

**OHIO TAX CREDIT AUTHORITY MEETING
MEETING MINUTES
MEETING DATE: JUNE 23, 2017**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 9:00 a.m. on June 23, 2017 in Columbus, Ohio by David Goodman.

Roll Call:	David Goodman, Acting	Present
	David Smith	Present
	Emmett Kelly	Present
	Brian Cooper	Absent
	Vacant	-----

Staff Members Present: Rasheda Hansard, Daniel Strasser, Eric Lindner, and Lisa Colbert

Others present: Tyler Lash, Chris Strayer, Jason Dunkle, and Matt Deptola

Minutes Approval: Goodman made a motion to approve the minutes of the May 22, 2017 meeting. Kelly seconded. The vote was 3-0 yes. Voting Goodman, Kelly, and Smith.

PROJECTS

King Memory 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 1.272% for 6 years for King Memory LLC in exchange for a commitment to create 40 new full-time equivalent employees generating \$2,000,000 in new annual payroll and retaining \$924,000 in existing payroll at the project location in the City of Columbus, Franklin County. In addition, the company will claim the tax credit on Ohio employee payroll generated at the project location in excess of the company's baseline payroll at the project location. The tax credit would begin on 1/1/2018 and end on 12/31/2023. Kelly seconded. The vote was 3-0. All present voted yes.

Claritas LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Montgomery, Hamilton County. Goodman made a motion to approve a tax credit of 1.716% for 7 years for Claritas LLC in exchange for a commitment to create 40 new full-time equivalent employees generating \$3,600,000 in new annual payroll and retaining \$2,093,000 in existing payroll at the project location in the City of Montgomery, Hamilton County. In addition, the company will claim the tax credit on Ohio employee payroll generated at the project location in excess of the company's baseline payroll at the project location. The tax credit would begin on 1/1/2017 and end on 12/31/2023. Smith seconded. The vote was 3-0. All present voted yes.

NRP Investments LLC 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 1.654% for 7 years for NRP Investments LLC in exchange for a commitment to create 38 new full-time equivalent employees generating \$3,230,000 in new annual payroll and retaining \$11,500,000 in existing payroll at the project location in the City of Cleveland, Cuyahoga County. In addition, the company will claim the tax credit on Ohio employee payroll generated at the project location in excess of the company's baseline payroll at the project location. The tax credit would begin on 1/1/2018 and end on 12/31/2024. Kelly seconded. The vote was 3-0. All present voted yes.

Robots and Pencils L.P. 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 2.270% for 7 years for Robots and Pencils L.P. in exchange for a commitment to create 54 new full-time equivalent employees generating \$5,940,000 in new annual payroll and retaining \$2,168,000 in existing payroll at the project location in the City of Columbus, Franklin County. In addition, the company will claim the tax credit on Ohio employee payroll generated at the project location in excess of the company's baseline payroll at the project location. The tax credit would begin on 1/1/2018 and end on 12/31/2024. Smith seconded. The vote was 3-0. All present voted yes.

OTHER BUSINESS

Resource Ventures, Ltd. (City of Cincinnati/Hamilton County)

On June 23, 2017, the Authority terminated the tax credit agreement with clawback for failure to maintain operations during the post-term reporting period. On 3/29/2010, the grantee was approved for a 45%/6 year tax credit in exchange for a commitment to create 10 new full-time equivalent employees at the project location. The Authority reduced the term of the agreement to 5 years on 10/27/14. DSA has learned that the grantee failed to maintain operations at the project location effective 10/31/2015. Due to this failure, the Authority has statutory authorization to require clawback of 75% of the credits issued, which totaled \$35,268.40. The grantee did not respond to a request for market conditions. Based on this information, the Authority approved a clawback of \$26,451.30.

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

Just Packaging Inc. (City of Toledo/Lucas County)

On June 23, 2017, the Authority reduced the term of the tax credit for failure to create the minimum amount of new jobs as required by the program. Due to this failure, the Authority has statutory authorization to reduce the term of the tax credit agreement. On 3/31/2014, the grantee was approved for a 40%/7 year tax credit in exchange for a commitment to create 30 FTEs with \$936,000 in new payroll and to retain 8 FTEs with \$350,697 in baseline payroll at the project location. The grantee's 2016 annual report showed 26 total FTEs with \$545,888 in payroll, below the minimum payroll threshold required to remain eligible for the JCTC program. Based on this information, the Authority reduced the term of the tax credit agreement to 3 years, ending 1/1/2017. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2017–2020.

