



GCEDC STAMP Committee Meeting
Wednesday, March 5, 2025
Location: 99 MedTech Drive, Innovation Zone
8:00 a.m.

MINUTES

ATTENDANCE

Committee Members: C. Yunker, C. Kemp, M. Clattenburg, P. Zelif
Staff: M. Masse, E. Finch, C. Suozzi, J. Krencik, L. Casey, L. Farrell
Guests: R. Ball (ESD), R. Crossen (Town of Alabama Supervisor), M. Fitzgerald (Phillips Lytle), A. Kaus (Video News Service), R. Gaenzle (Harris Beach), M. Landers (Genesee County Manager), P. Battaglia (GCEDC Board Member/Video Conference), C. Zinni (Batavia Resident)

Absent:

1. Call to Order / Enter Public Session

P. Zelif called the meeting to order at 8:00 a.m. in the Innovation Zone.

1a. Executive Session

C. Yunker made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:01 a.m., for the following reasons:

1. Discussions regarding proposed, pending, or current litigation.
2. The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.
3. The proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such a public body, but only when publicity would substantially affect the value thereof.

The motion was seconded by M. Clattenburg and approved by all members present.

1b. Re-Enter Public Session

C. Yunker made a motion to enter back into public session at 8:16 a.m., seconded by C. Kemp and approved by all.

2. Chairman's Report & Activities

2a. Agenda Additions / Deletions/ Other Business – Nothing at this time.

2b. Minutes: January 29, 2025 and February 5, 2025

M. Clattenburg made a motion to approve January 29, 2025 and February 5, 2025 minutes; the motion was seconded by C. Kemp. Roll call resulted as follows:

P. Zeff - Yes
C. Yunker - Yes
M. Clattenburg – Yes
C. Kemp - Yes

The item was approved as presented.

3. Discussions / Official Recommendations to the Board:

3a. Public Hearing Comments and Responses – M. Masse stated that each company was required to prepare an Environmental Assessment Form (EAF) that was submitted to the GCEDC for review and comment. M. Masse clarified that the GCEDC did not prepare the EAFs for the companies, which he stated he believed was a misconception of the public. Based on the questions and feedback provided by the GCEDC, some of the companies revised their EAFs and resubmitted them, which is why there are multiple EAFs throughout the process. M. Masse stated that the GCEDC received a total of approximately 620 comments on all three projects. These were either emailed or presented at the public hearing. This number includes all comments received up to last Friday, February 28, 2025, when Board packets were sent out. Of those comments, 8 came from Genesee County residents, and another 10 were unknown as to where they live.

M. Masse addressed some of the recurring comments that were presented at the public hearing and/or submitted in writing.

First, there were several comments regarding the GCEDC and General Municipal Law requirements as it relates to public hearings and project approvals. Our legal counsel, Harris Beach, prepared a memo that states where those comments were incorrect and that the GCEDC was fully in compliance with General Municipal Law for the public hearing process. This memo was included with the meeting materials on pages 21 through 24.

Secondly, the Tonawanda Seneca Nation had submitted a comment letter with their concerns over the Alabama Fire Department's ability to deal with any emergencies at the proposed facility. The Town of Alabama has provided a letter stating that they have the equipment to deal with any potential emergencies with onsite diesel fuel storage.

Regarding retention ponds and onsite water, all designs will be completed in accordance with DEC regulations. All onsite water that leaves the property must leave at the same pace and quantity as it did prior to development. There will be natural filtration through the onsite ponds, raingardens and bioswales.

Related to noise levels, Stream will be within the noise limits that were previously established in the 2012 General Environmental Impact Study. Data centers were included in the original zoning change as an allowable use in 2012.

As for the discharge of water, Stream did not propose any discharge of heated water.

Regarding concerns over the power grid, the GCEDC spent five years completing studies with NYISO. The studies concluded that 600 MW of power can be drawn down and it will not affect the overall reliability of the power grid.

This project will not cause anyone's electricity and water rates to increase.

There are no wetlands being impacted by this project.

