



IDA Annual Compliance Report State Sales Tax Recapture

For IDA fiscal year ending 06 30 22
(mmdyy)

Due within 90 days of the end of each fiscal year.

IDA information

Name of IDA New York City Industrial Development Agency		
Street address 1 Liberty Plaza		Telephone number (212) 619-5000
City New York	State NY	ZIP code 10006

Terms and conditions for the recapture of state sales tax exemption benefits for projects established, amended, or extended on or after March 28, 2013

- 1 Did the IDA provide state sales tax exemption benefits to any project established, amended, or extended during the fiscal year entered above? 1 Yes No
If Yes, continue below.
If No, skip to question 3.
- 2 When an IDA establishes a project, appoints an agent/project operator, or amends or extends a project established in a prior year, the IDA must include terms and conditions for the recapture of state sales tax exemption benefits in its resolutions and project documents. This applies to all projects established, amended, or extended on or after March 28, 2013 (see instructions).
Did the IDA use the same terms and conditions regarding the recapture of state sales tax exemption benefits in the project documents for each of its projects (as described above)? 2 Yes No
If Yes, attach a copy of the terms and conditions used.
If No, attach a copy of each version used. Be sure to identify the projects to which each version of the terms and conditions relate.
If the IDA did not include terms and conditions for the recapture of state sales tax exemption benefits in the project documents, attach a list of these projects (see instructions).

Activities and efforts to recapture state sales tax exemption benefits for projects established, amended, or extended on or after March 28, 2013

- 3 Did the IDA make efforts to recapture any state sales and use tax exemption benefits from an agent, project operator, or other person or entity (see instructions)? 3 Yes No
If Yes, continue below.
If No, skip question 4 and complete the Certification below.
- 4 Did the IDA file Form ST-65, IDA Report of Recaptured Sales and Use Tax Benefits, for each recapture, and remit the funds to the Tax Department? 4 Yes No
If Yes, you must keep a copy of Form ST-65 and supporting documentation related to the recapture activities.
If No, attach an explanation of the IDA's recapture efforts (see instructions).

Certification

I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of person signing on behalf of the IDA Emily Marcus		Print title of person signing on behalf of the IDA Executive Director	
Signature 	Date 09-28-2022	Telephone number (212) 619-5000	

Mailing instructions

Mail completed form and attachments to:
 NYS TAX DEPARTMENT
 IDA UNIT
 W A HARRIMAN CAMPUS
 ALBANY NY 12227-0866

If not using U.S. Mail, see Publication 55, Designated Private Delivery Services.

Instructions

Filing requirements

Every IDA must file this compliance report every year. The report must include:

- the terms and conditions for the recapture of state sales tax exemption benefits (as described in General Municipal Law (GML) section 875(3)) within all of the IDA's resolutions and project documents. This applies to:
 - projects established and agents or project operators appointed, and any financial assistance or agreement for payments in lieu of taxes provided, on or after March 28, 2013; and
 - any amendment or revision for additional funds or benefits made on or after March 28, 2013, to projects established, agents or project operators appointed, financial assistance provided, or payments in lieu of taxes provided, prior to March 28, 2013.
- information about efforts the IDA has made to recover, recapture, receive, or obtain any state sales tax exemption benefits and payments in lieu of state sales taxes from an agent/project operator, or other person or entity.

Every IDA must file Form ST-62 within 90 days of the end of each fiscal year.

The term *state sales tax* as used in this form includes both state sales tax and the state use tax.

For more information, see TSB-M-14(1.1)S, *Sales Tax Reporting and Recordkeeping Requirements for Industrial Development Agencies and Authorities*.

Any IDA that fails to file or substantially complete this report may lose its authority to provide state sales tax exemption benefits.

