

**OHIO TAX CREDIT AUTHORITY MEETING
MEETING MINUTES
MEETING DATE: JULY 31, 2017**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:35 a.m. on July 31, 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 Todd Walker

Others present: Liz Askew, Jason Dunkle, Chris Strayer, Justin Bickle, Justin Farmer, Chase Eikenbary, Matt Cybulski, and Michael Stranton

Minutes Approval: Goodman made a motion to approve the minutes of the June 26, 2017 meeting. Kelly seconded. The vote was 4-0 yes. Voting Goodman, Kelly, Smith, and Cooper.

PROJECTS

Sidecat LLC appeared before the Tax Credit Authority requesting a tax exemption for a project in the City of New Albany, Licking County. Goodman made a motion to approve a tax exemption of 100% for 15 years for Sidecat LLC in exchange for a commitment to create 50 new full-time equivalent employees generating \$4,000,000 in new annual payroll at the project location in the City of New Albany, Licking County. In addition, the company will make a fixed asset investment of \$750,000,000 between 1/1/2017 through 12/31/2019. The tax exemption would begin on 1/1/2017 and end on 12/31/2031. Cooper seconded. The vote was 4-0. All present voted yes.

Sidecat LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of New Albany, Licking County. Goodman made a motion to approve a tax credit of 2.000% for 10 years for Sidecat LLC in exchange for a commitment to create 50 new full-time equivalent employees generating \$4,000,000 in new annual payroll at the project location in the City of New Albany, Licking 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 12/31/2026. Smith seconded. The vote was 4-0. All present voted yes.

Contitech USA, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Fairlawn, Summit County. Goodman made a motion to approve a tax credit of 2.034% for 10 years for Contitech USA, Inc. in exchange for a commitment to create 50 new full-time equivalent employees generating \$4,000,000 in new annual payroll and retaining \$17,290,000 in existing payroll at the project location in the City of Fairlawn, Summit 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 1/1/2019 and end on 12/31/2028. Kelly seconded. The vote was 4-0. All present voted yes.

SEA, LTD. 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 1.520% for 6 years for SEA, LTD. in exchange for a commitment to create 18 new full-time equivalent employees generating \$1,350,000 in new annual payroll and retaining \$12,988,216 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. Smith seconded; Kelly abstained. The vote was 3-0. All present voted yes.

FacilitySource, 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 1.689% for 8 years for FacilitySource, LLC in exchange for a commitment to create 272 new full-time equivalent employees generating \$13,549,000 in new annual payroll and retaining \$15,621,000 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 12/31/2025. Cooper seconded. The vote was 4-0. All present voted yes.

Fluvitex USA, 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 1.602% for 5 years for Fluvitex USA, Inc. in exchange for a commitment to create 80 new full-time equivalent employees generating \$3,700,000 in new annual payroll at the project location in the City of Groveport, 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 12/31/2022. Kelly seconded. The vote was 4-0. All present voted yes.

Adare Pharmaceuticals, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Vandalia, Montgomery County. Goodman made a motion to approve a tax credit of 1.283% for 6 years for Adare Pharmaceuticals, Inc. in exchange for a commitment to create 29 new full-time equivalent employees generating \$1,600,000 in new annual payroll and retaining \$15,347,676 in existing payroll at the project location in the City of Vandalia, Montgomery 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. Cooper seconded. The vote was 4-0. All present voted yes.

Alpont, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Oregon, Lucas County. Goodman made a motion to approve a tax credit of 1.407% for 7 years for Alpont, LLC in exchange for a commitment to create 40 new full-time equivalent employees generating \$2,329,600 in new annual payroll at the project location in the City of Oregon, Lucas 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 4-0. All present voted yes.

Apio, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Bowling Green, Wood County. Goodman made a motion to approve a tax credit of 1.694% for 10 years for Apio, Inc. in exchange for a commitment to create 150 new full-time equivalent employees generating \$10,152,340 in new annual payroll and retaining \$12,087,502 in existing payroll at the project location in the City of Bowling Green, Wood 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 1/1/2019 and end on 12/31/2028. Kelly seconded. The vote was 4-0. All present voted yes.

IronUnits LLC 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 2.887% for 12 years for IronUnits LLC in exchange for a commitment to create 130 new full-time equivalent employees generating \$16,000,000 in new annual payroll at the project location in the City of Toledo, Lucas 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 1/1/2021 and end on 12/31/2032. Cooper seconded. The vote was 4-0. All present voted yes.

Fund That Flip, Inc. 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 1.329% for 6 years for Fund That Flip, Inc. in exchange for a commitment to create 25 new full-time equivalent employees generating \$1,490,000 in new annual payroll and retaining \$190,000 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 1/1/2017 and end on 12/31/2022. Kelly seconded. The vote was 4-0. All present voted yes.

OTHER BUSINESS

Acumen Solutions, Inc. (City of Cleveland/Cuyahoga County)

On July 31, 2017, the Authority reduced the term of the tax credit for failure to create the required amount of jobs and payroll as set forth in the agreement. Due to this failure, the Authority has statutory authorization to reduce

the term of the tax credit agreement. On 6/20/2014, the grantee was approved for a 50%/7 year tax credit in exchange for a commitment to create 122 FTEs with \$9,769,760 in new payroll and to retain 42 FTEs with \$6,406,400 in baseline payroll and at the project location. The grantee's 2016 annual report showed 149 total FTEs with \$8,218,370 in total payroll, thereby making the grantee non-compliant with the tax credit agreement. Based on this information and taking into consideration market conditions, the Authority reduced the term of the tax credit agreement to 5 years, ending 12/31/2016. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2017 – 2019.