The GCEDC sends weekly emails to the Nation regarding updates on the STAMP site and potential projects. GCEDC has requested a meeting to discuss these projects since last September. The GCEDC will continue to update the Nation and keep them informed of potential projects at STAMP.

M. Masse stated that M. Fitzgerald would address comments related to the CLCPA and air emissions.

M. Fitzgerald stated the Climate Leadership and Community Protection Act (CLCPA) applies to state agencies. When the DEC grants permits and approvals for projects at STAMP, the CLCPA requirements will be applied. These requirements do not apply to the GCEDC. Nevertheless, of the three projects, the one that emits fewer greenhouse gas emissions is Project Double Reed or Stream, which staff has recommended.

Related to air emissions, Project Double Reed or Stream will use six onsite back-up generators as opposed to hundreds of generators for the other projects. Project Double Reed is likely to qualify for an air registration, which would be processed by the DEC as opposed to a Title V permit.

There were also comments made related to the Environmental Justice Citing law, which will impact SEQR reviews. Under SEQR, there is a required analysis of disadvantaged communities. M. Masse stated that the Tonawanda Seneca Nation objects the term "disadvantaged community". The Nation accepts the term as part of the state statute; however, the label was created by the state and the Nation has never been consulted on the actual label itself.

The Board was provided with copies of transcripts, copies of written comments, and a spreadsheet of all names. The GCEDC has addressed the concerns/objections made by the public.

C. Yunker stated that he attended the public hearings for the data centers, and he heard the objections firsthand. He also read the justifications provided by staff and counsel and felt that the concerns and objections have been adequately addressed.

3b. Staff Recommendation Memo on Proposed Data Center Projects – M. Masse stated that Project Double Reed was specifically chosen for the least environmental impacts. Of the three projects under consideration, Project Double Reed has demonstrated that it will have by far the lowest level of air emissions, thereby having the smallest impact on air quality. Each of the proposed projects will require the installation of back-up generators that are powered by diesel fuel. On-site diesel fuel storage will be limited to approximately 60,000 gallons for Project Double Reed, whereas diesel storage at the other projects would be more than ten times that level – 700,000 gallons for Project Hydroscale and 1.5 million gallons for Project Rampart. Minimizing on-site diesel fuel storage is directly responsive to the public comments received expressing concerns regarding spill concerns and fire safety.

Project Double Reed's facilities will have the lowest sound emission levels of the three projects, without the need for a mitigation buffer. It should be noted that while initial noise level estimates provided by Project Rampart were like those of Project Double Reed, subsequent updates have shown that both Rampart and Hydroscale's noise levels would exceed the STAMP GEIS thresholds and therefore, would require further study before any approvals could be issued.

Landscaping proposals for Project Double Reed include vegetative screening that will help shield the building from view. The other two projects would be fully or partially visible when viewed from adjacent properties.

Project Double Reed has demonstrated that it has the experience and financial capabilities to execute, develop, and deliver its project in a timely manner. It is backed by a proven developer with an impressive client base and a multitude of similar projects under its belt. In addition, Project Double Reed is the only project that has a soft commitment from a Fortune 500 company to utilize 100% of the data center capacity.

Project Double Reed will pay over \$7,000,000 in sales tax and property taxes which will be allocated to Genesee County, the Town of Alabama, and its school district on an annual basis, subject to an escalator that will result in approximately \$10,000,000 being paid on an annual basis at the end of the PILOT for the project. It is anticipated that this revenue will have a critical impact on the County's ability to undertake vital updates to our infrastructure, thereby improving the health and welfare of all members of our community. In addition, Project Double Reed will pay \$50,000,000 (at a rate of \$200,000 per MW) to finance construction of the STAMP Substation and to reimburse GCEDC for costs associated with prior investment made to the same, while also paying GCEDC \$18,000,000 for the 60 acres it will purchase for the Project.

