

**OHIO TAX CREDIT AUTHORITY MEETING
MEETING MINUTES
MEETING DATE: AUGUST 29, 2016**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:00 a.m. on August 29, 2016 in Columbus, Ohio by David Goodman.

Roll Call:	David Goodman, Acting	Present
	David Smith	Present
	Emmett Kelly	Absent
	Rod Crider	Present
	Brian Cooper	Present

Staff Members Present: John Werkman, Daniel Strasser, Eric Lindner, and Stephanie Gostomski

Others present: Liz Askew, Ryan Wilson, Chris Strayer, Archit Dhir, Matt McQuade, Justin Bickle, Mitch Heaton, Lucious Plant, Brandon Sehlhorst, Kyle Dodd, and Stephanie Mercado

Minutes Approval: Goodman made a motion to approve the minutes of the July 25, 2016 meeting. Cooper seconded. The vote was 4-0 yes. Voting Goodman, Smith, Crider, and Cooper.

PROJECTS

Dmax, Ltd. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Moraine, Montgomery County. Goodman made a motion to approve a tax credit of 0.926% for 6 years for Dmax, Ltd. in exchange for a commitment to create 150 new full-time equivalent employees generating \$4,368,000 in new annual payroll and retaining \$35,026,252 in existing payroll at the project location in the City of Moraine, 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 1/1/2017 and end on 12/31/2022. Crider seconded. The vote was 4-0. All present voted yes.

Wasserstrom Holdings, Inc., The Wasserstrom Company; N. Wasserstrom and Sons, Inc.; Amtekco Industries, LLC; Racksquared, LLC; & The Stone and Granite Company, LLC appeared before the Tax Credit Authority requesting a tax credit for a project at a to-be-determined project location. Goodman made a motion to approve a tax credit of 1.085% for 6 years for Wasserstrom Holdings, Inc., The Wasserstrom Company; N. Wasserstrom and Sons, Inc.; Amtekco Industries, LLC; Racksquared, LLC; & The Stone and Granite Company, LLC in exchange for a commitment to create 120 new full-time equivalent employees generating \$4,800,000 in new annual payroll and retaining \$49,490,067 in existing payroll at the to-be-determined project location. 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. Smith seconded. The vote was 4-0. All present voted yes.

Zaner-Bloser, Inc. 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 1.103% for 5 years for Zaner-Bloser, Inc. in exchange for a commitment to create 25 new full-time equivalent employees generating \$1,250,000 in new annual payroll and retaining \$4,284,257 in existing payroll at the project location in the City of Grandview Heights, 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 1/1/2017 and end on 12/31/2021. Cooper seconded. The vote was 4-0. All present voted yes.

Reveelium Inc. appeared before the Tax Credit Authority requesting a tax credit for a project at a to-be-determined project location. Goodman made a motion to approve a tax credit of 1.135% for 7 years for Reveelium Inc. in exchange for a commitment to create 15 new full-time equivalent employees generating \$975,000 in new annual payroll at the to-be-determined project location. 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 4-0. All present voted yes.

Exel Inc. dba DHL Supply Chain appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Obetz, Franklin County. Goodman made a motion to approve a tax credit of 1.485% for 6 years for Exel Inc. dba DHL Supply Chain in exchange for a commitment to create 400 new full-time equivalent employees generating \$13,312,000 in new annual payroll at the project location in the Village of Obetz, 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 1/1/2017 and end on 12/31/2022. Cooper seconded. The vote was 4-0. All present voted yes.

U.S. Bank National Association appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Columbus, Delaware County. Goodman made a motion to approve a tax credit of 1.618% for 8 years for U.S. Bank National Association in exchange for a commitment to create 60 new full-time equivalent employees generating \$3,780,000 in new annual payroll and retaining \$938,000 in existing payroll at the project location in the City of Columbus, Delaware 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 12/31/2024. Smith seconded. The vote was 4-0. All present voted yes.

Frontier Technology Corporation appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Beaver Creek, Greene County. Goodman made a motion to approve a tax credit of 1.772% for 7 years for Frontier Technology Corporation in exchange for a commitment to create 45 new full-time equivalent employees generating \$4,075,000 in new annual payroll and retaining \$2,468,638 in existing payroll at the project location in the City of Beaver Creek, Greene 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. Cooper seconded. The vote was 4-0. All present voted yes.

Tenneco Automotive Operating Company Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Kettering, Montgomery County. Goodman made a motion to approve a tax credit of 1.724% for 9 years for Tenneco Automotive Operating Company Inc. in exchange for a commitment to create 483 new full-time equivalent employees generating \$15,758,592 in new annual payroll and retaining \$22,786,385 in existing payroll at the project location in the City of Kettering, 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 1/1/2019 and end on 12/31/2027. Smith seconded. The vote was 4-0. All present voted yes.

