

AMS Servicing, LLC \$2,504,300 INDUCEMENT RESOLUTION

HIGHLIGHTS

- Eligibility: NAICS Section - 56

COMPANY INCENTIVES

- Approximately \$ 219,000 in sales tax benefits
- New York State Excelsior tax benefits in the amount of \$1,500,000



Project Title: AMS Servicing, LLC

Project Address: 611 Jamison Road
Town of Elma
(Iroquois Central School District)

SIC/NAICS 561422

Agency Request

An exemption from sales taxes in connection with the equipping of a call center in the former Motorola plant in Elma.

Equipment	\$1,517,300
Soft Costs	987,000
Total Project Cost	\$2,504,300

Company Description

AMS Servicing was established in 2008. They are a national servicer of residential and small balance commercial mortgages. Clients include Fannie Mae, Freddie Mac and other large financial institutions as well as public investment funds.

The company is currently located at 3374 Walden Avenue in the Village of Depew where they occupy 15,000 sq. ft. Prior to that they were on Lawrence Bell Drive in Williamsville where they occupied 5,000 sq. ft. of space.

Project Description

With a current staff of 270 employees and plans to add significantly to that number, the company is in need of additional office space which the current location cannot provide. AMS is seeking to relocate its offices so it may accommodate the anticipated growth of approximately 195 additional employees while expanding its client base. Sites inside and outside of Western New York were considered.

The Elma facility, which formerly housed the Motorola company and is now owned and operated by Sonwil, will provide the company with a larger, more efficient layout with the ability to accommodate the company's projected growth as well as provide the potential for future expansions.

Capital expenditures associated with the new facility include a turn-key buildout of the space provided by Sonwil, new furniture, fixtures and equipment, telephone and computer equipment along with a backup generator.

New York State is supporting this company with the allocation of \$1,500,000 in Excelsior tax benefits.

Since the project involves the relocation of the company from Depew to Elma, the Chief Elected Officials have been notified. Prior to making the decision to move to Elma the company reviewed multiple sites in the area.

AMS Servicing, LLC

Project Benefits

The project is anticipated to create 195 additional jobs.

The company will maintain operations in the Western New York area.

Project Incentives

- Sales tax savings of approximately \$219,000
- New York State Excelsior tax benefits in the amount of \$1,500,000

Employment

Current:

270

Year 2 (after completion of Project)

465

Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$2,504,300 85% = \$2,128,655
Employment	See Recapture Period	Maintain 100% of base (270 FTE) and 85% of projected of 195 (165) = 435
Recapture Period	2 years after project completion	Recapture of state and local sales taxes

Recapture applies to:

State and Local Sales Taxes

Recapture

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales tax and use tax exemption benefits taken by the company that are in violation of the GML.

In addition, it is the recommendation of the ECIDA's Policy Committee to recapture the local share of sales tax.

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) confirm that company has met 85% of its projected full time employment while maintaining 100% of its base

Project History

1/06/2014	Public Hearing conducted. Transcript attached
1/16/2014	Representatives from the company and the IDA met with Lancaster and Depew officials to review the company's site search. Both Mayor Hoffman and a representative of Supervisor Fudoli worked collaboratively to move the project forward and agreed the company did their due diligence.
1/29/2014	Lease/Leaseback Inducement Resolution presented to Board.