

3310 Benzing Road, LLC/Marathon Drains/MRP Supports
\$725,000
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 332913

COMPANY INCENTIVES

- Approximately \$35,000 in sales tax savings
- Approximately \$57,000 in real property tax savings

EMPLOYMENT

- Current Jobs - 15 FT
- Projected New Jobs - 2FT
- Total Jobs 2 Years After Project Completion - 17 FT
1 PT
- Annual payroll: \$1,500,000
- Estimated salary of jobs to be created: \$40,000
- Estimated salary of jobs to be retained: \$55,000

PROJECT HISTORY

- 02/24/2020 - Public hearing held. Transcript attached.
- 03/25/2020 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.
- 03/25/2020 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: 3310 Benzing Road, LLC/Marathon Drains/MRP Supports

Project Address: 3310 North Benzing Road
Orchard Park, New York 14127
(Orchard Park Central School District)

Agency Request

A sales tax and real property tax abatement in connection with the construction of a 10,000 sq. ft. expansion to an existing facility

Building Addition	\$600,000
Non-Manufacturing Equipment	\$100,000
Soft Costs/Other	\$ 25,000
 Total Project Cost	 \$725,000
 85%	 \$616,250

Company Description

3310 Benzing Road, LLC is the owner of real property located at 3310 North Benzing Road in the Town of Orchard Park and is home to the Marathon Companies; namely, Marathon Roofing Products, Inc. and MRP Supports, LLC ("Marathon"). Marathon is a manufacturer and distributor of commercial roofing drains, vents, breathers, accessories and supports for decking systems throughout the United States. Approximately 70% of sales are to companies located outside of New York State with a small amount of international sales. They are a top supplier to ABC Supply and provide products to other Western New York companies such as B&L Wholesale, Weather Panel and Eric Materials.

Project Description

The proposed project involves the construction of a 10,000 sq. ft. addition to the company's existing facility. The existing facility is approximately 23,000 sq. ft. and is at capacity. The expansion is necessitated by increased product demand and related business growth and will create a safer working experience.

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 = \$725,000 85% = \$616,250
Employment	Coincides with 7-year PILOT	Maintain base: 15 FTE Create 85% of Projected Projected = 2 FTE 85% = 2 FTE Recapture Employment = 17
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to Policy
Recapture Period	Coincides with 7-year PILOT	State and Local Sales Taxes, Real Property Taxes

Recapture applies to:
State and Local Sales Taxes
Real Property Tax Savings

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) Company has maintained 15 FTE and created 2 FTE jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.