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ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

OCIDA



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July 18, 2019

Matt Stuble, Vice President/General Manager
Park Outdoor Advertising of New York, Inc.
11 Ascot Place
P.O. Box 4680
Ithaca, New York 14850

RE: *Oneida County Industrial Development Agency
2019 Real Estate Lease (Park Outdoor Advertising of New York, Inc. Facility)*

Dear Matt:

Pursuant to a resolution duly adopted on November 16, 2018, Oneida County Industrial Development Agency (the "Agency") appointed Park Outdoor Advertising of New York, Inc., and/or an entity formed or to be formed on its behalf (collectively, the "Company") its agent in connection with a transaction in which the Agency will assist in acquisition of a 0.50± acre parcel of land located at 2429 Chenango Road, City of Utica, Oneida County, New York (the "Land"), renovations to the 12,200± square foot building situated on the Land and construction of a 1,200± square foot pole barn (collectively, the "Improvements") and the acquisition and installation of equipment in the Improvements (the "Equipment"), all for the purpose of providing billboard advertising services (the Land, the Improvements and the Equipment referred to collectively as the "Facility" and the construction, renovation and equipping of the Improvements is referred to as the "Project"). The Facility will be owned and operated by the Company.

This appointment includes authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the Facility, and the following activities as they relate to any construction, renovation, equipping and completion of any buildings, whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of such buildings: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with construction and equipping (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with construction and equipping and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs), installed or placed in, upon or under such building, including all repairs and replacements of such property.

The Agency will appoint the Company as its only direct agent for the Project. The agency appointment includes the power of the Company to delegate such agency appointment, in whole or in part, to agents, subagents, contractors, subcontractors, materialmen, suppliers and vendors of the Company and to such other parties as the Company chooses so long as they are engaged, directly or indirectly, in the activities hereinbefore described. Please advise the Executive Director of the Agency if you wish to appoint a contractor or other subagent, and the Agency will issue an ST-60 to that party.

In exercising this agency appointment, you and each of your properly appointed agents and subagents must claim the sales tax exemption for all purchases by giving your vendors New York State Form ST-123. The supplier or vendor should identify the Facility on each bill or invoice as the "**Park Outdoor Advertising of New York, Inc. Facility**" and indicate thereon that the Company, its agents, subagents, contractors and subcontractors acted as agent for the Agency in making the purchase.

You and each of your agents, subagents, contractors and/or subcontractors claiming a sales tax exemption in connection with the Facility must complete a New York State Department of Taxation and Finance Form ST-60. Original copies of each completed Form ST-60 must be delivered to the Agency within five (5) days of the appointment of each of your agents, subagents, contractors or subcontractors. Any agent, subagent, contractor or subcontractors of the Company which delivers completed Form ST-60 to the Agency will be deemed to be the agent, subagent, contractor or subcontractor of the Agency for purposes of constructing and equipping the Facility, and shall only then be authorized to use Form ST-123 as described above. Failure to comply with these requirements may result in loss of sales tax exemptions for the Facility.

It is important to note that contractors and subcontractors who have not been appointed subagent cannot use the sales tax exemption for equipment rental, tools, supplies and other items that do not become part of the finished project. Contractors and subcontractors must be appointed as agent or sub-agent of the Agency to use the Agency sales tax exemption for these purchases. Contractors and subcontractors who have not been appointed a subagent and are making purchases that would otherwise be exempt outside of the Agency's interest in the Facility must claim the sales tax exemption for renovation materials by giving their vendors a completed "Contractor Exempt Purchase Certificate" (Form ST-120.1) checking box (a).

The aforesaid appointment of the Company as agent of the Agency to construct, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, or (b) **July 18, 2020**, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time, and further provided that the Agency shall not unreasonably withhold its consent to the extension of such appointment.

Based upon representations made by the Company, the value of the sales tax to be abated relating to the renovation and equipping of the Facility is estimated at \$6,584.00; the value of sales tax exemptions authorized by the Agency is not to exceed \$7,242.00. The Agency is required by law to recapture any New York State sales tax exemptions claimed by the Company that exceed \$7,242.00 for purchases made in the aggregate relating to the Project.


You should be aware that the New York State General Municipal Law requires you to file an Annual Statement (Form ST-340) with the New York State Department of Taxation and Finance regarding the value of sales tax exemptions you, your agents, consultants or subcontractors have claimed pursuant to the authority we have conferred on you with respect to the Project. We are providing a form of a worksheet for you to track all exempt purchases made in completing the Project, using Forms ST-123 or Form ST-120.1. Please provide the Agency with a copy of Form ST-340 along with your annual report to the Agency and this worksheet. The penalty for failure to file such statement, or to provide a copy to the Agency, is the removal of your authority to act as an agent.

If, for some reason, this transaction never closes, you will be liable for payment of the sales tax, if applicable and you are not otherwise exempt, on all materials purchased.

Please sign and return a copy of this letter for our files. The Agency will issue and deliver Form ST-60 to you upon receipt of this signed agency appointment letter. The Agency reserves the right to issue a revised agency appointment letter with respect to the process for utilizing and reporting exemptions hereunder.

Very truly yours,

ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: 
Name Shawna M. Papale
Title: Executive Director

ACCEPTED & AGREED:

PARK OUTDOOR ADVERTISING OF NEW YORK, INC.

By: 
Name: Matt Stuble
Title: Vice President/General Manager