Although Project Rampart proposes the highest PILOT/Host Agreement payments of the three projects, our community members made it clear during the public hearings held for these projects that money is not and should not be the only factor taken into consideration during this process. Our directive is to determine which project, if any, is the best fit for Genesee County. Based upon the information provided to us by the three applicants, Project Double Reed will have the smallest environmental impact and will best address concerns voiced by the Nation with respect to visual and noise impacts, all while providing local benefits totaling over \$1,000,000,000 over the life of the PILOT. For these reasons, staff recommends that the GCEDC Board approve Project Double Reed.

GCEDC has undertaken an intensive, months' long review of all three competing applications. Following receipt of multiple applications for competing projects, GCEDC established a process for obtaining final design and information and a final and best offer from all three applicants. Specifically, the process included:

- One-on-one meetings with each applicant and the STAMP Tech Team to answer any applicant questions regarding the process, deliverables relating to final design packages, and related items.
- One-one-one meetings with the STAMP Committee to afford applicants the opportunity to discuss their best and final financial offers.
- Clear written correspondence at each step in the process.

After discussions with each of the applicants, the process was summarized in a December 11, 2024 letter to all applicants. No applicant objected to GCEDC's process as set forth in the December 11 letter.

Following review of all three projects, GCEDC staff prepared detailed summaries of the projects, including incentives requested and design details.

3c. SEQR Review Tech Team Memo – M. Fitzgerald stated that the original Generic Environmental Impact Study (GEIS) was completed in 2012 and has been subsequently updated with each project at the STAMP site. The Board must analyze if the potential project fits with the thresholds that were laid out in the original GEIS. It is important to note that data centers were contemplated in the zone coding as well as the GEIS. M. Fitzgerald stated that once the Board determines that a project fits within the thresholds of the GIES, there is nothing more needed for SEQR. A consistency determination can be made, which would conclude the analysis. The STAMP Tech Team memo, included with the meeting materials, laid out the extensive documentation that was reviewed in connection with each project. The Environmental Assessment Form that each company completed included site plans, noise studies, preliminary stormwater management reports, air quality analysis and visual depictions. These submissions were reviewed by CMS Engineers and Clark Patterson Lee. Project Double Reed is the only project that meets all thresholds or consistency factors in the GEIS for STAMP.

P. Zelif stated that the documentation has been voluminous, and the Committee has been an active participant in this process for many months, in addition to individual research conducted. The Committee is supportive of the recommendation made by staff.

3d. Recommendation to Instruct Staff to Prepare SEQR and Approval Resolutions for Board Consideration – M. Fitzgerald stated that if the Committee would like to move forward with Project Double Reed, then the committee should instruct staff to prepare a SEQR Resolution as well as a Final Resolution for incentives to be considered at the Board Meeting tomorrow, March 4, 2025.

P. Zelif asked if the Committee had any other comments.

C. Yunker stated that he agrees with P. Zelif's earlier comments about Project Double Reed and stated that the justifications outlined by counsel and staff are more than adequate.

M. Clattenburg stated that she was initially skeptical of any data center project. There were certain parameters that needed to be satisfied before she would support a data center project. M. Clattenburg stated that Project Double Reed imposes the least number of environmental impacts among the three projects analyzed. She also stated that she is vehemently opposed to any bitcoin project, which this project is *not*. Moreover, the benefits to the community are substantial. Project Double Reed will pay sales tax to the County for all power purchased, which can be used for infrastructure and other needs. Additionally, an infrastructure fund will be created to advance the County Water Project, which will help the health and safety of all residents. For these reasons, M. Clattenburg stated that she will support this project.

C. Yunker made a motion to instruct staff to prepare the SEQR Resolution and Final Resolution for incentives to be added to the March 4, 2025 Board Agenda; the motion was seconded by C. Kemp. Roll call resulted as follows:

P. Zelif - Yes
C. Yunker - Yes
M. Clattenburg – Yes
C. Kemp - Yes

The item was approved as presented.

4. Adjournment

As there was no further business, C. Yunker made a motion to adjourn at 8:38 a.m., seconded by C. Kemp and passed unanimously.