

**OHIO TAX CREDIT AUTHORITY MEETING  
MEETING MINUTES  
MEETING DATE: MARCH 31, 2014**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:13 a.m. on March 31, 2014 in Columbus, Ohio by David Goodman.

Roll Call:	David Goodman, Chair	Present
	David Smith	Absent
	Emmett Kelly	Present
	Rod Crider	Present
	Jamie Beier-Grant	Absent

**Staff Members Present:** Heather Keesee, Daniel Strasser, John Werkman, Stephanie Gostomski, Padmini Roy-Dixon, and James Burdin

**Others present:** Matt Cybulski, Andrew Charlton, Chris Strayer, Karsten Sommer, Dave Burrows, Ian Smith, John Recker, and Brian Bilger

**Minutes Approval:** Goodman made a motion to approve the minutes of the March 3, 2014 meeting. Crider seconded. The vote was 3-0 yes. Voting Goodman, Crider, and Kelly.

**PROJECTS**

**Midwest Motor Supply Co. Inc. dba Kimball Midwest and PEDC Property Management, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Columbus, Franklin County. Goodman made a motion to approve a tax credit of 40% for 6 years for Midwest Motor Supply Co. Inc. dba Kimball Midwest and PEDC Property Management, Inc. in exchange for a commitment to create 50 new full-time equivalent employees generating \$1,875,000 in new annual payroll and retaining \$18,161,000 in existing payroll at the project location in the City of Columbus, Franklin County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2020. Kelly seconded. The vote was 3-0. All present voted yes.

**NBBJ LLC** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Columbus, Franklin County. Goodman made a motion to approve a tax credit of 25% for 5 years for NBBJ LLC in exchange for a commitment to create 16 new full-time equivalent employees generating \$1,273,500 in new annual payroll and retaining \$7,934,500 in existing payroll at the project location in the City of Columbus, Franklin County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2019. Crider seconded. The vote was 3-0. All present voted yes.

**Perham Egg Ohio LLC** appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Fort Recovery, Mercer County. Goodman made a motion to approve a tax credit of 45% for 6 years for Perham Egg Ohio LLC in exchange for a commitment to create 41 new full-time equivalent employees generating \$1,435,000 in new annual payroll at the project location in the Village of Fort Recovery, Mercer County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2014 and end on 12/31/2019. Kelly seconded. The vote was 3-0. All present voted yes.

**L&L Foods Holdings, LLC** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Wilmington, Clinton County. Goodman made a motion to approve a tax credit of 50% for 6 years for L&L Foods Holdings, LLC in exchange for a commitment to create 100 new full-time equivalent employees generating \$2,400,000 in new annual payroll at the project location in the City of Wilmington, Clinton County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2020. Kelly seconded. The vote was 3-0. All present voted yes.

**WHAPPS L.L.C.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Cincinnati, Hamilton County. Goodman made a motion to approve a tax credit of 45% for 6 years for WHAPPS L.L.C. in exchange for a commitment to create 16 new full-time equivalent employees generating \$1,080,000 in new annual payroll and retaining \$1,860,000 in existing payroll at the project location in the City of Cincinnati, Hamilton County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2014 and end on 12/31/2019. Kelly seconded. The vote was 3-0. All present voted yes.

**Fecon, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Lebanon, Warren County. Goodman made a motion to approve a tax credit of 35% for 6 years for Fecon, Inc. in exchange for a commitment to create 25 new full-time equivalent employees generating \$1,000,000 in new annual payroll and retaining \$5,385,000 in existing payroll at the project location in the City of Lebanon, Warren County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2014 and end on 12/31/2019. Kelly seconded. The vote was 3-0. All present voted yes.

**Octal Extrusions, Corp.** appeared before the Tax Credit Authority requesting a tax credit for a project in West Chester Township, Butler County. Goodman made a motion to approve a tax credit of 40% for 7 years for Octal Extrusions, Corp. in exchange for a commitment to create 52 new full-time equivalent employees generating \$1,600,000 in new annual payroll at the project location in West Chester Township, Butler County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2014 and end on 12/31/2020. Crider seconded. The vote was 3-0. All present voted yes.

