

Anthony J. Picente Jr.  
County Executive

Shawna M. Papale  
Secretary/Executive Director

Jennifer Waters  
Assistant Secretary

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY



584 Phoenix Drive,  
Rome, New York 13441-4105  
(315) 338-0393, fax (315) 338-5694  
[info@mvedge.org](mailto:info@mvedge.org) [www.mvedge.org](http://www.mvedge.org)

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September 9, 2019

Steve Surace  
126 Business Park Partners  
126 Business Park Drive  
Utica, New York 13502

RE: *Oneida County Industrial Development Agency  
2019 Lease Amendment (126 Business Park Partners Facility)*

Dear Mr. Surace:

Pursuant to a resolution duly adopted on March 29, 2019 as amended on June 11, 2019, Oneida County Industrial Development Agency (the "Agency") appointed 126 Business Park Partners, 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 (a) renovations to an existing 23,557± square foot building (the "Existing Improvements") situated on a 2.21± acre parcel of land located at 126 Business Park Drive, City of Utica, Oneida County, New York (the "Existing Land" and, together with the Existing Improvements the "Existing Facility"); (b) acquisition of a 0.57 ± acre parcel of land located at 2 Notre Dame Lane, City of Utica, Oneida County, New York (the "2019 Land" and together with the Existing Land, the "Land"); (c) construction on the Land of a parking lot and a 16,000± square foot addition to the Existing Improvements (collectively, the "2019 Improvements" and together with the Existing Improvements, the "Improvements") and (d) acquisition and installation of equipment in the Improvements (the "Equipment"), all to be used for the purpose of providing public adjusting and disaster preparedness and recovery services (the 2019 Land, the 2019 Improvements and the Equipment referred to collectively as the "2019 Facility", the Land, the Improvements and the Equipment referred to collectively as the "Facility" and the acquisition of the 2019 Land, the construction of the 2019 Improvements, the renovation of the Existing Improvements and the equipping of the Improvements is referred to as the "Project"). The Facility will be initially operated and/or managed 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 2019 Facility, and the following activities as they relate to any construction, 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 appointment includes the power 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.

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 "**126 Business Park Partners 2019 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 also execute a copy of the Contract in Lieu of Exemption Certificate attached hereto, and must complete a New York State Department of Taxation and Finance Form ST-60. Original copies of each Contract in Lieu of Exemption Certificate and 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 2019 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 2019 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 must claim the sales tax exemption for construction 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 and equip the 2019 Facility shall expire at the earlier of (a) the completion of such activities and improvements, or (b) March 29, 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 construction and equipping of the 2019 Facility is estimated at \$241,500 but shall not exceed \$265,650, and any exemptions claimed by the Company (i) that exceed \$100,000 between March 29, 2019 and the public hearing date; or (ii) that exceed \$265,650 in the aggregate, will be subject to recapture.

**The value of sales tax exemption authorized under this letter is limited to \$75,000. The Agency will issue a supplemental letter at closing for the full amount of the exemption.**


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 2019 Project. The penalty for failure to file such statement 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.

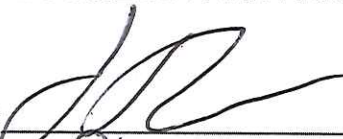
Very truly yours,

ONEIDA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Name Shawna M. Papale  
Title: Executive Director

ACCEPTED & AGREED:

126 BUSINESS PARK PARTNERS

By:   
Name: Stephen T. Surace

Title: Senior Vice President