Goodman made a motion to accept staff recommendation and Cooper seconded. The vote was 4-0. All present voted yes.

Greenville Technology, Inc. (City of Marysville/Union County)

On July 31, 2017, the Authority reduced the rate of the tax credit for failure to create the required amount of jobs and payroll as set forth in the agreement. Due to this failure, the Authority has statutory authorization to reduce the rate of the tax credit agreement. On 12/2/2013, the grantee was approved for a 50%/8 year tax credit in exchange for a commitment to create 50 FTEs with \$2,750,800 in new payroll and to retain 32 FTEs with \$1,869,469 in baseline payroll at the project location. The grantee's 2016 annual report showed 64 total FTEs with \$5,160,654.96 in total payroll, thereby making the grantee non-compliant with the tax credit agreement. Based on this information, the Authority reduced the rate of the tax credit agreement to 45% starting in 2017 through the remainder of the active term. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2022 – 2024.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 4-0. All present voted yes.

Koch Foods of Cincinnati LLC (City of Fairfield/Butler County)

On July 31, 2017, the Authority reduced the rate of the tax credit for failure to create the required amount of jobs and payroll as set forth in the agreement. Due to this failure, the Authority has statutory authorization to reduce the rate of the tax credit agreement. On 7/30/2012, the grantee was approved for a 55%/6 year tax credit in exchange for a commitment to create 364 FTEs with \$9,426,144 in new payroll and to retain 730 FTEs with \$20,600,000 in baseline payroll at the project location. The grantee's 2016 annual report showed 971 total FTEs with \$33,767,736 in total payroll, thereby making the grantee non-compliant with the tax credit agreement. Based on this information and taking into consideration market conditions, the Authority reduced the rate of the tax credit agreement to 50% starting in 2017 through the remainder of the active term. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2020 – 2022.

Goodman made a motion to accept staff recommendation and Cooper seconded. The vote was 4-0. All present voted yes.

Rhinestahl Corporation (City of Mason/Warren County)

On July 31, 2017, the Authority added the grantee, Rhinestahl International Sales Corporation (and associated FEIN) to the tax credit agreement.

Goodman made a motion to accept staff recommendation and Smith seconded. The vote was 4-0. All present voted yes.

Omya Inc. (City of Blue Ash/Hamilton County)

On July 31, 2017, the Authority added the grantee, Omya Industries Inc. (and associated FEIN) to the tax credit agreement.

Goodman made a motion to accept staff recommendation and Cooper seconded. The vote was 4-0. All present voted yes.

Insight Catastrophe Group, LLC (City of Cincinnati/Hamilton County)

On July 31, 2017, the Authority added the project location at 5151 Pfeiffer Rd., Cincinnati, Ohio 45242 to the tax credit agreement

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 4-0. All present voted

yes.

ProLink Staffing Services, LLC (City of Montgomery/Hamilton County)

On July 31, 2017, the Authority added the project location at 10700 Montgomery Rd., Ste. 125, Montgomery, OH 45242 to the tax credit agreement.

Goodman made a motion to accept staff recommendation and Smith seconded. The vote was 4-0. All present voted yes.

Mountjoy Chilton Medley LLP (City of Cincinnati/Hamilton County)

On July 31, 2017, the Authority added the project location at 201 East Fifth Street, Ste. 200, Cincinnati, OH 45202.

Goodman made a motion to accept staff recommendation and Smith seconded. The vote was 4-0. All present voted yes.

AssureRx Health, Inc. (City of Mason/Warren County)

On July 31, 2017, the Authority approved the following changes:

- (1) Add the project location at 6960 Cintas Boulevard, Mason, OH 45040;
- (2) Reduce the created job commitment from 150 to 101 FTEs. The associated new payroll will be reduced from \$13,500,000 to \$7,500,000;
- (3) Reduce the fixed asset investment commitment from \$10,845,815 to \$2,000,000
- (4) Reduce the JCTC-Extension from an award of 55% for 4 years, starting in 2019 and ending in 2022 to 55% for 2 years, starting in 2019 and ending in 2020.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 4-0. All present voted yes.

Hanon Systems USA, LLC (Village of Carey/Wyandot County)

On July 31, 2017, the Authority approved the following changes:

- (1) Change the tax credit start date from 1/1/2016 to 1/1/2017;
- (2) Change the tax credit end date from 12/31/2024 to 12/31/2025;
- (3) Change the Metric Evaluation Date from 12/31/2018 to 12/31/2019.

Goodman made a motion to accept staff recommendation and Cooper seconded. The vote was 4-0. All present voted yes.

Pactiv LLC (City of Columbus/Franklin County)

On July 31, 2017, the Authority approved the following changes:

- (1) Reduce the retained job commitment from 113 to 108 FTEs;
- (2) Reduce the retained payroll from \$5,735,572 to \$5,069,621.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 4-0. All present voted yes.

MOTION TO AJOURN

The meeting was adjourned at 11:21 a.m. by David Goodman.

The next meeting is scheduled August 28, 2017 at 10:00 a.m. on the 31st Floor.

Chair of Ohio Tax Credit Authority's Signature

