

**Continental Service Group, Inc. d/b/a ConServe**  
**\$1,400,000**  
**INDUCEMENT RESOLUTION**

**HIGHLIGHTS**

- Eligibility: NAICS Section - **56**

**COMPANY INCENTIVES**

- Approximately \$122,500 in sales tax savings



Project Title: Continental Service Group, Inc. d/b/a/ ConServe  
 Project Address: 201 Como Park Boulevard  
 Cheektowaga, New York 14227  
 NAICS: 561440

**Agency Request**

A sales tax abatement in connection with the expansion of the company’s collection operations.

Equipment Purchases	\$1,400,000
Total Project Cost	\$1,400,000
85%	\$1,190,000

**Company Description**

Continental Service Group, Inc. d/b/a ConServe provides account receivable management services to various organizations including the US Department of Education, US Department of Treasury, SUNY as well as colleges and universities and other various organizations.

The company is currently leasing approximately 13,000 sq. ft. in the Town of Lancaster on Walden Avenue.

Within the last year, ConServe expanded its Fairport headquarters (just outside Rochester) where it employs more than 500 people.

**Project Description**

As part of an expansion project which will result in the company increasing their Erie County presence, they are moving into the former Appletree Mall facility located on Como Park Boulevard in the Town of Cheektowaga. The additional square footage will provide ample space and parking for the estimated 40 additional employees the company is expected to hire. The company is purchasing furniture, office equipment, phone systems, computers and servers for the expanded operations.

**Project Incentives**

- Approximately \$122,500 in sales tax savings

**Project Benefits**

- The project is expected to create an additional 40 jobs.

**Draft Recapture 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 = \$1,400,000 85% of total project amount = \$1,190,000
Employment	See Recapture Period	Maintain 100% of 100 base (100) and 85% of projected (34) = 134
Recapture Period	2 years after project completion	Recapture of Sales Tax

Recapture applies to:

- State and local sales taxes

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales 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 portion of the sales tax.

**Employment**

<u>Current</u>	<u>New Jobs Projected</u>	<u>Total of Current and projected Jobs 2 Years after Project Completion</u>
100	40	140

Current Jobs to be Retained by Project  
100

Because the company provides services under government contracts they are required to pay SCA wages of \$13.44 per hour. With performance incentives, wages average \$50,000 per year.

**Project History**

- 7/30/2014 Public Hearing held. Transcript attached.
- 8/19/2014 Inducement Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
- 8/19/2014 Lease/Leaseback Inducement Resolution presented to the Board of Directors