Silfex, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Eaton, Preble County. Goodman made a motion to approve a tax credit of 1.321% for 7 years for Silfex, Inc. in exchange for a commitment to create 109 new full-time equivalent employees generating \$5,000,000 in new annual payroll and retaining \$20,000,000 in existing payroll at the project location in the City of Eaton, Preble 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. Cooper seconded. The vote was 4-0. All present voted yes.

MTK, Inc. 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 1.064% for 6 years for MTK, Inc. in exchange for a commitment to create 35 new full-time equivalent employees generating \$1,510,537 in new annual payroll and retaining \$3,857,181 in existing payroll at the project location in the City of Cincinnati, 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 1/1/2018 and end on 12/31/2023. Cooper seconded. The vote was 4-0. All present voted yes.

Credit Adjustments, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Defiance, Defiance County. Goodman made a motion to approve a tax credit of 1.158% for 6 years for Credit Adjustments, Inc. in exchange for a commitment to create 80 new full-time equivalent employees generating \$3,090,240 in new annual payroll and retaining \$2,701,685 in existing payroll at the project location in the City of Defiance, Defiance 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. Cooper seconded. The vote was 4-0. All present voted

yes.

National Interstate Insurance Company & National Interstate Corporation appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Richfield, Summit County. Goodman made a motion to approve a tax credit of 2.020% for 7 years for National Interstate Insurance Company & National Interstate Corporation in exchange for a commitment to create 217 new full-time equivalent employees generating \$13,933,570 in new annual payroll and retaining \$33,000,000 in existing payroll at the project location in the Village of Richfield, 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 1/1/2018 and end on 12/31/2024. Smith seconded. The vote was 4-0. All present voted yes.

PRIME AE Group, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Akron, Summit County. Goodman made a motion to approve a tax credit of 1.574% for 5 years for PRIME AE Group, Inc. in exchange for a commitment to create 25 new full-time equivalent employees generating \$2,250,000 in new annual payroll at the project location in the City of Akron, 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 1/1/2017 and end on 12/31/2021. Smith seconded. The vote was 4-0. All present voted yes.

RelateCare, 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 1.305% for 5 years for RelateCare, LLC in exchange for a commitment to create 50 new full-time equivalent employees generating \$2,000,000 in new annual payroll and retaining \$520,000 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 1/1/2016 and end on 12/31/2020. Crider seconded. The vote was 4-0. All present voted yes.

OTHER BUSINESS

RevLocal, Inc. (Cities of Mount Vernon & Granville/ Knox County)

On August 29, 2016, 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 12/10/2012, the grantee was approved for a 45%/7 year tax credit in exchange for a commitment to create 170 FTEs with \$5,500,000 in new payroll and to retain 61 FTEs with \$1,800,000 in retained payroll at the project location. On 10/26/2015, the rate was reduced to 40% in exchange for a new commitment to create 82 FTEs with \$4,200,000 in new payroll. The grantee's 2015 annual report showed 121 total FTEs with \$5,602,819 in total payroll, thereby making the grantee non-compliant with the tax credit agreement. Based on this information and after meeting with representatives of the grantee, the Authority reduced the rate of the tax credit agreement to 35% starting in 2016. 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 Smith seconded. The vote was 4-0. All present voted yes.

Health Care DataWorks, Inc. (City of Columbus/Franklin County)

On August 29, 2016, the Authority terminated the tax credit agreement with clawback for failure to maintain operations during the term of the agreement. On 12/6/2010, the grantee was approved for a 40%/6 year tax credit in exchange for a commitment to create 33 FTEs with \$2,900,000 in new payroll and to retain 13 FTEs with \$1,100,000 in retained payroll at the project location. According to DSA's correspondence with the grantee dated 2/29/2016, the grantee failed to maintain operations at the project site. Due to this failure, the Authority has statutory authorization to require clawback of 100% of the credits issued, which totaled \$203,752.17. Based on this information, the Authority terminated the agreement with clawback of \$203,752.17.

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

xperion E & E USA LLC (City of Heath/Licking County)

With the company's written consent, on August 29, 2016, the Authority approved the reduction of the grantee's new job commitment from 59 to 45 FTEs. Additionally, the Authority changed the metric evaluation date from 12/31/2016 to 12/31/2017. To align with the new commitment, the Authority reduced the grantee's 50%/7 year tax credit to 50%/3 years and 40%/4 years (50% for 2014 – 2016 and 40% for 2017 - 2020), for a total of 7 years. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2021 - 2023.

