

**OHIO TAX CREDIT AUTHORITY MEETING
MEETING MINUTES
MEETING DATE: AUGUST 26, 2019**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:03 a.m. on August 26, 2019 in Columbus, Ohio by John Werkman.

Roll Call:	John Werkman, Acting Chair	Present
	Darnita Bradley	Present
	Brian Cooper	Present
	Emmett Kelly	Present
	David Smith	Present

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

Others Present: Frank LaRock, Kevin Donnelly, and Shawn Starlin

Minutes Approval: Werkman made a motion to approve the minutes of the July 29, 2019 meeting. Cooper seconded. The vote was 3-0 yes. Voting Werkman, Cooper, and Smith.

PROJECTS

Satco Inc. appeared before the Tax Credit Authority requesting a tax credit for a project at a to-be-determined location in Clermont County. Werkman made a motion to approve a tax credit of 1.398% for 8 years for Satco Inc. in exchange for a commitment to create 75 new full-time equivalent employees generating \$3,825,000 in new annual payroll at the project location at the to-be-determined location in Clermont 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 1/1/2020 and end on 12/31/2027. Cooper seconded; Kelly abstained. The vote was 4-0. All present voted yes.

Charles River Laboratories Ashland, LLC and Charles River Laboratories, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Ashland, Ashland County. Werkman made a motion to approve a tax credit of 1.392% for 8 years for Charles River Laboratories Ashland, LLC and Charles River Laboratories, Inc. in exchange for a commitment to create 140 new full-time equivalent employees generating \$5,569,760 in new annual payroll and retaining \$46,399,550 in existing payroll at the project location in the City of Ashland, Ashland 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 1/1/2020 and end on 12/31/2027. Bradley seconded. The vote was 5-0. All present voted yes.

OTHER BUSINESS

Butler Animal Health Supply, LLC (City of Columbus/Franklin County)

The staff recommends that the Authority approve the following changes:

- (1) Extend the term of the 2.170%/6 year tax credit by 2 years ending 12/31/2024;
- (2) Increase the new job commitment from 50 to 150 FTEs;
- (3) Increase the new payroll commitment from \$2,500,000 to \$9,222,377 which includes both current overperformance and a commitment to create \$6,000,000 in additional new payroll;
- (4) Increase the fixed asset investment from \$500,000 to \$2,700,000, which includes a new commitment of \$2,200,000 in building costs.

If Butler Animal Health does not create the new jobs and associated payroll and complete the fixed asset investment by 12/31/2022, the JCTC-Extension will be cancelled. Butler Animal Health must maintain operations at the project site until 12/31/2027.

Werkman made a motion to accept staff recommendation and Bradley seconded. The vote was 5-0. All present voted yes.

CC Kitchens LLC (City of Sharonville/Butler County)

The staff recommends that the Authority terminate the tax credit agreement with clawback for failure to maintain operations during the active-term reporting period of the agreement. On 3/28/2016, the grantee was approved for a 1.214%/8 year tax credit in exchange for a commitment to create 355 FTEs and retain 5 FTEs at the project location. ODSA has learned that the grantee failed to maintain operations at the project location. Due to this failure, the Authority has statutory authorization to require clawback of 100% of the credits issued, which totaled \$65,465.97. After taking into consideration the company's market conditions, the staff recommends that the Authority terminate the agreement with clawback of \$30,000.

Werkman made a motion to accept staff recommendation and Cooper seconded. The vote was 5-0. All present voted yes.

Nexient LLC (City of Dublin/Franklin County)

The staff recommends that the Authority change the project location from 5500 Frantz Rd., Dublin, OH 43017 to 6500 Emerald Parkway Dublin, OH 43016.

Werkman made a motion to accept staff recommendation and Kelly seconded. The vote was 5-0. All present voted yes.

CMG Strategy Co, LLC (City of Columbus/Franklin County)

The staff recommends that the authority add the following project locations to the tax credit agreement:

- (1) 333 W. Nationwide Boulevard, Columbus, OH 43215;
- (2) 191 W. Nationwide Boulevard, Columbus, OH 43215;
- (3) 445 N. High Street, Columbus, OH 43215.

Mihalik made a motion to accept staff recommendation and Bradley seconded. The vote was 5-0. All present voted yes.

Federal Equipment Company (City of Cincinnati/Hamilton County)

The staff recommends that the Authority cancel the tax credit. The company never executed the tax credit agreement and has not received any tax credit certificates.

Mihalik made a motion to accept staff recommendation and Bradley seconded. The vote was 5-0. All present voted yes.

SK Infrared (City of Columbus/Franklin County)

The staff recommends that the Authority cancel the tax credit. The company never executed the tax credit agreement and has not received any tax credit certificates.

Mihalik made a motion to accept staff recommendation and Bradley seconded. The vote was 5-0. All present voted yes.

Joseph Manufacturing Company, Inc. (City of Youngstown/Mahoning County)

The staff recommends that the Authority cancel the tax credit. The company never executed the tax credit agreement and has not received any tax credit certificates.

Mihalik made a motion to accept staff recommendation and Kelly seconded. The vote was 5-0. All present voted yes.

MOTION TO AJOURN

The meeting was adjourned at 10:17 a.m. by Lydia Mihalik.

The next meeting is scheduled September 30, 2019 at 10:00 a.m. on the 31st Floor.

Chair of Ohio Tax Credit Authority's Signature

