



APPLICATION SUMMARY

DATE: October 15, 2019

APPLICANT: SimuTech Group, Inc.
1800 Brighton Henrietta Town Line Road
Rochester, NY 14623

PROJECT LOCATION: 125 Panorama Creek Drive
Rochester, NY 14625

PROJECT SUMMARY: SimuTech Group, Inc. (SimuTech) provides engineering simulation software and engineering consulting with offices across the US and Canada. The Company primarily serves customers in the aerospace, automobile, defense, energy, healthcare and industrial equipment industries. SimuTech proposes to construct a new 14,500 square foot headquarters in the Town of Penfield. The new facility will include a training hub for employees and customers. SimuTech employs a total of 116 employees with 24 FTEs in Monroe County. The applicant is seeking a JobsPlus Property Tax Abatement, Sales Tax and Mortgage Recording Tax Exemptions. The \$3.2 million project expects to create 3 new FTEs over the next 3 years. The benefit to incentive ratio is 10 : 1.

PROJECT AMOUNT: \$3,175,000

JOBS: EXISTING:	24	FTEs
NEW:	3	FTEs
REQUIREMENT:	3	FTEs

PUBLIC HEARING DATE: October 9, 2019

BENEFIT TO INCENTIVE RATIO: 10 : 1

SEQR: REVIEWED AND PROCESS IS COMPLETE.

ELIGIBILITY: NEW COMMERCIAL CONSTRUCTION WITH INCREASE TO THE TAX BASE

APPROVED PURPOSE: JOB CREATION

Cost-Benefit Analysis for SimuTech Group, Inc.

Prepared by Imagine Monroe using InformAnalytics

Executive Summary

INVESTOR
SimuTech Group, Inc.

TOTAL INVESTED
\$3.2 Million

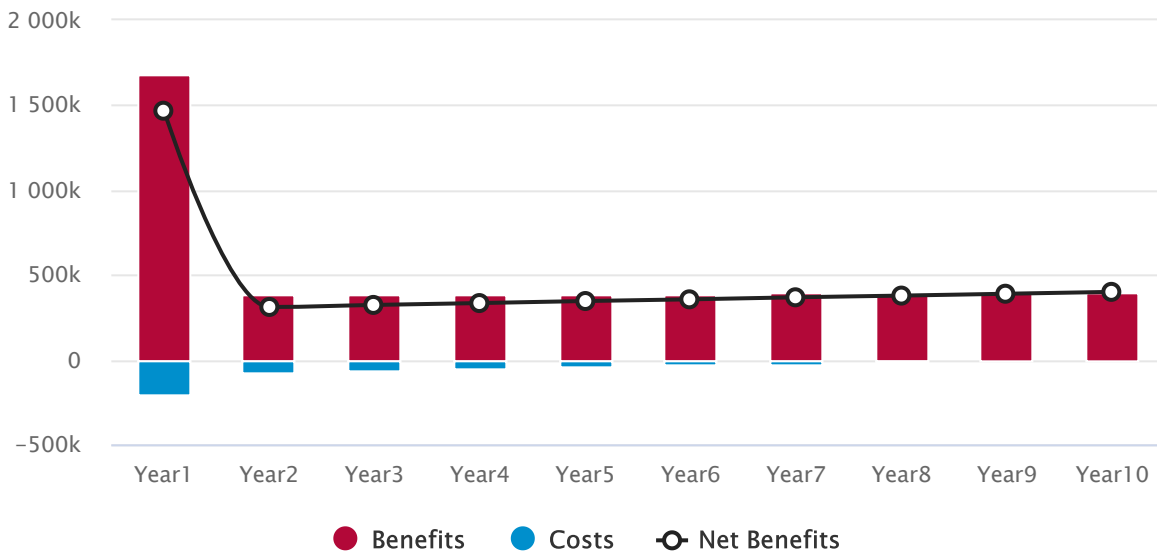
LOCATION
125 Panorama Creek Drive Rochester NY 14625

TIMELINE
10 Years

F1 FIGURE 1

Discounted* Net Benefits for SimuTech Group, Inc. by Year

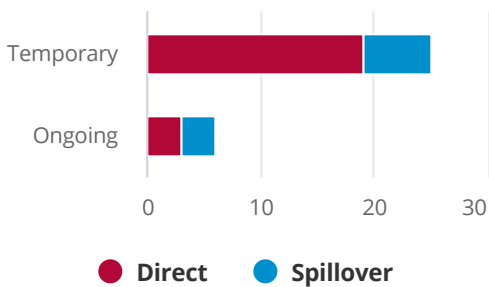
Total Net Benefits: \$4,664,000



Discounted at 2%

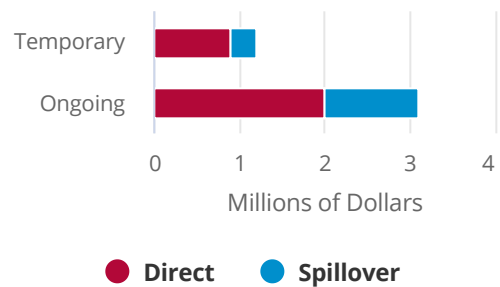
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

SimuTech Group, Inc. proposes to invest \$3.2 million at 125 Panorama Creek Drive Rochester NY 14625 over 10 years.