Terms and conditions for the recapture of state sales tax exemption benefits

Line 2 – If the IDA:

- **used the same** standard terms and conditions for the recapture of state sales tax exemption benefits in the project documents for all projects covered by this report, attach a copy of the terms and conditions used. You are **not** required to attach the entire document. Attach only the sections describing the state sales tax recapture requirements described in GML section 875(3).
- **used different** terms and conditions for the recapture of state sales tax exemption benefits in the project documents for the projects covered by this report, attach a copy of the terms and conditions used and identify the project(s) to which they relate. Be sure to include the project name and address, and the legal name and EIN of the agent or project operator for each project identified.
- provided state sales tax exemption benefits **but did not include** terms and conditions for the recapture of those benefits, attach a list of these projects. Include the project name and address, the legal name and EIN of the agent or project operator, and the reason why terms and conditions regarding recapture were not included.

Activities and efforts to recapture state sales tax exemption benefits

The GML requires that each IDA recapture state sales tax exemption benefits that were claimed by a project operator or agent, or other person or entity, whenever the benefits were:

- not entitled or authorized to be taken,
- in excess of the amounts authorized,
- for unauthorized property or services, or
- for property or services not used according to the terms of the agreement with the IDA.

See Form ST-65, *IDA Report of Recaptured Sales and Use Tax Benefits*, for more information.

IDAs must remit recaptured state sales tax benefit amounts to the Tax Department within 30 calendar days, using Form ST-65.

Line 4: If the IDA made efforts to recapture sales tax exemption benefits during the fiscal year covered by this report and **has not filed** Form ST-65, attach an explanation.

The attachment must include:

- name and address of the project and project number;
- legal name, EIN, and address of the agent/project operator, or other person or entity;
- project beginning and end dates;
- the basis for recapture, as described above;
- date of recapture efforts;
- amounts identified as required to be recaptured; and
- amount recaptured, if different.

When identifying recapture amounts, be sure to break down the total dollar amount into the categories below:

- state tax,
- local tax,
- MCTD tax (if applicable),
- penalties, and
- interest.

If the amount recaptured was not paid in full, also include copies of correspondence exchanged between the IDA and the agent/project operator, or other entity or person regarding the recapture efforts.

Need help?

Visit our website at www.tax.ny.gov.

**New York City Industrial Development Agency
Annual Compliance Report Pursuant to Paragraph (d) of Subdivision
875(3) of the General Municipal Law (including supplemental information as
required by Form ST-62)**

Paragraph (d) of subdivision 875(3) of the General Municipal Law ("GML") requires the New York City Industrial Development Agency ("NYCIDA") to prepare an annual compliance report (i) detailing the terms and conditions of paragraph (a) of GML subdivision 875(3) and (ii) our activities to recover, recapture, receive, or otherwise obtain New York State sales and use tax exemption benefits described in paragraph (b) of GML subdivision 875(3).

With respect to (i) above, NYCIDA confirms that for the period from July 1, 2021 to June 30, 2022 ("Fiscal Year 2022"), it has included the terms and conditions set forth in the GML within its resolutions and project documents establishing any project or appointing an agent/project operator or amending or extending a project for additional funds or benefits; every such agent/project operator, or other person or entity has agreed to such terms as a condition prior to receiving or benefiting from New York State sales and use tax exemption benefits. Please find the applicable terms and conditions for each such project which were included in the NYCIDA's project documents attached hereto as Exhibit A, as required by Line 2A of the ST-62 Form.

With respect to (ii) above, please see below, which contains information about each recapture of New York State Sales and Use Tax benefits during Fiscal Year 2022. Additional information responsive to Line 4 on the Form ST-62 for recapture requests that are still outstanding or were outstanding as of the end of Fiscal Year 2022 can also be found below.

New York State Sales and Use Tax Exemption Benefits Recovered, Recaptured, Received, or otherwise obtained during Fiscal Year 2022 (Form ST-65 was filed for each such recapture of sales and use tax exemption benefits which was paid to NYCIDA and remitted to the New York State Department of Taxation and Finance during Fiscal Year 2022)

Pursuant to a Stadium Lease Agreement with Queens Ballpark Company, L.L.C., NYCIDA recovered New York State and City sales and use tax exemption benefits, together with any applicable penalties and interest, in the amounts listed below, for a total of \$20,096.51 and subsequently forwarded such amount to NYSDTF.