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

Trubridge Inc. (City of North Canton/Stark County)

On August 29, 2016, the Authority approved the following changes:

- (1) Reduce the retained job commitment from 206 to 154 FTEs due to an error in the application;
- (2) Reduce the created job commitment from 100 to 76 FTEs.

Since the grantee has indicated that the new payroll commitment will be achieved, the Authority kept the benefit level unchanged.

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

CDK Global, LLC (City of Norwood/Hamilton County)

On August 29, 2016, the Authority approved the following changes:

- (1) Reduce the new job and payroll commitment from 1,080 FTEs with \$45,000,000 in new payroll to 720 FTEs with \$32,000,000 in new payroll;
- (2) Reduce the benefit level from 2.319%/15 years to 2.319%/8 years.

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

Roxane Laboratories, Inc. (City of Columbus/Franklin County)

On August 29, 2016, the Authority reassigned the tax credit agreement from Roxane Laboratories, Inc. (and associated FEIN) to West-Ward Pharmaceuticals Corp. (and associated FEIN) due to an acquisition.

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

Halla Visteon Climate Control USA, LLC (City of Carey/Wyandot County)

On August 29, 2016, the Authority changed the name of the grantee on the tax credit agreement from Halla Visteon Climate Control USA, LLC to Hanon Systems USA, LLC. The FEIN remains unchanged.

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

Dana Light Axle Manufacturing, LLC (City of Toledo/Lucas County)

On August 29, 2016, the Authority changed the name of the grantee on the tax credit agreement from Dana Holding Corporation to Dana Incorporated. The FEIN remains unchanged.

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

CE Power Solutions, LLC (City of Cincinnati/Hamilton County)

On August 29, 2016, the Authority added the grantee, CE Power Engineered Services, LLC (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.

Empire Packing Company, L.P. (City of Mason/Warren County)

On August 29, 2016, the Authority removed the following grantees from the tax credit agreement: (1) Mason Processing LLC (and associated FEIN); (2) Mason Processing Equipment, LLC (and associated FEIN). Empire Packing Company, L.P. will be the only employer of record at the project location.

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

Reztark Design Studio, LLC (City of Cincinnati/Hamilton County)

On August 29, 2016, the Authority added the project location at 601 Main St., Ste. 200, Cincinnati, OH 45202 to the tax credit agreement. The project had previously been approved with a TBD project location.

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

Health Carousel, LLC (City of Norwood/Hamilton County)

On August 29, 2016, the Authority approved the following changes:

- (1) Update the retained Ohio employee payroll to \$3,500,000, which changes the baseline Ohio employee payroll to \$3,570,000.00 for year 1 and \$3,641,400.00 for year 2;
- (2) Add the project locations at 2101 Grandin Road, Cincinnati, Ohio 45208 and 1700 Madison Avenue, Cincinnati, Ohio 45206 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.

Laird Controls North America, Inc. (City of Warren/Trumbull County)

On August 29, 2016, 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 4-0. All present voted yes.

R & L Carriers, Inc. (City of Wilmington/Clinton County)

With the company's written consent, on August 29, 2016, the Authority approved the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. The Authority approved the following changes to the tax credit agreement:

- (1) Change the tax credit rate from 60% to 1.458%;
- (2) Update the baseline payroll to \$71,532,531.56 for year 1 and \$72,677,052.06 for year 2.

These changes are authorized by ORC 122.17(R), effective 9/29/2015.

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

Hydrotech, Inc. (West Chester Township/Butler County)

With the company's written consent, on August 29, 2016, the Authority approved the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. The Authority approved the following changes to the tax credit agreement:

- (1) Change the tax credit rate from 45% to 1.802%;
- (2) Update the retained Ohio employee payroll to \$6,928,000, which changes the baseline Ohio employee payroll to \$7,038,848.00 for year 1 and \$7,151,469.57 for year 2

These changes are authorized by ORC 122.17(R), effective 9/29/2015.

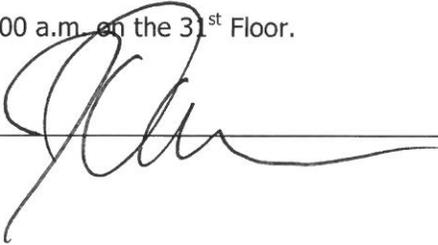
Goodman made a motion to accept staff recommendation and Cooper seconded. The vote was 4-0. All present voted yes.

MOTION TO AJOURN

The meeting was adjourned at 11:04 a.m. by David Goodman.

The next meeting is scheduled September 26, 2016 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 be 'D Goodman', is written over a horizontal line. The signature is cursive and extends to the right of the line.