Imagine Monroe staff summarize the proposed with the following: Construction of 14,500 square foot new HQ

T1 TABLE 1

Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Construction of new 14,500 sq. ft. HQ	\$2,500,000
OTHER SPENDING	
Furniture & Fixtures	\$150,000
Land/Building Purchase	\$475,000
Soft Costs	\$50,000
Total Investments	\$3,175,000
Discounted Total (2%)	\$3,175,000

May not sum to total due to rounding.

F4 FIGURE 4

Location of Investment



Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Imagine Monroe. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Imagine Monroe is considering the following incentive package for SimuTech Group, Inc..

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$404,000	\$383,000
Sales Tax Exemption	\$111,000	\$111,000
Mortgage Recording Tax Exemption	\$19,000	\$19,000
Total Costs	\$534,000	\$513,000

May not sum to total due to rounding.

* Discounted at 2%

T3 TABLE 3

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$3,655,000	\$1,551,000	\$5,205,000
To Private Individuals	\$3,122,000	\$1,532,000	\$4,654,000
Temporary Payroll	\$922,000	\$292,000	\$1,214,000
Ongoing Payroll	\$2,200,000	\$1,240,000	\$3,440,000
To the Public	\$532,000	\$19,000	\$551,000
Property Tax Revenue	\$494,000	N/A	\$494,000
Temporary Sales Tax Revenue	\$11,000	\$4,000	\$15,000
Ongoing Sales Tax Revenue	\$27,000	\$15,000	\$43,000
STATE BENEFITS	\$191,000	\$91,000	\$281,000
To the Public	\$191,000	\$91,000	\$281,000
Temporary Income Tax Revenue	\$41,000	\$14,000	\$55,000
Ongoing Income Tax Revenue	\$110,000	\$57,000	\$167,000
Temporary Sales Tax Revenue	\$12,000	\$4,000	\$15,000
Ongoing Sales Tax Revenue	\$28,000	\$16,000	\$44,000
Total Benefits to State & Region	\$3,846,000	\$1,641,000	\$5,487,000
Discounted Total Benefits (2%)	\$3,647,000	\$1,530,000	\$5,177,000

May not sum to total due to rounding.

T4 TABLE 4

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$4,914,000	\$451,000	11:1
State	\$264,000	\$62,000	4:1
Grand Total	\$5,177,000	\$513,000	10:1

May not sum to total due to rounding.

* Discounted at 2%

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APPLICATION SUMMARY

DATE: October 15, 2019

APPLICANT: Precision Optical Transceivers, Inc.
100 Latona Road Building 318-A
Rochester, NY 14652

PROJECT SUMMARY: Precision Optical Transceivers, Inc. (Precision OT) is a system engineering company focused on development of optical transceivers and related active/passive optical components. Precision OT is proposing to purchase optical transceiver testing equipment for new product development. The Company currently employs 45 FTEs and expects to create 5 new full time positions over the next year. Precision OT has been approved for the GreatRebate program through Monroe County Industrial Development Corporation and is seeking sales tax exemption for equipment purchases of \$201,500. The Benefit/Incentive ratio is 68 : 1

PROJECT AMOUNT: \$201,500 Sales Tax Exemptions Only

SALES TAX EXEMPTION: \$16,120

JOBS: EXISTING:	45	FTEs
NEW:	5	FTEs
GREATREBATE REQUIREMENT:	2	FTEs

BENEFIT TO INCENTIVE RATIO: 68 : 1

SEQR: Type II Action under SEQR Section 617.5

ELIGIBILITY: APPROVED GREATRATE/REBATE - EQUIPLUS ONLY

APPROVED PURPOSE: JOB CREATION

Cost-Benefit Analysis for Precision Optical Transceivers, Inc.

Prepared by Imagine Monroe using InformAnalytics

Executive Summary

INVESTOR
Precision Optical Transceivers, Inc.