1. State Tax - \$8,776.15
2. Local Tax - \$9,873.00
3. MCTD Tax - \$822.68
4. Penalties - \$0
5. State Interest - \$624.68
6. NYCIDA Interest - \$0

Pursuant to an Agency Lease Agreement with JMDH Real Estate Offices, LLC, NYCIDA recovered New York State and City sales and use tax exemption benefits, together with any applicable penalties and interest, in the amounts listed below, for a total of \$2,389.93 and subsequently forwarded such amount to NYSDTF.

1. State Tax – \$873.63
2. Local Tax – \$982.82
3. MCTD Tax - \$81.89
4. Penalties - \$0
5. State Interest - \$303.89
6. NYCIDA Interest - \$147.70

Pursuant to an Agency Lease Agreement with 4720 Third Ave LLC, NYCIDA recovered New York State and City sales and use tax exemption benefits, together with any applicable penalties and interest, in the amounts listed below, for a total of \$163,156.95 and subsequently forwarded such amount to NYSDTF.

1. State Tax - \$72,708.60
2. Local Tax - \$81,797.58
3. MCTD Tax - \$6,817.54
4. Penalties - \$0
5. State Interest - \$1,833.23
6. NYCIDA Interest - \$0

Pursuant to a Project Agreement with Time, Inc., NYCIDA recovered New York State and City sales and use tax exemption benefits, together with any applicable penalties and interest, in the amounts listed below, for a total of \$2,500,000.00 and subsequently forwarded such amount to NYSDTF.

1. State Tax - \$1,126,775.00
2. Local Tax - \$1,267,600.00
3. MCTD Tax - \$105,625.00
4. Penalties - \$0
5. State Interest - \$0
6. NYCIDA Interest - \$0

New York State Sales and Use Tax Exemption Benefits for which efforts were made to recover but were not paid during Fiscal Year 2022 (Form ST-65 was not filed during Fiscal Year 2022 for the following projects):

Pursuant to an Amended and Restated Project Agreement with NBC Universal, Inc., NYCIDA issued a Notice of Default on July 2, 2020 to recover, recapture, receive, or otherwise obtain New York State and City sales and use tax exemption benefits, together with any applicable penalties and interest, in the amounts listed below, for a total of \$1,587,738.86. This Notice of Default follows previous repayment demands that were described in each Annual Compliance Report filed pursuant to Section 875(3) of the General Municipal Law for the 2017 through 2021 fiscal years. NYCIDA is continuing to

make efforts to recover these amounts and this matter has been referred to the NYC Law Department. Please find the Notice of Default attached hereto as Exhibit B, as required by Line 4 of the ST-62 Form.

1. State Tax - \$462,295.40
2. Local Tax - \$520,073.35
3. MCTD Tax - \$43,336.03
4. Penalties - \$0
5. State Interest - \$351,271.31
6. NYCIDA Interest - \$210,762.78

Additional Explanation (Form ST-65 not filed)

7. Name and address of the project and project number

**National Broadcasting Company, Inc. Project
30 Rockefeller Plaza
New York, NY 10112
Project Number: 600188001A**

8. Legal name, EIN, and address of agent/project operator or other person or entity

**NBC Universal Media LLC
30 Rockefeller Plaza
New York, NY 10112
EIN(s): 14-1682529**

9. Project beginning and end dates

December 20, 1988 – December 31, 2023

10. Basis for recapture

Contractually stipulated recapture for overuse of sales tax benefits.

11. Date of recapture efforts

Date of Initial Request: January 10, 2017; Date of Additional Requests attached hereto: August 22, 2017, April 5, 2019, July 2, 2020 – Efforts to recapture remaining ongoing.

