



**2008**  
**Job Retention Tax Credit**  
**Annual Report**

**June 5, 2009**



**Department of  
Development**

**Ted Strickland**, Governor  
**Lee Fisher**, Lt. Governor

**Lisa Patt-McDaniel**, Interim Director



## Department of Development

**Ted Strickland**, Governor  
**Lee Fisher**, Lt. Governor

**Lisa Patt-McDaniel**, Interim Director

June 5, 2009

Dear Governor Ted Strickland, President Bill Harris, and Speaker Armond Budish:

On behalf of the members of the Ohio Tax Credit Authority, I am pleased to present the Ohio Job Retention Tax Credit Program Annual Report for calendar year 2008. This report contains the following: (1) a listing of all Job Retention Tax Credit projects approved since the program's inception in 2001; (2) a listing of all tax credit projects approved by the Ohio Tax Credit Authority in calendar year 2008; (3) a listing of all Job Retention Tax Credit agreements entered into during calendar year 2008; (4) a report detailing the status of all Job Retention Tax Credit projects approved by the Ohio Tax Credit Authority prior to calendar year 2008; (5) a listing and description of all "combination" projects approved for both an Ohio Job Retention Tax Credit and an Ohio Job Creation Tax Credit; and (6) a listing and description of all projects with enforcement actions taken by the Ohio Tax Credit Authority.

The Ohio Tax Credit Authority operates as a statutorily created board and is comprised of five members appointed by the Governor, President of the Ohio Senate, and Speaker of the Ohio House of Representatives. With the help of the Ohio Department of Development's staff, the board reviews and approves applications for Ohio Job Retention Tax Credit Program assistance submitted by companies proposing to retain existing full-time jobs in the state. Once a project is determined eligible for tax credits, the Ohio Tax Credit Authority awards benefit levels contingent upon the scope of a proposed project. Participating companies generally can receive non-refundable tax credits equaling up to 75 percent of Ohio income taxes withheld from eligible full-time employees, for a term of up to 10 years. However, in circumstances where the project site will achieve significant retention (1,500 or more retained employees in a project site), the term of the credit can be up to 15 years.

As evidenced by this report, the Ohio Job Retention Tax Credit Program has distributed non-refundable tax credit assistance to a number of existing business expansions in Ohio. As of year end 2008, 10 economic development projects received approval for Ohio Job Retention Tax Credit assistance, of which nine projects remained active. Additionally, we anticipate that the ABX Air, Inc. tax credit will officially move to "terminated" status in calendar year 2009. In 2008, the Ohio Tax Credit Authority approved four projects, obtaining commitments from companies to retain a total of 7,100 jobs.

The Ohio Job Retention Tax Credit Program is significant for its ability to protect the state's existing workforce and large capital investment activities. Given that it is a performance-based program, projects are subject to removal from active status and rendered ineligible for Ohio Job Retention Tax Credit assistance if they fail to materialize or comply with programmatic guidelines.

The data and analyses contained in this report illustrate the substantial impact of the Ohio Job Retention Tax Credit Program on retaining existing workforce in the state during 2008, and helping Ohio continue to remain a national leader in the total number of business expansions and locations. As you review the details of the report, I believe the true economic impact of the program and its reach across the state will become even more evident.

Thank you for the opportunity to share the accomplishments of the Ohio Job Retention Tax Credit Program. If you have any questions regarding information presented in this 2008 Annual Report or would like to learn more about the administration of the program, please contact Chadwick Smith, Executive Director, Ohio Tax Credit Authority, at (614) 387-1498.

Sincerely,

Lisa Patt-McDaniel  
Interim Director

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**All Approved Projects**

Beneficiary	Region	Local Jurisdiction	Approved	Retained	Wage	Investment	Rate	Term	Status	Value
Convergys Corporation, Cincinnati, Ohio	5	City of Cincinnati	6/30/2003	1,700	\$33.50	\$104,755,477	75	15	Active	\$42,993,191
Delphi Corporation, Troy, Michigan	4	City of Dayton	9/29/2003	1,110	\$24.00	\$112,300,000	65	10	Canceled	\$10,290,105
Chrysler LLC, Auburn Hills, Michigan	2	City of Toledo	9/27/2004	2,990	\$26.38	\$21,000,000	75	10	Active	\$36,589,976
ABX Air, Inc., Wilmington, Ohio	4	City of Wilmington	9/27/2004	2,886	\$23.48	\$279,000,000	75	10	Active	\$29,980,922
General Motors Corporation, Toledo, Ohio	2	City of Toledo	6/26/2006	1,500	\$27.58	\$413,200,000	75	15	Active	\$23,000,000
Goodyear Tire & Rubber Co., Akron, Ohio	9	City of Akron	12/3/2007	2,900	\$45.00	\$890,000,000	27	15	Active	\$44,505,329
Ford Motor Company (Sharonville Transmission), Cincinnati, Ohio	5	City of Sharonville	1/28/2008	1,400	\$24.89	\$200,000,000	75	10	Active	\$19,047,100
Bridgestone Firestone Technology Company, Akron, Ohio	9	City of Akron	6/30/2008	1,000	\$23.40	\$107,929,600	75	15	Active	\$16,124,625
General Motors Corporation, Detroit, Michigan	12	Village of Lordstown	7/28/2008	3,700	\$26.00	\$317,300,000	75	15	Active	\$50,429,790
Eaton Corporation, Cleveland, Ohio	8	City of Beachwood	10/27/2008	1,000	\$48.50	\$115,000,000	55	15	Active	\$30,417,493
<b>Totals</b>				<b>20,186</b>		<b>\$2,560,485,077</b>	<b>67.2</b>	<b>13</b>		<b>\$303,378,531</b>