TOTAL INVESTED
\$201.5 Thousand

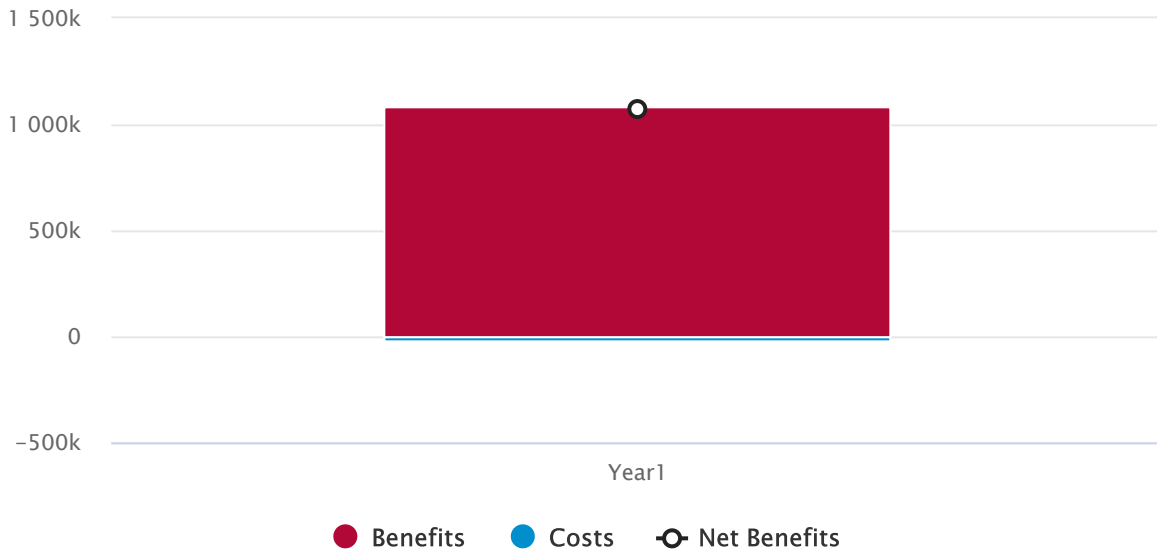
LOCATION
**100 Latona Road,
 Building 318A,
 Rochester, NY 14652**

TIMELINE
1 Years

F1 FIGURE 1

Discounted* Net Benefits for Precision Optical Transceivers, Inc. by Year

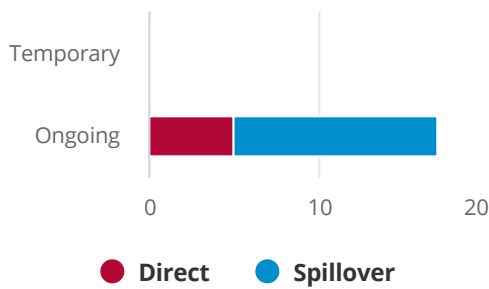
Total Net Benefits: \$1,072,000



Discounted at 2%

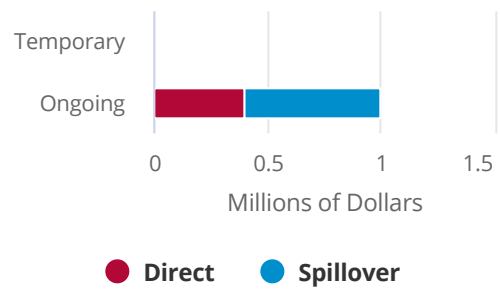
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

Precision Optical Transceivers, Inc. proposes to invest \$201.5 thousand at 100 Latona Road, Building 318A, Rochester, NY 14652 over 1 years. Imagine Monroe staff summarize the proposed with the following: Purchasing optical transceiver testing equipment

T1 TABLE 1

Proposed Investments

Description	Amount
OTHER SPENDING	
Equipment	\$202,000
Total Investments	\$202,000
Discounted Total (2%)	\$202,000

May not sum to total due to rounding.

F4 FIGURE 4

Location of Investment



Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Imagine Monroe. The report calculates the costs and benefits for specified local taxing districts over the first 1 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Imagine Monroe is considering the following incentive package for Precision Optical Transceivers, Inc..

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$16,000	\$16,000
Total Costs	\$16,000	\$16,000

May not sum to total due to rounding.

* Discounted at 2%

T3 TABLE 3

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$405,000	\$621,000	\$1,026,000
To Private Individuals	\$400,000	\$613,000	\$1,013,000
Ongoing Payroll	\$400,000	\$613,000	\$1,013,000
To the Public	\$5,000	\$8,000	\$13,000
Ongoing Sales Tax Revenue	\$5,000	\$8,000	\$13,000
STATE BENEFITS	\$26,000	\$37,000	\$62,000
To the Public	\$26,000	\$37,000	\$62,000
Ongoing Income Tax Revenue	\$21,000	\$29,000	\$50,000
Ongoing Sales Tax Revenue	\$5,000	\$8,000	\$13,000
Total Benefits to State & Region	\$431,000	\$657,000	\$1,088,000
Discounted Total Benefits (2%)	\$431,000	\$657,000	\$1,088,000

May not sum to total due to rounding.

T4 TABLE 4

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$1,026,000	\$8,000	129:1
State	\$62,000	\$8,000	8:1
Grand Total	\$1,088,000	\$16,000	68:1

May not sum to total due to rounding.

* Discounted at 2%

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