12. Amounts identified as required to be recaptured

\$1,587,738.86

13. Amount recaptured (if different from 6 above)

Payment Outstanding

**Terms and Conditions for the Recapture of State Sales Tax Exemption Benefits for
Projects that Closed within the Fiscal Year ending 6/30/2022 (From Section 5.2(h) of
Standard NYCIDA Lease Agreement)**

(i) The Lessee covenants and agrees to comply, and to cause each of its contractors, subcontractors, Agents, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3) (the “**Special Provisions**”), as such provisions may be amended from time to time. In the event of a conflict between the other provisions of this Agreement and the Special Provisions, the Special Provisions shall control.

(ii) The Lessee acknowledges and agrees that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Lessee State Sales Tax Savings taken or purported to be taken by the Lessee, any Agent or any other person or entity acting on behalf of the Lessee to which Lessee is not entitled or which are in excess of the Maximum Sales Tax Exemption Amount or which are for property or services not authorized or taken in cases where the Lessee, any Agent or any other person or entity acting on behalf of the Lessee failed to comply with a material term or condition to use property or services in the manner required by this Agreement. The Lessee shall, and shall require each Agent and any other person or entity acting on behalf of the Lessee to, cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such State Sales Tax Savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the “**Commissioner**”) to assess and determine State Sales and Use Taxes due from the Lessee under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

(iii) The Lessee is hereby notified (provided that such notification is not a covenant or obligation and does not create a duty on the part of the Agency to the Lessee or any other party) that the Agency is subject to certain requirements under the General Municipal Law, including the following:

(1) In accordance with General Municipal Law Section 875(3)(c), if the Agency recovers, recaptures, receives, or otherwise obtains, any amount of State Sales Tax Savings from the Lessee, any Agent or other person or entity, the Agency shall, within thirty days of coming into possession of such amount, remit it to the Commissioner, together with such information and report that the Commissioner deems necessary to administer payment over of such amount. The Agency shall join the Commissioner as a party in any action or proceeding that the Agency commences to recover, recapture, obtain, or otherwise seek the return of, State Sales Tax Savings from any Agent, the Lessee or other person or entity.

(2) In accordance with General Municipal Law Section 875(3)(d), the Agency shall prepare an annual compliance report detailing its terms and conditions described in General Municipal Law Section 875(3)(a) and its

activities and efforts to recover, recapture, receive, or otherwise obtain State Sales Tax Savings described in General Municipal Law Section 875(3)(b), together with such other information as the Commissioner and the New York State Commissioner of Economic Development may require. The report shall be filed with the Commissioner, the Director of the Division of the Budget of The State of New York, the New York State Commissioner of Economic Development, the New York State Comptroller, the Council of the City of New York, and may be included with the annual financial statement required by General Municipal Law Section 859(1)(b). Such report required by this subdivision shall be filed regardless of whether the Agency is required to file such financial statement described by General Municipal Law Section 859(1)(b). The failure to file or substantially complete the report required by General Municipal Law Section 875(3)(b) shall be deemed to be the failure to file or substantially complete the statement required by such General Municipal Law Section 859(1)(b), and the consequences shall be the same as provided in General Municipal Law Section 859(1)(e).

(iv) The foregoing requirements shall apply to any amounts of State Sales Tax Savings that the Agency recovers, recaptures, receives, or otherwise obtains, regardless of whether the Agency or the Lessee, any Agent or other person or entity acting on behalf of the Lessee characterizes such benefits recovered, recaptured, received, or otherwise obtained, as a penalty or liquidated or contract damages or otherwise. The foregoing requirements shall also apply to any interest or penalty that the Agency imposes on any such amounts or that are imposed on such amounts by operation of law or by judicial order or otherwise. Any such amounts or payments that the Agency recovers, recaptures, receives, or otherwise obtains, together with any interest or penalties thereon, shall be deemed to be State Sales and Use Taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of the State.

