

**OHIO TAX CREDIT AUTHORITY MEETING  
MEETING MINUTES  
MEETING DATE: SEPTEMBER 30, 2019**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:00 a.m. on September 30, 2019 in Columbus, Ohio by Lydia Mihalik.

|            |                      |         |
|------------|----------------------|---------|
| Roll Call: | Lydia Mihalik, Chair | Present |
|            | Darnita Bradley      | Absent  |
|            | 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, Meg Ryan, Matt McQuade, Tom Stipkovich, and Andrea Blinkhorn

**Minutes Approval:** Mihalik made a motion to approve the minutes of the August 26, 2019 meeting. Cooper seconded. The vote was 4-0 yes. Voting Mihalik, Cooper, Kelly, and Smith.

**PROJECTS**

**Elite Americas and LSEGH Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project at a to-be-determined location. Mihalik made a motion to approve a tax credit of 2.631% for 8 years for Elite Americas and LSEGH Inc. in exchange for a commitment to create 40 new full-time equivalent employees generating \$5,520,000 in new annual payroll at the project location at a to-be-determined 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 1/1/2020 and end on 12/31/2027. Cooper seconded. The vote was 4-0. All present voted yes.

**Outerbox Solutions, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in Copley Township, Summit County. Mihalik made a motion to approve a tax credit of 1.358% for 7 years for Outerbox Solutions, Inc. in exchange for a commitment to create 50 new full-time equivalent employees generating \$2,750,000 in new annual payroll and retaining \$1,925,420 in existing payroll at the project location in Copley Township, 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 1/1/2020 and end on 12/31/2026. Smith seconded; Kelly abstained. The vote was 3-0. All present voted yes.

**Hims Health and Wellness (Hims, Inc.)** appeared before the Tax Credit Authority requesting a tax credit for a project at a to-be-determined location. Mihalik made a motion to approve a tax credit of 1.652% for 10 years for Hims Health and Wellness (Hims, Inc.) in exchange for a commitment to create 500 new full-time equivalent employees generating \$20,487,688 in new annual payroll at the project location at a to-be-determined 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 1/1/2020 and end on 12/31/2029. Kelly seconded. The vote was 4-0. All present voted yes.

**Coastal Ridge Real Estate Partners, LLC; Peak Property Group, LLC; and Foxen Risk Compliance Partners, LLC** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Columbus, Franklin County. Mihalik made a motion to approve a tax credit of 1.858% for 8 years for Coastal Ridge Real Estate Partners, LLC; Peak Property Group, LLC; and Foxen Risk Compliance Partners, LLC in exchange for a commitment to create 80 new full-time equivalent employees generating \$6,300,000 in new annual payroll and retaining \$4,717,335 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 1/1/2020 and end on 12/31/2027. Kelly seconded. The vote was 4-0. All present voted yes.

**SAEC/Kinetic Vision, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Evendale, Hamilton County. Mihalik made a motion to approve a tax credit of 1.790% for 8 years for SAEC/Kinetic Vision, Inc. in exchange for a commitment to create 60 new full-time equivalent employees generating \$5,400,000 in new annual payroll and retaining \$8,535,789 in existing payroll at the project location in the Village of Evendale, 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 1/1/2021 and end on 12/31/2028. Smith seconded; Kelly abstained. The vote was 3-0. All present voted yes.

**Online.cars LLC** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Loveland, Hamilton County. Mihalik made a motion to approve a tax credit of 1.392% for 8 years for Online.cars LLC 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 Loveland, 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 1/1/2020 and end on 12/31/2027. Kelly seconded. The vote was 4-0. All present voted yes.

**The NOCO Company** appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Glenwillow, Cuyahoga County. Mihalik made a motion to approve a tax credit of 1.478% for 6 years for The NOCO Company in exchange for a commitment to create 15 new full-time equivalent employees generating \$1,480,905 in new annual payroll and retaining \$3,092,817 in existing payroll at the project location in the Village of Glenwillow, 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 1/1/2020 and end on 12/31/2025. Smith seconded; Kelly abstained. The vote was 3-0. All present voted yes.

## **OTHER BUSINESS**

### **Sky Climber Fabricating LLC (City of Delaware/Delaware 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 1/26/2015, the grantee was approved for a 1.529%/7 year tax credit in exchange for a commitment to create 35 FTEs with \$2,570,000 in created payroll 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 \$30,659.26. After taking into consideration the company's market conditions, the staff recommends that the Authority terminate the agreement with clawback of \$5,000.

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

### **Pactiv LLC (City of Columbus/Franklin County)**

The staff recommends that the Authority reduce 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 12/15/2015, the grantee was approved for a 1.283%/6 year tax credit in exchange for a commitment to create 65 FTEs with \$2,398,080 in new payroll and to retain 108 FTEs with \$5,069,621 in baseline payroll at the project location. The grantee's 2016 annual report showed 121 total FTEs with \$5,298,036 in total payroll, thereby making the grantee non-compliant with the tax credit agreement. Additionally, the grantee is below the minimum created payroll threshold required to remain eligible for the JCTC program. Based on this information, the staff recommends that the Authority reduce the term of the tax credit agreement to 3 years, ending 12/31/2018. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2019 – 2022.

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

**Pentaflex, Inc. (City of Springfield/Clark County)**

The staff recommends that the Authority reduce 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 4/27/2015, the grantee was approved for a 1.018%/7 year tax credit in exchange for a commitment to create 40 FTEs with \$1,304,020 in new payroll and to retain 106 FTEs with \$4,934,668 in baseline payroll at the project location. The grantee's 2018 annual report showed 128 total FTEs with \$5,245,864.67 in total payroll, thereby making the grantee non-compliant with the tax credit agreement. Additionally, the grantee is below the minimum created payroll threshold required to remain eligible for the JCTC program. Based on this information, the staff recommends that the Authority reduce the term of the tax credit agreement to 3 years, ending 12/31/2018. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2019 – 2022.

Mihalik made a motion to accept staff recommendation and Cooper seconded. The vote was 4-0. 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 43016 to 6500 Emerald Pkwy., Dublin, OH 43016.

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

**Pillar Technology Group, LLC (City of Columbus/Franklin County)**

The staff recommends that the Authority reassign the tax credit agreement from Pillar Technology Group, LLC (and associated FEIN) to Accenture LLP (and associated FEIN), effective 3/1/2019.

Mihalik 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 10:29 a.m. by Lydia Mihalik.

The next meeting is scheduled October 28, 2019 at 10:00 a.m. on the 31<sup>st</sup> Floor.

Chair of Ohio Tax Credit Authority's Signature

  
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