**Continental Structural Plastics, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Lebanon, Warren County. Goodman made a motion to approve a tax credit of 50% for 6 years for Continental Structural Plastics, Inc. in exchange for a commitment to create 50 new full-time equivalent employees generating \$1,600,000 in new annual payroll and retaining \$30,200,000 in existing payroll at the project location in the Village of Carey, Wyandot County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2020. Crider seconded. The vote was 3-0. All present voted yes.

**Tour de Force CRM, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Findlay, Hancock County. Goodman made a motion to approve a tax credit of 50% for 6 years for Tour de Force CRM, Inc. in exchange for a commitment to create 50 new full-time equivalent employees generating \$1,260,000 in new annual payroll and retaining \$1,636,402 in existing payroll at the project location in the City of Findlay, Hancock County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2014 and end on 12/31/2019. Kelly seconded. The vote was 3-0. All present voted yes.

**Senator International, Inc. dba Allermuir** appeared before the Tax Credit Authority requesting a tax credit for a project in Monclova Township, Lucas County. Goodman made a motion to approve a tax credit of 55% for 8 years for Senator International, Inc. dba Allermuir in exchange for a commitment to create 56 new full-time equivalent employees generating \$2,900,000 in new annual payroll and retaining \$3,483,000 in existing payroll at the project location in Monclova Township, Lucas County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2022. Crider seconded. The vote was 3-0. All present voted yes.

**Just Packaging Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Toledo, Lucas County. Goodman made a motion to approve a tax credit of 40% for 7 years for Just Packaging Inc. in exchange for a commitment to create 30 new full-time equivalent employees generating \$936,000 in new annual payroll and retaining \$350,697 in existing payroll at the project location in the City of Toledo, Lucas County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2014 and end on 12/31/2020. Kelly seconded. The vote was 3-0. All present voted yes.

**Matrix Technologies, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Maumee, Lucas County. Goodman made a motion to approve a tax credit of 50% for 6 years for Matrix Technologies, Inc. in exchange for a commitment to create 50 new full-time equivalent employees generating \$4,875,000 in new annual payroll and retaining \$12,155,201 in existing payroll at the project location in the City of Maumee, Lucas County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2014 and end on 12/31/2019. Crider seconded. The vote was 3-0. All present voted yes.

**Oatey Co.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Cleveland, Cuyahoga County. Goodman made a motion to approve a tax credit of 45% for 7 years for Oatey Co. in exchange for a commitment to create 80 new full-time equivalent employees generating \$3,860,000 in new annual payroll and retaining \$21,534,132 in existing payroll at the project location in the City of Cleveland, Cuyahoga County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2014 and end on 12/31/2020. Kelly seconded. The vote was 3-0. All present voted yes.

**National Automotive Experts, LLC and Advanced F & I Solutions, LLC** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Strongsville, Cuyahoga County. Goodman made a motion to approve a tax credit of 40% for 5 years for National Automotive Experts, LLC and Advanced F & I Solutions, LLC in exchange for a commitment to create 30 new full-time equivalent employees generating \$1,300,000 in new annual payroll and retaining \$3,600,000 in existing payroll at the project location in the City of Strongsville, Cuyahoga County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2019. Crider seconded. The vote was 3-0. All present voted yes.

## **OTHER BUSINESS**

### **Whirlpool Corporation**

The staff recommends that the Authority make the following changes:

- (1) Increase the rate and term of the current JCTC from 45%/5 years to 60%/6 years;
- (2) Company will create an additional 400 FTEs with a new payroll of \$11,281,920 by 12/31/2018;
- (3) Total new job creation at the project site will be 566 FTEs with a new payroll of \$17,181,976. The total number of FTEs at the project location will be 1,202 by 12/31/2018;
- (4) The JCTC baseline of 636 existing FTEs and a payroll of \$22,200,000 set in 2012 will remain;
- (5) Change tax credit effective date from 1/1/2012 to 1/1/2014.

