

**BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PROJECT REVIEW FORM**

Company: L3 and Track Drive, LLC		IDA Meeting Date: 10.22.18	
Representative:		IDA Public Hearing Date: TBD	
Type of Business: Manufacturing Project Start Date: 2019 Project End Date: TBD		Company Address: 265 Industrial Park Drive, Kirkwood, NY (current location)	
Employment: <small>Full-Time Equivalent</small> Existing <u>105</u> 1st year <u>4</u> 2nd year <u>3</u> 3rd year <u>6</u>	Total Yearly Payroll 1st Year \$ 400,000.00 2nd Year \$ 700,000.00 3rd Year \$ 1,300,000.00 Total: \$ 2,400,000.00	Own / Lease: Lease	SF / Acreage: 80,000 currently 100,000 sf at completion
Construction Jobs: 31		Proposed Project Location: 147 Industrial Park Drive	
Company Contact For Bid Documents & Employment Opportunities: Gary Bass / Gary.Bass@L3T.com 817-619-2362		Description: *See Attached	
PROJECT BUDGET		ASSESSMENT	
Land Related Costs	\$ 0.00	Current Assessment	\$ 1,760,000.00
Building Related Costs	\$ 8,360,000.00	Asmt. At Completion (Est.)	\$ 3,700,000.00
M & E Costs	\$ 300,000.00	EXEMPTION (Est.)	
F F & E Costs	\$ 100,000.00	Sales Tax @ 8%	\$ 432,000.00
Professional Services/Development Cost	\$ 300,000.00	Mortgage Tax	\$ 70,600.00
Total Other Costs	\$ 400,000.00	Property Tax Payments	*See Attached
Working Capital Costs			
Closing Costs			
Agency Fee	\$ 94,600.00	TOT. PROP. TAX.SVGS:	\$ 585,927.45
TOTAL:	\$ 9,554,600.00	TOTAL EXEMPTIONS:	\$ 1,088,527.45
Project Type (Check all that apply) <input checked="" type="checkbox"/> Manufacturing, Warehousing, Distribution <input type="checkbox"/> Agricultural, Food Processing <input type="checkbox"/> Adaptive Reuse, Community Development <input type="checkbox"/> Housing Development <input type="checkbox"/> Retail* <input type="checkbox"/> Back Office, Data, Call Centers <small>*Uniform Tax Policy does not typically provide tax exemptions for Retail Projects</small>		Project Criteria Met (Check all that apply) <input checked="" type="checkbox"/> Project will create and /or retain permanent jobs <input checked="" type="checkbox"/> Project will be completed in a timely fashion <input type="checkbox"/> Project will create new revenue to local taxing jurisdictions <input checked="" type="checkbox"/> Project benefits outweigh costs <input checked="" type="checkbox"/> Other public benefits <small>*New York State Required Criteria</small>	
Pilot Type <input checked="" type="checkbox"/> Standard <u>15</u> year <input type="checkbox"/> <input type="checkbox"/> Deviated _____ year		The Town has reviewed and provided a pilot schedule according to these terms.	
Staff Comments: This projects includes the relocation of L3 from one facility in the Town of Kirkwood to another, located at 147 Industrial Park Drive. L3 seeks to be the sole tenant in this building and the project includes the additional construction of facility space (+20,000 sf) and a state of the art new building. The critical factor to consider is the retention of the existing jobs. L3 has stated that but for assistance with this project, they could feasibly move this office to Arlington, TX where their headquarters are. These are typically higher wage jobs in the the areas of engineering and advanced manufacturing.			

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147 INDUSTRIAL PARK DRIVE PILOT

PILOT TERM	PILOT YEAR	FINAL ASSESSMENT \$3,700,000	Annual ABATEMENT	Annual abatement \$ amount	Levy Assessment
year 1	2019	\$1,740,000.00	frozen @ \$1,740,000	\$1,960,000	\$1,740,000.00
year 2	2020	\$1,740,000.00	frozen @ \$1,740,000	\$1,960,000	\$1,740,000.00
year 3	2021	\$1,740,000.00	frozen @ \$1,740,000	\$1,960,000	\$1,740,000.00
year 4	2023	\$1,740,000.00	frozen @ \$1,740,000	\$1,960,000	\$1,740,000.00
year 5	2024	\$1,740,000.00	frozen @ \$1,740,000	\$1,960,000	\$1,740,000.00
year 6	2025	1,740,000 + (50% of) 1,960,000	50%	\$980,000	\$2,730,000.00
year 7	2026	1,740,000 + (50% of) 1,960,000	50%	\$980,000	\$2,730,000.00
year 8	2027	1,740,000 + (50% of) 1,960,000	50%	\$980,000	\$2,730,000.00
year 9	2028	1,740,000 + (50% of) 1,960,000	50%	\$980,000	\$2,730,000.00
year 10	2029	1,740,000 + (50% of) 1,960,000	50%	\$980,000	\$2,730,000.00
year 11	2030	1,740,000 + (75% of) 1,960,000	25%	\$490,000	\$3,215,000.00
year 12	2031	1,740,000 + (75% of) 1,960,000	25%	\$490,000	\$3,215,000.00
year 13	2032	1,740,000 + (75% of) 1,960,000	25%	\$490,000	\$3,215,000.00
year 14	2033	1,740,000 + (75% of) 1,960,000	25%	\$490,000	\$3,215,000.00
year 15	2034	1,740,000 + (75% of) 1,960,000	25%	\$490,000	\$3,215,000.00
Year 16	2035	\$3,700,000.00	0%	\$0	\$3,700,000.00

Project Description

Link is undergoing a site selection project to accommodate the relocation of 105 full-time employees currently located at the Link facility at 255 Industrial Park Drive in Binghamton, New York.

The existing jobs have a weighted average salary of approximately \$111,000. The jobs to be relocated include engineering titles, as well as related administrative and management level positions. In addition to the 105 employees being relocated, 13 new jobs will be created, with an estimated average annual salary of \$100,000.

Link aims to place the existing and new employees in the best possible setting to successfully contribute to the Link business. This employment expansion will accompany a capital investment of up to \$9.2 million, depending on the location selected.

The Binghamton facility primarily provides simulation solutions for military aircrew, as well as related maintenance training. Work at the facility includes maintaining and upgrading training devices and applicable curriculum. Link software and hardware engineers work with various flight platforms on behalf of the U.S. Department of Defense.

L3 is currently evaluating two site location strategies: a new leased location in the Binghamton, New York region that offers an increase in square footage over the current Link space, or alternatively, a relocation to the upgraded facilities in Arlington, Texas to accommodate the 105 existing and 13 new employees.

Additional square footage at a new location in Binghamton would allow Link to create 13 new full-time positions. In deciding where to locate these positions, Link is evaluating the real estate costs (lease and tenant improvements), labor markets, tax environment, proximity to transportation networks, quality of life measurements, and economic development incentives in each of the potential jurisdictions (among other considerations).

The company has proceeded with an internal analysis and is evaluating the potential for economic development support in each locality.