

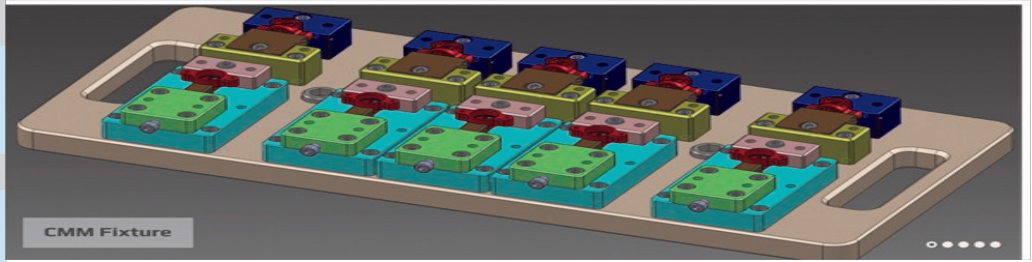
Automated Machine Technologies, Inc. \$925,000 INDUCEMENT RESOLUTION

HIGHLIGHTS

- Eligibility: NAICS Section - **33 Manufacturing**

COMPANY INCENTIVES

- Approximately \$115,000 in real property tax benefits
- Approximately \$34,000 in sales tax benefits
- 1% of the final mortgage amount which is estimated at \$7,250



Project Title: Automated Machine Technologies, Inc.
 Project Address: 3626 California Road
 Orchard Park, New York 14127
 (Orchard Park Central School District)
 SIC/NAICS: 2593/333511

Agency Request

A real property, sales tax and mortgage tax exemption in connection with the construction of a 8,000 sq. ft expansion of the company's existing manufacturing facility.

Land Acquisition	\$130,000
New Building Construction	725,000
Non Manufacturing Equipment	25,000
Soft Costs	45,000
 Total Project Cost	 \$925,000

Company Description

Automated Machine Technologies was established in 1996. The company provides contract engineering and design services and manufactures specialty tooling, machines, & fixtures for the automotive, aerospace, medical and aviation industries . Customers are located in the United States, Germany, Singapore and Malaysia.

Project Description

The company is currently leasing a 5,000 sq. ft. facility located at 3740 California Road in the Town of Orchard Park. They are purchasing a vacant piece of land at 3625 California Road and are constructing an 8,000 sq. ft. manufacturing facility. 5,500 sq. ft. will be utilized for manufacturing space and 2,500 sq. ft. will be devoted to office space.

Project Incentives

- Approximately \$115,000 in real property tax benefits
- Approximately \$34,000 in sales tax benefits
- 1% of the final mortgage amount which is estimated at \$7,250

Automated Machine Technologies, Inc.

Project Benefits

- The project is anticipated to result in the creation of 2 additional jobs.
- Over \$900,000 of private sector investment

Impact on Taxes

Current Yearly Taxes Based	New County Revenue over 10-year abatement period	New Local Revenue over abatement period	Full taxes to County and Local in year 1 after abatement period
\$0	\$5,800	\$24,500	\$14,472
Combined Tax Rate: \$45.89			

Employment

Current: Year 2 (after completion of Project)
3 5

Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount - \$786,250
Employment	Construction period	100% of base and 85% of projected - 4 employees
Local Labor	Construction period	Adherence to policy including quarterly reporting
Recapture Period	10 years (coincides with term of PILOT)	Repayment of state & local sales tax & mortgage tax

Recapture applies to:

- State and local sales taxes
- Mortgage recording taxes

Recapture

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 share of sales tax and mortgage tax.

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) for the 10-year PILOT term confirm that company has met 85% of its projected FTE employment while maintaining 100% of its base and iii) confirm adherence to ECIDA local labor hiring policy.

Project History

05/02/2013 Public hearing held. No oral or written comments. Transcript on file at ECIDA.

05/20/2013 Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.