

**Final Authorizing Resolution  
Assured Information Security, Inc. Facility**

**Transcript Document No. 10**

Date: December 13, 2024

At a meeting of the Oneida County Industrial Development Agency (the "Agency") hosted at 584 Phoenix Drive, Rome, New York 13441 on December 13, 2024, the following members of the Agency were:

**Members Present:** Steve Zogby, David Grow, Aricca Lewis, Kristen Martin, Franca Armstrong, Tim Reed, and James Genovese.

**EDGE Staff Present:** Shawna Papale, Tim Fitzgerald, Chris Lawrence, Maureen Carney, Marc Barraco, and Mark Kaucher.

**Others Present:** Jenna Peppenelli, Levitt & Gordon.

**Others Present Virtual:** Laura Ruberto and Linda Romano, Bond, Schoeneck & King.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to proposed financial assistance to Assured Information Security, Inc.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Steve Zogby voting aye  
David Grow voting aye  
Aricca Lewis voting aye  
Kristen Martin voting aye  
Franca Armstrong voting aye  
Tim Reed voting aye  
James Genovese voting aye

RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE THE LEASE AGREEMENT, THE LEASEBACK AGREEMENT, THE PILOT AGREEMENT, THE ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT, THE RECAPTURE AGREEMENT, THE LOAN DOCUMENTS, THE ASSIGNMENT AND RELATED DOCUMENTS WITH RESPECT TO THE ASSURED INFORMATION SECURITY, INC. FACILITY LOCATED IN THE CITY OF ROME, ONEIDA COUNTY.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended and Chapter 372 of the Laws of 1970 of the State of New York (collectively, the "Act"), Oneida County Industrial Development Agency (the "Agency") was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, Assured Information Security, Inc., on behalf of itself and/or the principals of Assured Information Security, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") requested the Agency assist with a project consisting of acquisition and renovation of a 46,500± square foot building (the "Improvements") situated on a 7.50± acre parcel of land located at 153 Brooks Road, Griffiss Business and Technology Park, City of Rome, Oneida County, New York (the "Land") and acquisition and installation of equipment in the Improvements (the "Equipment"), all to be used for the purpose of maintaining its headquarters and retaining employment in the City of Rome and providing Research and Development, Secure Communications, Cyber Operations and C5ISR services to government and commercial markets (the Land, the Improvements and the Equipment referred to collectively as the "Facility" and the acquisition, renovation and equipping of the Facility is referred to collectively as the "Project"); and

WHEREAS, Cardinal Griffiss Realty, LLC ("CGR") owns the Land and Improvements and leases the same to the Agency; and

WHEREAS, the Agency leases the Land and Improvements back to CGR pursuant to a Leaseback Agreement dated as of August 1, 2010 as amended (the "Existing Leaseback Agreement"); and

WHEREAS, CGR and the Agency entered into a Second Amended and Restated Payment In Lieu of Tax Agreement dated June 15, 2017 (the "Existing PILOT Agreement") pursuant to which CGR makes payments in lieu of taxes on the Land and Improvements; and

WHEREAS, CGR subleases the Land and Improvements to the Company for its operation pursuant to a sublease agreement dated as of July 1, 2010 as amended; and

WHEREAS, by resolution adopted October 18, 2024 the Agency consented to the sale of the Land and Improvements from CGR to the Company and the assignment from CGR to the Company of CGR's interest in the Existing Lease Agreement, the Existing Leaseback Agreement and the Existing PILOT Agreement (collectively, the "Existing Agency Documents"), all as required under the terms of the Existing Leaseback Agreement; and

WHEREAS, the Agency will acquire a leasehold interest in the Facility from the Company pursuant to an Amended and Restated Lease Agreement from the Company to the Agency (the "Lease Agreement") and lease the Facility back to the Company pursuant to an Amended and Restated Leaseback Agreement from the Agency to the Company (the "Leaseback Agreement"); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in connection with the Project in the form of exemptions from sales and use taxes, exemptions from mortgage recording taxes, and a reduction in real property taxes by modifying the fixed PILOT Payments in years 14 and 15 in the Existing PILOT Agreement and extending the fixed payments for a period of ten years (the "Financial Assistance"), which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy, and which will be more particularly set forth in a final authorizing resolution; and

WHEREAS, based upon representations made by the Company in the Application, the value of the Financial Assistance is described as follows:

- Sales and use tax exemption not to exceed \$129,124.00
- Mortgage recording tax exemption not to exceed \$18,936.00
- Exemptions from real property taxes valued at approximately \$244,257.80

WHEREAS, the Financial Assistance deviates from the Policy insofar as the Company will make fixed PILOT Payments, to be allocated among the tax jurisdictions, in the following amounts:

<i>Existing PILOT</i>	Year 14	\$150,346.00
	Year 15	\$153,352.92
<i>Extended PILOT</i>	Year 16	\$156,419.98
	Year 17	\$159,548.38
	Year 18	\$162,739.35
	Year 19	\$165,994.13
	Year 20	\$169,314.02
	Year 21	\$172,700.30
	Year 22	\$176,154.30
	Year 23	\$179,677.39
	Year 24	\$183,270.94
	Year 25	\$186,936.35

WHEREAS, the Agency is contemplating deviating from its Policy for the following reasons:

- **The nature of the proposed project:** The Project involves the Company acquiring from CGR the Land and Improvements that it has been leasing for thirteen years and making a significant investment to upgrade the Improvements. The Agency wishes to encourage the Company to maintain its headquarters in Rome and to support the growth of technology industry in the region.
- **The extent to which financial assistance for the properties will create or retain permanent, private sector jobs:** The Company will retain 100 jobs. Were it not for the Agency financial assistance, the Company would evaluate moving its headquarters and all jobs to a location outside of New York State.