Goodman made a motion to accept staff recommendation and Crider seconded. The vote was 3-0. All present voted yes.

### **Acumen Solutions, Inc.**

The staff recommends that the Authority make the following changes:

- (1) Change the tax credit effective date from 1/1/2011 to 1/1/2012;
- (2) Decrease the rate of the current JCTC from 60%/7 years to 50%/7 years;
- (3) Company will create the original 80 new FTEs by 12/31/2014;
- (4) Company will create an additional 42 new FTEs and \$3,363,360 in additional payroll by 12/31/2016;
- (5) The total commitment is 122 new FTEs and \$9,769,760 in associated created payroll by 12/31/2016.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

### **Amantea Nonwovens, LLC**

The staff recommends that the Authority terminate the tax credit agreement with 25% clawback of tax credits issued because the company failed to maintain operations during the post-term reporting period. The grantee was approved for a 60%/5 year tax credit in exchange for a commitment to create 33 new FTEs and retain 136 FTEs at the project location. In January 2014, DSA was unable to reach the grantee to provide annual reporting

documents. Additional research indicated that the grantee laid off over 50 employees in early 2013 and ceased operations at the project location.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

**Appleton Papers, Inc.**

The staff recommends that the Authority reduce the term of the tax credit to from 8 years to 6 years, ending December 31, 2013. The grantee was approved for a 50%/8 year tax credit in exchange for a commitment to create 14 new FTEs and retain 411 FTEs at the project location. DSA learned that the grantee has cut jobs and fallen below the minimum headcount required for the JCTC program.

Goodman made a motion to accept staff recommendation and Crider seconded. The vote was 3-0. All present voted yes.

**Ardus Medical, Inc.**

The staff recommends that the Authority terminate the tax credit agreement with 25% clawback of tax credits issued because the company failed to maintain operations during the post-term reporting period. The grantee was approved for a 55%/5 year tax credit in exchange for a commitment to create 25 new FTEs and retain 14 FTEs at the project location. In July 2012, DSA learned that the grantee was filing for Chapter 7 bankruptcy. Further communication disclosed that the grantee was liquidated in February 2013.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

**DimpleDough**

The staff recommends that the Authority cancel the tax credit. The grantee was approved for a 50%/6 year tax credit in exchange for a commitment to create 50 new FTEs and retain 17 FTEs at the project location. However, no agreement to this effect was ever executed and no tax credit certificates have been issued.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

**Indalex, Inc.**

The staff recommends that the Authority terminate the tax credit agreement with 50% clawback of tax credits issued because the company failed to maintain operations during the post-term reporting period. The grantee was approved for a 60%/10 year tax credit in exchange for a commitment to create 64 new FTEs and retain 325 FTEs at the project location. DSA learned that the Grantee ceased operations at the project location in 2008

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

**Intigral, Inc.**

The staff recommends that the Authority terminate the tax credit agreement with a clawback of \$8,350. The grantee was approved for a 50%/7 year tax credit in exchange for a commitment to create 80 new FTEs and retain 25 FTEs at the project location. In July 2012, DSA learned that the grantee ceased operations at the project location due to adverse market conditions.

Goodman made a motion to accept staff recommendation and Crider seconded. The vote was 3-0. All present voted yes.

**MTC Transformers, Inc.**

The staff recommends that the Authority terminate the tax credit agreement with 100% clawback of tax credits issued because the company failed to maintain operations during the term of the tax credit. The grantee was approved for a 40%/5 year tax credit in exchange for a commitment to create 35 new FTEs and retain 25 FTEs at

the project location. DSA learned that the Grantee ceased operations at the project location in September 2012 when business operations were sold.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

#### **R.A.S. Manufacturing Company**

The staff recommends that the Authority terminate the tax credit agreement with 50% clawback of tax credits issued because the company failed to maintain operations during the post-term reporting period. The grantee was approved for a 60%/8 year tax credit in exchange for a commitment to create 50 new FTEs and retain 43 FTEs at the project location. DSA learned that the grantee ceased operations at the project location

