

## McGard, Inc. \$5,023,425 INDUCEMENT RESOLUTION

### HIGHLIGHTS

Eligibility: NAICS Section -  
34 - Manufacturing

### COMPANY INCENTIVES

- Approximately \$136,000 in sales tax savings
- Approximately \$310,000 property tax savings over 7 years.
- Up to \$36,000 in mortgage recording tax savings
- The project will generate approximately \$85,000 of revenue to the local taxing jurisdictions over the abatement period representing \$18,000 to the County of Erie, \$11,000 to the Town of Orchard Park and \$56,000 to the Orchard Park Central School District.



Project Title: McGard, Inc.  
Project Address: 3875 California Road  
Orchard Park, New York 14127  
(Orchard Park Central School District)  
SIC/NAICS: 3429/332722

### Agency Request

Sales tax, mortgage recording tax and real property tax abatements in connection with the construction of an approximately 24,500 sq. ft addition.

Building Addition	3,813,500
Manufacturing Equipment	1,139,925
Non-Manufacturing Equipment	10,000
Soft Costs	60,000
 Total Projects Costs	 \$5,023,425

### Company Description

McGard is a manufacturer of high quality security products, wheel locks and chrome plated lug nuts. McGard's customers include North American, Japanese and European automotive manufacturers, as well as government agencies, the military, municipalities, and the fuel industry. Since 1966, McGard has become known for its unique product designs and comprehensive service programs. In 1990, McGard moved into its newly constructed modern 185,000 square foot facility located in Orchard Park, New York. The need for more equipment resulted in the plant being further expanded in 2001, adding an additional 40,000 square feet of manufacturing space.

### Project Description

The project consists of the addition of 24,500 sq. ft. of space to the company's existing 225,000 sq. ft. manufacturing plant. In addition, a new "state of the art" waste water treatment facility will be constructed.

# McGard, Inc.

## Project Incentives

- Approximately \$136,000 in sales tax savings
- Approximately \$310,000 property tax savings over 7 years
- Up to \$36,000 in mortgage recording tax savings

## Project Benefits

The project will generate approximately \$85,000 of revenue to the local taxing jurisdictions over the abatement period representing \$18,000 to the County of Erie, \$11,000 to the Town of Orchard Park and \$56,000 to the Orchard Park Central School District.

## Employment

<u>Current</u>	<u>Year 2</u>
392	412

## Project History

01/31/2011	Public hearing held. No oral or written comments. Transcript on file at ECIDA.
03/21/2011	Inducement Resolution presented to Board of directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
03/21/2011	\$5,023,425 Lease/Leaseback Inducement Resolution presented to Board.

## Company History

1989	Bond closed in the amount of \$6,000,000
2002	\$2,075,765 Lease/Leaseback project closed.