(b) Subject to the provisions of Section 5.2(h) hereof, in the event that the Lessee or any Agent shall utilize the Sales Tax Exemption in violation of the provisions of this Agreement or any Sales Tax Agent Authorization Letter, the Lessee shall promptly deliver notice of same to the Agency, and the Lessee shall, upon demand by the Agency, pay to or at the direction of the Agency a return of sales or use tax exemptions in an amount equal to all such unauthorized sales or use tax exemptions together with interest at the rate of twelve percent (12%) per annum compounded daily from the date and with respect to the dollar amount for which each such unauthorized sales or use tax exemption was availed of by the Lessee or any Agent (as applicable).

EXHIBIT B

NOTICE OF DEFAULT

July 2, 2020

BY UPS TRACKING#1Z R99 58X 02 1524 9888

NBCUniversal Media, LLC (f/k/a NBC Universal, Inc.)
30 Rockefeller Plaza
New York, New York 10112
Attn: President

**Re: NOTICE OF DEFAULT - 10 Rockefeller Plaza and 30 Rockefeller Plaza,
New York, NY 10112 ("Notice")**

Dear Sir or Madam:

Please refer to the following (collectively, the "Project Documents"), all of which relate to premises located at 10 Rockefeller Plaza and 30 Rockefeller Plaza, New York, NY 10112 and:

- A. *Second Amended and Restated Project Agreement.* That certain Second Amended and Restated Project Agreement (the "Project Agreement") dated as of January 1, 2008, between New York City Industrial Development Agency (the "Agency" or "NYCIDA") and NBC Universal, Inc. (the "Company"); and
- B. *Other Documents.* Any and all other Transaction Documents otherwise pertaining to the foregoing.

All capitalized terms used but not defined in this Notice shall have the same meanings that such terms have for purposes of the Lease. This Notice is given pursuant to Section 6.1 of the Project Agreement.

It has come to the attention of the Agency that the Company has breached certain of its obligations under the Project Agreement. Notice is hereby given that the Company has defaulted under the following provisions of the Project Agreement:

(a) Section 5.1(a)(B) (Maximum Sales Tax Benefit Limitation). Section 5.1(a)(B) of the Project Agreement states that the Company is entitled to receive Sales Tax Savings not to exceed the Maximum Sales Tax Benefit. The Sales Tax Registry accompanying the Semi-Annual Certificate for the period ending December 31, 2016 indicates that the Company used the Sales Tax Letter in excess of the Maximum Sales Tax Benefit in the amount of \$54,721.10 for the six month semi-annual period ending June 30, 2015, and \$215,175.58 for the six month semi-annual period ending December 31, 2015. Total overuse between the two semi-annual periods amounts to \$269,896.68.

Pursuant to Section 5.1(a)(B) of the Agreement, this repayment amount is subject to an annual interest charge of 12% per annum from the date for which each such unauthorized Sales Tax Savings was availed of until the date of repayment. Because the Company did not provide a registry with transaction dates, interest is assessed from the first day of each semi-annual period in which overuse occurred. We hereby reaffirm our claim that the total Sales Tax Savings realized by the Company with respect to the two semi-annual periods in 2015 in violation of the Agreement and Sales Tax Letter thereon is equal to \$269,896.68, with \$165,347.24 in interest accruing thereon to the date of this letter, for a total amount owed of \$435,243.92 to the Agency by the Company as of the date of this letter, with respect to these specific overuses of Sales Tax Savings.

Additionally, as indicated by the Semi-Annual Certificate for the six month period ending December 31, 2016, the Company made additional purchases claiming a sales tax exemption from the Agency without a valid Sales Tax Letter in the amount of \$562,770.22 for the semi-annual period ending June 30, 2016, and \$193,037.87 for the semi-annual period ending December 31, 2016, amounting to \$755,808.09 in principal. Per Section 3.1 of the Agreement, interest accrues at 12% per annum from the beginning of each semi-annual period in which unauthorized Sales Tax Savings were availed until the date of repayment. As of the date of this letter, accrued interest on the principal amount is \$396,686.85, for a total amount of \$1,152,494.94 owed with respect to this unauthorized use of Sales Tax Savings. The total amount of Sales Tax Savings realized by the Company in violation of the Project Agreement, for both 2015 and 2016, together with interest thereon as of the date of this letter is \$1,587,738.86. See Exhibit A for the details.

