

AMENDED APPLICATION MEMO

TERMS OF FINANCIAL ASSISTANCE Board Summary – November 15, 2024

Company: Assured Information Security, Inc.

Description of Project: Purchase of **153 Brooks Road., Griffiss BT&P from Cardinal Griffiss Realty. Interior improvements and equipment purchases.**

Project Cost: \$ 7,321,830

Assured Information Security (AIS) is a 20+ year old technology company that focuses on servicing both the government and commercial markets in the following areas: Research and Development, Secure Communications, Cyber Operations and C5ISR (Command, Control, Communications, Computers, Cyber, Intelligence, Surveillance, and Reconnaissance). AIS or Affiliate would like to purchase 153 Brooks Road Rome NY. AIS would lease or own the facility to maintain its HQ in Rome NY and retain 100 jobs in the area. AIS or affiliate sees value in owning the building that has served as their Headquarters for the past 13 years and believes this will be a strong foundation for future growth. AIS is committed to the Rome NY area and believes investing in this real estate will benefit AIS customers, employees and the community.

Type of Facility: Information Security Technology

Request for Financial Assistance

PILOT Value estimated at \$ 244,258

Modifying the PILOT Payments in years 14 and 15 of the existing PILOT Agreement and extending PILOT Payments for an additional 10 years during which time AIS will pay a fixed payments, which financial assistance is a deviation from the Agency's Uniform Tax Exemption Policy.

Mortgage recording tax exemption valued at \$ 18,936

Sales tax exemption valued at \$ 129,124.

Affected Tax Jurisdictions: City of Rome, Rome City School District, County of Oneida

Obligations for Financial Assistance

Current FTEs to be retained at Facility: **100**

FTEs to be created at Facility: **5 (REVISED FROM '0')**

	Location 1	Location 2	Location 3	Location 4	Location 5	Total
Number of Jobs AFTER Project (within 3 years of project completion)						
Full-time Company	105					105
Full-Time Independent Contractors						0
Full-Time Leased						0
A. Total Full-Time AFTER	105	0	0	0	0	105
Part-Time Company						0
Part-Time Independent Contractors						0
Part-Time Leased						0
B. Total FTE Part-Timers AFTER						0
C. Total FTE AFTER *	105	0	0	0	0	105

*For **Total FTE AFTER** add full-time employees (line A) plus part-time employees that have been converted to FTE (line B).

	Location 1	Location 2	Location 3	Location 4	Location 5	Total
Estimate the number of residents from the Labor Market Area** in which the Project is located that will fill the <u>JOBS CREATED</u> within three years of project completion						
A. Full-Time	5					5
B. FTE Part-Timers						0
C. Total AFTER	5	0	0	0	0	5

** Labor Market Area includes Oneida, Lewis, Herkimer, and Madison Counties

Provide Any Notes To Job Information Below

AIS will plan to add five new full-time employees that report to the Rome Location. With the purchase of this building by AIS or the affiliate this location will employ 105 employees that report to the Rome Location.

SALARY AND BENEFITS	Retained Jobs		Created Jobs	
	Average Annual Salary <i>per employee</i>	Average Fringe Benefits (as a percentage of wages)	Average Annual Salary <i>per employee</i>	Average Fringe Benefits (as a percentage of wages)
Management	\$ 203,000	50 %	\$	%
Administrative	\$ 72,000	50 %	\$ 72,000	50 %
Production	\$ 128,000	50 %	\$ 128,000	50 %
Independent Contractor	\$	%	\$	%
Other	\$	%	\$	%
Overall Weighted Average	\$ 122,500	%	\$ 116,800	%

*** By statute, Agency staff must project the number of Full-Time Jobs that would be retained and created if the request for Financial Assistance is granted. "FTE" shall mean a full time employee that has a minimum of thirty-five (35) scheduled hours per week, or any combination of two or more part-time employees that work a minimum of fifteen (15) scheduled hours per week, when combined together, constitute the equivalent of a minimum of thirty-five (35) scheduled hours per week, and whose workplace location is the project facility. For this purpose an employee shall include a leased employee regularly retained by the company.