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

#### **Safe Auto Insurance Company**

The staff recommends that the Authority reduce the term of the tax credit from 7 years to 6 years, ending January 1, 2015. Post-term reporting requirements may be fulfilled by filing annual reports with DSA for years 2015-2020. The grantee was approved for a 65%/9 year tax credit in exchange for a commitment to create 175 new FTEs and retain 496 FTEs at the project location. The agreement was later amended to lower the tax credit rate and term from 65%/9 years to 55%/7 years, and reduce the job creation commitment to 75 new FTEs. The grantee's 2012 annual report shows two new full-time jobs created, thereby falling below the minimum 25 new full-time jobs requirement.

Goodman made a motion to accept staff recommendation and Crider seconded. The vote was 3-0. All present voted yes.

#### **Total Packaging Solutions, LLC**

The staff recommends that the Authority terminate the tax credit agreement with 100% clawback of tax credits issued because the company failed to maintain operations during the term of the tax credit. The grantee was approved for a 45%/5 year tax credit in exchange for a commitment to create 35 new FTEs and retain 1 FTE at the project location. DSA learned that the grantee ceased operations at the project location in late 2013.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

#### **Transeo Global Vehicle Solutions**

The staff recommends that the Authority terminate the tax credit agreement without clawback because the grantee failed to submit annual reports each year from 2009 - 2012. No tax credit certificates were issued to the grantee during the term of the agreement. The company has agreed to waive any pending and unissued tax credit certificates.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

#### **PBM Covington, LLC**

The staff recommends that the Authority reassign the tax credit from PBM Covington, LLC to PBM Nutritionals, LLC (with the associated FEIN) The grantee was merged into PBM Nutritionals, LLC.

Goodman made a motion to accept staff recommendation and Crider seconded. The vote was 3-0. All present voted yes.

#### **MAC LTT, Inc.**

The staff recommends that the Authority reassign the tax credit from MAC LTT, Inc. to MAC Trailer Enterprises, Inc. (with the associated FEIN). The employees at MAC LTT are paid thru MAC Trailer Enterprises, Inc., which is a shared pay master for various MAC Trailer entities.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

**MITEC Powertrain Inc.**

The staff recommends that the Authority make the following changes:

(1) Update the previously TBD project location to 4000, Fostoria Ave., Findlay, Ohio.

(2) Add the grantee, MITEC Automotive Inc. (with the associated FEIN), to the tax credit agreement. MITEC Automotive Inc. is the legal entity responsible for sales, accounting, and purchasing operations.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

**Ridge Corporation**

The staff recommends that the Authority update the previously TBD project location to 5563 Raiders Rd., Frazeyburg, OH 43822.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

**Whirlpool Corporation**

The staff recommends that the Authority make the following changes:

(1) Remove the grantee, Kenco Logistic Services, LLC from the tax credit agreement;

(2) Add the grantee, Penske Logistics, LLC (with the associated FEIN), to the tax credit agreement. Penske replaced Kenco as the warehouse operator for Whirlpool's Columbus facility. Kenco employees at the facility were retained by Penske.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 3-0. All present voted yes.

**Diamond Innovations, Inc.**

Per the company's request, the staff recommends that the Authority terminate the tax credit agreement. Due to unanticipated lower market demand during 2011-2013, the company was unable to increase baseline payroll to obtain tax incentives. The grantee was never issued any tax credit certificates. The company has agreed to waive any pending and unissued tax credit certificates.

Goodman made a motion to accept staff recommendation and Crider seconded. The vote was 3-0. All present voted yes.

**MOTION TO AJOURN**

Goodman motioned to accept the staff recommendation and Crider seconded. The vote was 3-0. All Present voted yes.

The meeting was adjourned at 11:58 pm

The next meeting is scheduled April 28, 2014 at 10:00 a.m. on the 3<sup>rd</sup> Floor

Chair of Ohio Tax Credit Authority's Signature



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