The determination of amounts owed as set forth herein was calculated by the Agency based upon the Certificates provided by the Company to the Agency and representations made by the Company. To the extent that any information or representation provided by the Company was incorrect or inaccurate, the Agency reserves the right to reevaluate amounts owed under the Agreement or the Sales Tax Letter. The Agency reserves all rights and remedies that it may have under the Project Agreement and at law and in equity.

Notice of Default - NBCUniversal Media, LLC (f/k/a NBC Universal, Inc.)
July 2, 2020 (Page 2 of 5)


You are hereby given notice that the above-described covenant breaches by the Company constitute a default under Section 6.1 of the Project Agreement.

The Agency hereby demands that the Company discharge and perform the obligations referred to above and cure the defaults set forth above within thirty (30) days of the date hereof. Upon performing such cures, we request that the Company immediately notify the Agency in writing of how and when such cures were performed.

Failure to reference herein any default or Event of Default under the Project Agreement or any Other Documents shall not constitute a waiver of same on the part of the Agency, nor shall such failure in any way limit the Agency's rights or remedies with respect thereto. Nothing in this Notice waives any right or remedy available to the Agency. The Agency expressly reserves all rights and remedies at law or in equity.

If you have any questions, please do not hesitate to call me at (212) 312-3571.

Regards,



Shin Mitsugi
Compliance Officer
New York City Industrial Development Agency

cc:

NBCUniversal Media, LLC (f/k/a NBC Universal, Inc.)
30 Rockefeller Plaza
New York, NY 10112
Attn: General Counsel, Law Department

NBCUniversal Media, LLC (f/k/a NBC Universal, Inc.)
100 University City Plaza
LRW 1280-7
Universal City, CA 91608
Attn: Ms. Anna Lee

(by email)
Meredith Jones, Esq., NYCIDA
Robert LaPalme, Esq., NYCIDA
Krishna Omolade, NYCIDA
Sonia Ruocco, NYCIDA
Peter Ryan, NYCIDA

Notice of Default - NBCUniversal Media, LLC (f/k/a NBC Universal, Inc.)
July 2, 2020 (Page 3 of 5)

EXHIBIT A

Sales Tax Savings Repayment Calculation

Period	Remaining Restored STB	Reduction Amount	Reduced Remaining Restored STB	STB Utilization	Remaining Restored at end of Period
1/1/2013 - 12/31/2013	\$ 8,082,381.35	\$ 1,616,476.27	\$ 6,465,905.08	\$ 1,534,803.44	\$ 4,931,101.64
1/1/2014 - 12/31/2014	\$ 4,931,101.64	N/A	N/A	\$ 2,433,303.12	\$ 2,497,798.52
1/1/2015 - 12/31/2015	\$ 4,114,274.79	\$ 1,645,709.92	\$ 2,468,564.87	\$ 2,738,461.55	\$ (269,896.68)

Calendar Year 2015 Overuse

Date	Principal	Anticipated Collection Date	Years Past	Interest Rate	Interest
1/1/2015	\$ 54,721.10	7/2/2020	5.50	12%	\$ 36,118.17
7/1/2015	\$ 215,175.58	7/2/2020	5.00	12%	\$ 129,229.06
			Total Interest		\$ 165,347.24
			Principal Overuse		\$ 269,896.68
			Total 2015 Repayment Due		\$ 435,243.92

Calendar Year 2016 Unauthorized Use

Date	Principal	Anticipated Collection Date	Years Past	Interest Rate	Interest
1/1/2016	\$ 562,770.22	7/2/2020	4.50	12%	\$ 303,965.25
7/1/2016	\$ 193,037.87	7/2/2020	4.00	12%	\$ 92,721.60
			Total Interest		\$ 396,686.85
			Principal Unauthorized Use		\$ 755,808.09
			Total 2016 Repayment Due		\$ 1,152,494.94

TOTAL 2015 AND 2016 REPAYMENT DUE					\$ 1,587,738.86
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