11(e) Please list NAICS codes for the jobs affiliated with this project:

541715 (Primary), 541511, 541512, 541519, 541330, 513210, 517121, 518210

**ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 COST/BENEFIT ANALYSIS
 Required by §859-a(3) of the
 New York General Municipal Law**

30-Oct-24

Name of Applicant: Assured Information Security, Inc.
153 Brooks Rd Rome NY 13441
 Description of Project: Purchase/renovation of existing bldg. & equip facility

Name of All Sublessees or Other Occupants of Facility: AIS currently leases from Cardinal Griffiss LLC

Principals or Parent of Applicant: Charles Green

Products or Services of Applicant to be produced or carried out at facility: Information Technology

Estimated Date of Completion of Project: Apr-25

Type of Financing/ Structure:

<input type="checkbox"/>	Tax-Exempt Financing
<input type="checkbox"/>	Taxable Financing
<input checked="" type="checkbox"/>	Sale/ Leaseback
<input type="checkbox"/>	Other

Type of Benefits being Sought by Applicant:

<input type="checkbox"/>	Taxable Financing
<input type="checkbox"/>	Tax-Exempt Bonds
<input checked="" type="checkbox"/>	Sales Tax Exemption on Eligible Expenses Until Completion
<input checked="" type="checkbox"/>	Mortgage Recording Tax Abatement
<input checked="" type="checkbox"/>	Real Property Tax Abatement

Project Costs

Land Acquisition	\$ 623,400
Existing Building(s) ACQUISITION	\$ 3,581,600
Existing Building(S) RENOVATION	\$ -
NEW Building(s) CONSTRUCTION	
Installation Costs	
Site Preparation/Parking Lot Construction	
Machinery & Equipment (other than furniture)	\$ 2,927,403
Furniture & Fixtures	\$ -
Architectural & Engineering	
Legal Fees (applicant, IDA, bank, other counsel)	\$ 150,000
Financial (all costs related to project financing)	
Permits	
Other	
Agency Fee	\$ 36,427
TOTAL COST OF PROJECT	\$ 7,318,830

Assistance Provided by the Following:

EDGE Loan:	
MVEDD Loan:	
Grants - Please indicate source & Amount:	\$ -
Other Loans - Please indicate source & Amount:	

Company Information

Existing Jobs
Created Jobs FTE (over three years)
Retained Jobs

100
5
100

Average Salary of these Positions

\$	122,500
\$	118,600
\$	122,500

Earnings Information for Oneida County

Average Salary of Direct Jobs for Applicant
Average of County Indirect Jobs
Average of Construction Jobs

\$	122,500
\$	25,000
\$	32,000

Note: \$1,000,000 in construction expenditures generates 15 person - years of employment
Construction Person Years of Employment:

0

Calculation of Benefits (3 Year Period)

	Total Earnings	Revenues
Direct Jobs		
Created	\$ 1,779,000	\$ 75,608
Existing	\$ 36,750,000	\$ 1,561,875
Indirect Jobs		
Created	\$ 937,500	\$ 39,844
Existing	\$ 18,750,000	\$ 796,875
Construction - only one year		
Person Years	\$ -	\$ -
TOTALS Calculation of Benefits (3 Yr Period)	\$ 58,216,500	\$ 2,474,201

TAXABLE GOODS & SERVICES

		Spending Rate	Expenditures	State & Local Sales Tax Revenues
Direct Jobs	Created	36%	\$ 640,440	\$ 62,443
	Existing	0.36	\$ 13,230,000	\$ 1,289,925
Indirect Jobs	Created	0.36	\$ 337,500	\$ 32,906
	Existing	0.36	\$ 6,750,000	\$ 658,125
Construction - only one year	Person Years	0.36	\$ -	\$ -
<u>TOTAL TAXABLE GOODS & SERVICES</u>			\$ 20,957,940	\$ 2,043,399

Local (3 year) real property tax benefit (assuming 60% of jobs existing and created own a residence) with an average assessment of \$80,000 and the remainder of jobs existing created pay real property taxes through rent based on an average assessment per apartment of \$50,000.

		Municipality	
Tax Rate for School District where facility is located:	36.0123177	Rome	24-25
Tax Rate for Municipality where facility is located:	20.1959147	Rome	2024
Tax Rate for County:	10.633993	Oneida	2024
	Total Rate:		
	66.8422254		
Real Property Taxes Paid:	\$ 477,253		

COSTS: IDA BENEFITS

Real Property Taxes Abatement	\$ 244,258
Mortgage Tax Abated (.75%)	\$ 18,936
Estimated Sales Tax Abated During Construction Period (8.75%)	\$ 129,124
Total:	\$ 392,318

NOTE: If there is a tax-exempt financing of all or a portion of the project cost, there is a neutral cost/benefit because of lower interest rates by reason of exclusion of interest from gross income of bondholders for purposes of Federal and State income taxes. Taxable financing carries the same cost/benefit for State Income Tax purposes. Such cost/benefits cannot be quantified.