



ANNUAL PILOT COMPLIANCE REVIEW PROCESS

| <u>Responsible Party:</u> | <u>Process Step:</u> |
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| Staff | <p><u>Documentation</u></p> <ol style="list-style-type: none">1) Following the last Full Board meeting of the year, identify all COMIDA projects that <u>received</u>, or were <u>approved</u> for, sales and mortgage exemptions and/or real property tax abatements, during the prior year.2) Generate email to these projects, advising them of the forthcoming reporting requirements.3) Generate reporting forms to each project, requesting updated information for exemptions and employment.4) Mail forms during the first week in January. Surveys are to be returned by February 1st, along with copies of supporting documentation which substantiates information reported to COMIDA, as applicable, including:<ul style="list-style-type: none">▪ New York State Department of Taxation and Finance Form ST-340 – Annual Report of Sales and Use Tax Exemptions▪ NYS-45 – Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return – for the quarter ending December 31 OR The US Dept. of Labor BLS 3020 Multiple Worksite report.5) Cross reference with County Tax bills received from the Department of Treasury, and when available, Town Tax Billings, to confirm.6) Confirm any unpaid PILOT payments with County Treasury and Town Assessors.7) Search Monroe County Clerk website for all mortgage tax exemptions filed during the reporting period. |

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| Staff | <p style="text-align: center;">■</p> <p><u>Documentation</u> (continued):</p> <p>8) Upon receipt of forms, ensure that all required documentation is included.</p> <ul style="list-style-type: none"> ▪ <u>NYS-45</u> – Required of all projects. <p style="padding-left: 40px;">Review to confirm that the job numbers reported to NYS agree with the job numbers reported to COMIDA.</p> <p style="padding-left: 40px;">NOTE: COMIDA requests job information as of December 31, and requires that the number of Full Time and the number of Part Time jobs be reported. The NYS 45 does not distinguish between full-time and part-time, and reports the number who worked during or received pay for the week that includes the 12th of the month, therefore minor discrepancies may occur.</p> <p style="padding-left: 40px;"><u>ST-340</u> – Required for projects that 1) claimed state and local sales and use tax exemptions as a result of the project's designation as an IDA project or 2) were approved for such exemptions during the prior year.</p> <ul style="list-style-type: none"> a) Review to confirm that the exemptions reported to NYS agree with the sales and use tax exemptions reported to COMIDA via the annual survey. b) Review these reports to confirm that the amount of tax exemptions claimed by the beneficiary were within the approved amount. If overages are noted, refer to Executive Director for recovery. <p>9) Upon receipt, ensure that all required documentation is included. For those projects that did not include the required documentation, or which reveal discrepancies, follow up with phone calls, emails and mail to resolve.</p> |
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| Staff | <p><u>PILOT COMPLIANCE</u></p> <ol style="list-style-type: none"> 1. Compare job information reported on the surveys to job requirements utilizing the Project Tracking System which includes the type of PILOT, Jobs at Application, New Jobs Required, etc. 2. <u>Job Loss</u>: - Identify those projects which report job loss from the prior year, noting which projects failed to maintain the job numbers required by PILOT agreement. 3. <u>Job Creation</u> – Identify those projects which did not meet their job creation requirements. 4. Report these projects to the Executive Director, identifying possible defaults, and providing copies of supporting documentation that may include the signed PILOT agreement, job surveys, NYS-45s and other documentation. |
| Executive Director | <ol style="list-style-type: none"> 1) For those projects referred by staff, and in particular for those identified as potential default, request additional information and explanation from the project operator. 2) Based on initial referrals and further information obtained as noted above, refine the list and prepare a report to the PILOT Compliance Review committee. |
| PILOT Compliance Review Committee | <ol style="list-style-type: none"> 1) PILOT Compliance Review Committee will determine declaration of default, those projects that are recommended to receive a waiver, and those recommended for termination and penalties. 2) PILOT Compliance Review Committee presents its recommendations to the Full Board. |
| Full Board | Review report of PILOT Compliance Review Committee and make recommendations for disposition including waivers or terminations. |
| Attorney | <ol style="list-style-type: none"> 1) Staff/Attorney prepare waiver letter, default notice letters and termination documents as required. 2) Attorney notifies New York State Department of Taxation and Finance of projects that are terminated. |

June 2015