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

McFeely's, Inc. (City of Harrison/Hamilton County)

On June 23, 2017, the Authority reduced the term of the tax credit for failure to create the minimum amount of new jobs as required by the program. Due to this failure, the Authority has statutory authorization to reduce the term of the tax credit agreement. On 3/3/2014, the grantee was approved for a 35%/5 year tax credit in exchange for a commitment to create 14 FTEs with \$670,000 in new payroll. The grantee's 2016 annual report showed \$597,878 in new payroll, below the minimum payroll threshold required to remain eligible for the JCTC program. Based on this information, the Authority reduced the term of the tax credit agreement to 3 years, ending 1/1/2017. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2017–2020.

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

Keno Kozie Associates, LTD. (City of Columbus/Franklin County)

On June 23, 2017, the Authority added the project location at 375 N. Front St., Ste. 350, Columbus, OH 43215.

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

Blue Chip Consulting Group, LLC (City of Seven Hills/Cuyahoga County)

On June 23, 2017, the Authority changed the project location from 6050 Lombardo Center Dr., Ste. 600, Seven Hills 44131 to 6000 Lombardo Center Dr., Ste. 600, Seven Hills 44131.

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

ODW LTS, LLC (City of Hamilton/Butler County)

On June 23, 2017, the Authority approved the following changes:

- (1) Increase the retained payroll commitment from \$2,167,790 to \$2,613,559;
- (2) Increase the retained Ohio employee payroll from \$2,125,313 to \$2,571,082. The associated baseline Ohio employee payroll will be \$2,612,219.31 for year 1 and \$2,654,014.82 for year 2;

(3) Increase the retained job commitment from 37 to 40 FTEs.

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

Momentive Specialty Chemicals Inc. (Cities of Columbus and Gahanna/Franklin County)

On June 23, 2017, the Authority changed the name of the grantee on the tax credit agreement from Momentive Specialty Chemicals Inc. to Hexion Inc. The FEIN remains unchanged.

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

Wiseco Piston Company, Inc. (City of Mentor/Lake County)

On June 23, 2017, the Authority approved the following changes:

- (1) Change the name of the grantee from Wiseco Piston Company, Inc. to Performance Motorsports International. The FEIN remains unchanged;
- (2) Add the grantee, Race Winning Brands, Inc. (and associated FEIN) to the tax credit agreement.

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

FacilitySource, LLC (City of Columbus/Franklin County)

On June 23, 2017, the Authority cancelled the tax credit. The company never executed the tax credit agreement and has not received any tax credit certificates.

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

Hino Motors Manufacturing U.S.A., Inc. (City of Gahanna/Franklin County)

On June 23, 2017, the Authority cancelled the tax credit. The company never executed the tax credit agreement and has not received any tax credit certificates.

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

The Business Backer, LLC (City of Cincinnati/Hamilton County)

On June 23, 2017, the Authority cancelled the tax credit. The company never executed the tax credit agreement and has not received any tax credit certificates.

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

Total Quality Logistics, LLC (TBD/TBD)

On June 23, 2017, the Authority cancelled the tax credit. The company never executed the tax credit agreement and has not received any tax credit certificates.

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

The Laserflex Corporation (City of Hillard/Franklin County)

Per the company's request, on June 23, 2017, the Authority terminated the tax credit agreement. The company has agreed to repay the state the value of its 2013 tax credit certificate at \$52,226.68 and waive any pending or unissued tax credit certificates.

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

MOTION TO AJOURN

The meeting was adjourned at 9:25 a.m. by David Goodman.

The next meeting is scheduled July 31, 2017 at 10:00 a.m. on the 31st Floor.

Chair of Ohio Tax Credit Authority's Signature

A handwritten signature in black ink, appearing to read "D Goodman", is written over a horizontal line. The signature is fluid and cursive.