- **The estimated value of tax exemptions to be provided:** The fixed PILOT Payment under the Existing PILOT Agreement in Year 15 is projected to be higher than what full taxes will be on the Facility. The proposed fixed payment schedule provides a benefit necessary to induce the Company to maintain its headquarters and retain employment in Rome. By setting an annual fixed PILOT Payment, the taxing jurisdictions and the Company are better able to address financial planning; and

WHEREAS, the Company has committed to retain the existing 100 FTEs for the term of the Leaseback Agreement and create an additional 5 FTEs within three years of completion of the Project as a result of the Project, and the Agency will condition the proposed Financial Assistance on the Company achieving the same (the “Employment Obligation”), or else the Company will be subject to recapture or termination of Financial Assistance relating to the Project; and

WHEREAS, the Company will finance a portion of the costs of the Facility by securing a loan from a lender to be selected at a later date (the “Bank”) to be secured by a Mortgage (the “Mortgage”) from the Agency and the Company to the Bank and any other documents the Bank may require to secure its lien (collectively, the “Loan Documents”); and

WHEREAS, the Agency by resolutions duly adopted on October 18, 2024 and November 15, 2024 (collectively, the “Inducement Resolution”) decided to proceed under the provisions of the Act to lease the Facility and directed that a public hearing be held and enter into the Lease Agreement and Leaseback Agreement; and

WHEREAS, by letter dated November 21, 2024 the Agency provided to all affected tax jurisdictions a copy of the Inducement Resolution describing the proposed Financial Assistance and reasons it intends to deviate from Policy and providing the time, date and location of the public hearing and this meeting so comments could be provided on the nature and location of the Facility and the proposed Financial Assistance; and

WHEREAS, the Agency conducted a public hearing on December 6, 2024 and has received all comments submitted with respect to the Financial Assistance and the nature and location of the Facility; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities which may arise in connection with the Project and the Agency’s leasehold interest in the Facility; and

NOW, THEREFORE, BE IT RESOLVED by the Oneida County Industrial Development Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project”, as such term is defined in the Act; and

(c) The acquisition, renovation and equipping of the Facility, the leasing of the Facility to the Company and the Agency’s Financial Assistance with respect thereto, will

promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Oneida County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company to (a) discourage the Company from moving out of State; (b) preserve the Company's competitive position in its industry; and (c) maintain and expand the Company's business operations in the State of New York; and

(e) Based upon representations of the Company and Company's Counsel, the Facility conforms with the local zoning laws and planning regulations of Oneida County and all regional and local land use plans for the area in which the Facility is located; and

(f) The SEQRA findings adopted by the Agency at its meeting on October 18, 2024 encompassed the actions to be undertaken by this resolution and no changes have been made to the proposed action that would create new or increased adverse environmental impacts; and

(g) It is desirable and in the public interest for the Agency to undertake the Project; and

(h) The Lease Agreement will be an effective instrument whereby the Company grants the Agency a leasehold interest in the Facility; and

(i) The Leaseback Agreement will be an effective instrument whereby the Agency leases the Facility back to the Company; and

(j) The Amended and Restated Payment-In-Lieu-of-Tax Agreement (the "PILOT Agreement") by and between the Company and the Agency will be an effective instrument whereby the Company agrees to make payments-in-lieu-of-taxes for the duration of the term of the Leaseback Agreement; and

(k) The Environmental Compliance and Indemnification Agreement (the "Environmental Compliance and Indemnification Agreement") by and between the Company and the Agency will be an effective instrument whereby the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and

(l) The Job Creation and Recapture Agreement (the "Recapture Agreement") by and between the Company and the Agency will be an effective instrument whereby the Company agrees that the Financial Assistance is conditioned upon the Company completing the Project substantially as presented to the Agency and achieving the Employment Obligation; and

(m) The Loan Documents will be effective instruments whereby the Agency mortgages and/or assigns to the Bank its interest in the Facility; and

(n) The Assignment, Assumption and Release Agreement (the "Assignment") will be an effective instrument whereby CGR assigns to the Company all of CGR's interest in the Existing Agency Documents.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) acquire a leasehold interest in the Facility pursuant to the Lease Agreement, (ii) execute,

deliver and perform the Lease Agreement, (iii) lease the Facility back to the Company pursuant to the Leaseback Agreement, (iv) execute, deliver and perform the Leaseback Agreement, (v) execute, deliver and perform the PILOT Agreement; (vi) execute and deliver the Environmental Compliance and Indemnification Agreement, (vii) execute, deliver and perform the Recapture Agreement, (viii) execute, deliver and perform the Assignment; (ix) execute, deliver and perform the Loan Documents, and (x) deviate from Policy and provide the Financial Assistance to the Company in support of the Project.

Section 3. The Agency is hereby authorized to accept a leasehold interest in the real property described in Exhibit A to the Lease Agreement and the personal property described in Exhibit B to the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 4. The form and substance of the Lease Agreement, the Leaseback Agreement, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement, the Recapture Agreement and the Assignment (each in substantially the Agency's customary forms and which, prior to the execution and delivery thereof, may be redated) are hereby approved. The form and substance of the Loan Documents are hereby approved, subject to the inclusion of the Agency's standard financing provisions and subject to counsel review.

Section 5.

(a) The Chairman, Vice Chairman, Secretary or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Lease Agreement, the Leaseback Agreement, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement, the Recapture Agreement, the Loan Documents and the Assignment, all in substantially the forms thereof approved at this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Secretary or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "Closing Documents"). The execution thereof by the Chairman, Vice Chairman, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Secretary or member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Leaseback Agreement).

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Closing Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Closing Documents binding upon the Agency.

Section 7. This resolution shall take effect immediately.