**Projects Approved Calendar Year 2008**

Beneficiary	Region	Local Jurisdiction	Approved	Retained	Wage	Investment	Rate	Term	Status	Value
Ford Motor Company (Sharonville Transmission), Cincinnati, Ohio	5	City of Sharonville	1/28/2008	1,400	\$24.89	\$200,000,000	75	10	Active	\$19,047,100
Bridgestone Firestone Technology Company, Akron, Ohio	9	City of Akron	6/30/2008	1,000	\$23.40	\$107,929,600	75	15	Active	\$16,124,625
General Motors Corporation, Detroit, Michigan	12	Village of Lordstown	7/28/2008	3,700	\$26.00	\$317,300,000	75	15	Active	\$50,429,790
Eaton Corporation, Cleveland, Ohio	8	City of Beachwood	10/27/2008	1,000	\$48.50	\$115,000,000	55	15	Active	\$30,417,493

**Agreements Executed Calendar Year 2008**

Beneficiary	Region	Local Jurisdiction	Approved	Retained	Wage	Investment	Rate	Term	Status	Value
General Motors Corporation, Toledo, Ohio	2	City of Toledo	6/26/2006	1,500	\$27.58	\$413,200,000	75	15	Active	\$23,000,000
Goodyear Tire & Rubber Co., Akron, Ohio	9	City of Akron	12/3/2007	2,900	\$45.00	\$890,000,000	27	15	Active	\$44,505,329

**Projects Approved Prior to Calendar Year 2008 (2001-2007)**

Beneficiary	Region	Local Jurisdiction	Approved	Retained	Wage	Investment	Rate	Term	Status	Value
Convergys Corporation, Cincinnati, Ohio	5	City of Cincinnati	6/30/2003	1,700	\$33.50	\$104,755,477	75	15	Active	\$42,993,191
Delphi Corporation, Troy, Michigan	4	City of Dayton	9/29/2003	1,110	\$24.00	\$112,300,000	65	10	Canceled	\$10,290,105
Chrysler LLC, Auburn Hills, Michigan	2	City of Toledo	9/27/2004	2,990	\$26.38	\$21,000,000	75	10	Active	\$36,589,976
ABX Air, Inc., Wilmington, Ohio	4	City of Wilmington	9/27/2004	2,886	\$23.48	\$279,000,000	75	10	Active	\$29,980,922
General Motors Corporation, Toledo, Ohio	2	City of Toledo	6/26/2006	1,500	\$27.58	\$413,200,000	75	15	Active	\$23,000,000
Goodyear Tire & Rubber Co., Akron, Ohio	9	City of Akron	12/3/2007	2,900	\$45.00	\$890,000,000	27	15	Active	\$44,505,329

**All Combination Projects (JCTC and JRITC)**

Beneficiary	Region	Local Jurisdiction	Approved	Retained	Wage	Investment	Rate	Term	Status	Value
General Motors Corporation	12	Village of Lordstown	7/28/2008	0	3,700	\$317,300,000	\$26.00	75%	15	\$50,429,790
General Motors Corporation (JCTC)	12	Village of Lordstown	7/28/2008	200	3,700	\$317,300,000	\$26.00	75%	15	\$4,423,934
<i>Project Total</i>				200	3,700	\$317,300,000	\$26.00			\$54,853,724
Convergys Corporation	5	City of Cincinnati	6/30/2003	0	1,700	\$104,755,477	\$33.50	75%	15	\$42,993,191
Convergys Corporation (JCTC)	5	City of Cincinnati	6/30/2003	195	1,700	\$104,755,477	\$33.50	80%	15	\$6,497,815
<i>Project Total</i>				195	1,700	\$104,755,477	\$33.50			\$49,491,006
Eaton Corporation	8	City of Beachwood	10/27/2008	0	1,000	\$115,000,000	\$48.50	55%	15	\$30,417,493
Eaton Corporation (JCTC)	8	City of Beachwood	10/27/2008	177	509	\$115,000,000	\$94.25	75%	15	\$17,670,632
<i>Project Total</i>				177	1,000	\$115,000,000	\$71.38			\$48,088,125
ABX Air, Inc., Wilmington, Ohio	4	City of Wilmington	9/27/2004	0	2,886	\$279,000,000	\$23.48	75%	10	\$29,980,922
DPWN HOLDINGS (USA), INC. (JCTC)	4	City of Wilmington	9/27/2004	600	2,886	\$279,000,000	\$23.48	90%	15	\$14,149,959
<i>Project Total</i>				600	2,886	\$279,000,000	\$23.48			\$44,130,881

**Enforcement Actions Taken**

Beneficiary	Region	Local Jurisdiction	Approved	Retained	Wage	Investment	Rate	Term	Status	Value
Delphi Corporation, Troy, Michigan	4	City of Dayton	9/29/2003	1,110	\$24.00	\$112,300,000	65	10	Canceled	\$10,290,105