUTES

The minutes of the April 9, 2026 Policy Committee meeting were presented. Upon motion made by Mr. Federick to approve of the minutes, and seconded by Mr. Inglut, the Policy Committee meeting minutes were unanimously approved.

PROJECT PRESENTATIONS

1273-1277 Niagara Street II, LLC. Ms. Hawramee presented this sales and use tax exemption benefit and mortgage recording tax exemption benefit project involving rehabilitation

and development to include two ground-floor commercial spaces and 14 one-bedroom units on the upper floors.

At this point in time, Mr. Nowak and Mr. Baynes joined the meeting

Ms. Hawramee confirmed that the Company is seeking approximately \$198,468.00 in assistance including sales tax exemption and mortgage recording tax exemption. Total payroll is projected at \$3,269,572 for the direct and indirect jobs created including 25 construction jobs.

The project's cost benefit ratio was presented to and reviewed by the members and the costs of incentives so applied for, the anticipated new tax revenues to be generated by the Project, as well as the Project's contemplated community benefits were discussed and considered.

Ms. Hawramee stated that in exchange for providing the sales and use tax and mortgage recording tax benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$4,132,888 85% = \$3,512,955
Employment	Coincides with recapture period	Maintain Base = 1 PT Create 85% of Projected = 0 Recapture Employment = 1 PTE
Affordable Housing Units	Coincides with recapture period	Total Housing Units = 14 # of 80% AMI units = 14 (exceeds the required AMI units)
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with recapture period	Adherence to policy
Unpaid Tax	Coincides with recapture period	Adherence to policy
Recapture Period	2 years after project completion	Recapture of state and local sales taxes and mortgage recording tax

Mr. Nowak spoke in favor of the project.

General discussion ensued.

Mr. Federick moved and Mr. Evans seconded, to recommend the project as proposed be forwarded to the members of the Agency Board for approval. Ms. McDuffie called for the vote and the motion was unanimously approved.

BHSC Landlord, LLC / Buffalo Hearing & Speech Center. Ms. Hawramee presented this proposed sales and use tax, mortgage recording tax and real property tax abatement benefits project involving the renovation of the historic former St. Aloysius Gonzaga school and convent building to centralize and expand its public school-funded special education and early childhood services for children with development challenges and special needs.

Ms. Hawramee confirmed that BHSC Landlord, LLC is seeking approximately \$750,728 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption.

The project's cost benefit ratio was presented to and reviewed by the members and the costs of incentives so applied for, the anticipated new tax revenues to be generated by the Project, as well as the Project's contemplated community benefits were discussed and considered.

Ms. Hawramee stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$9,262,225 85% = \$7,872,891
Employment	Coincides with 7-year PILOT	Maintain Base = 47 FT, 47 PT = 70 FTE Create 85% of Projected Projected = 18 FT 85% = 15 FTE Recapture Employment = 85 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to policy
Recapture Period	Coincides with 7-year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

General discussion ensued.

Mr. Evans moved and Mr. Baynes seconded, to recommend the project as proposed be forwarded to the members of the Agency Board for approval. Ms. McDuffie called for the vote and the motion was unanimously approved.

MANAGEMENT TEAM REPORT

Mr. Cappellino provided an overview of data centers, explaining that they are large-scale facilities that support digital infrastructure—powering AI, cloud computing, and everyday services. He described the various types of data centers, including hyperscale, cloud, colocation, enterprise, and edge facilities, and their essential role across industries such as finance, healthcare, manufacturing, and government. The presentation also highlighted the tradeoffs associated with data center development, noting significant economic benefits such as construction investment, tax revenue, and infrastructure improvements, alongside concerns related to high electricity and water usage, land impacts, and comparatively limited long-term direct job creation. Finally, Mr. Cappellino noted that New York is actively considering policy responses, including potential regulation, incentive limitations, and local evaluation criteria for future projects.

There being no further business to discuss, Ms. McDuffie adjourned the meeting at 10:12 a.m.

Dated: June 4, 2026



Mollie M. Profic, Secretary