

**OHIO TAX CREDIT AUTHORITY MEETING
MEETING MINUTES
MEETING DATE: JANUARY 25, 2021**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:14 a.m. on January 25, 2021 via videoconference by Lydia Mihalik.

Roll Call:	Lydia Mihalik, Chair	Present
	Brian Cooper	Present
	Emmett Kelly	Present
	David Smith	Present
	Vacant	-----

Staff Members Present: Carrie Manno, Eric Lindner, John Werkman, Daniel Strasser, Ben LaGrasso, Lisa Colbert, and Jade Moyer

Others Present: Frank LaRock, Matt Deptola, Camille Billups, Tom Stipvovich, Logan Dawson, and Kevin Donnelly

Minutes Approval: Kelly made a motion to approve the minutes of the December 7, 2020 meeting Cooper seconded. The vote was 4-0 yes. Voting Mihalik, Kelly, Copper, and Smith.

PROJECTS

The Cleveland Clinic Foundation appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Cleveland, Cuyahoga County and other Ohio locations. Mihalik made a motion to approve a tax credit of 2.580% for 15 years for The Cleveland Clinic Foundation in exchange for a commitment to create 1,000 new full-time equivalent employees generating \$100,000,000 in new annual payroll and retaining \$956,301,510 in existing payroll at the project location in the City of Cleveland, Cuyahoga County and other Ohio locations. 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 1/1/2024 and end on 12/31/2038. Kelly seconded. The vote was 4-0. All present voted yes.

CrossCountry Mortgage, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Cleveland, Cuyahoga County. Mihalik made a motion to approve a tax credit of 1.655% for 8 years for CrossCountry Mortgage, LLC in exchange for a commitment to create 180 new full-time equivalent employees generating \$9,000,000 in new annual payroll and retaining \$37,291,581 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 1/1/2021 and end on 12/31/2028. Smith seconded. The vote was 4-0. All present voted yes.

Jo-Ann Stores, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of West Jefferson, Madison County. Mihalik made a motion to approve a tax credit of 1.192% for 8 years for Jo-Ann Stores, LLC in exchange for a commitment to create 175 new full-time equivalent employees generating \$5,700,000 in new annual payroll at the project location in the Village of West Jefferson, Madison 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 1/1/2022 and end on 12/31/2029. Cooper seconded. The vote was 4-0. All present voted yes.

Kalera Inc. 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 1.219% for 7 years for Kalera Inc. in exchange for a commitment to create 65 new full-time equivalent employees generating \$2,750,000 in new annual 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 1/1/2021 and end on 12/31/2029. Smith seconded. The vote was 4-0. All present voted yes.

CBTS Technology Solutions LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the Cities of Cincinnati and Springdale, Hamilton County. Mihalik made a motion to approve a tax credit of 2.392% for 9 years for CBTS Technology Solutions LLC in exchange for a commitment to create 137 new full-time equivalent employees generating \$15,791,598 in new annual payroll and retaining \$77,176,013 in existing payroll at the project location in the Cities of Cincinnati and Springdale, 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 12/31/2029. Cooper seconded; Kelly abstained. The vote was 3-0. All present voted yes.

High Road Holdings, 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 1.980% for 9 years for High Road Holdings, LLC in exchange for a commitment to create 866 new full-time equivalent employees generating \$40,400,000 in new annual payroll and retaining \$8,000,000 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 1/1/2021 and end on 12/31/2029. Smith seconded; Kelly abstained. The vote was 3-0. All present voted yes.

OTHER BUSINESS

Columbus McKinnon Corporation (Village of Salem, Columbiana County)

The staff recommends that the Authority terminate the tax credit agreement with clawback for failure to maintain operations during the post-term reporting period of the agreement. On 2/22/2010, the grantee was approved for a 50%/8 year tax credit in exchange for a commitment to create 90 FTEs and to retain 72 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 75% of the credits issued, which totaled \$615,909.18. Based on this information, the staff recommends that the Authority terminate the agreement with clawback of \$76,988.65.

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

Capital Energy LLC (City of Columbus/Franklin County)

The staff recommends that the Authority terminate the tax credit agreement with clawback for failure to maintain operations during the term of the agreement. On 10/30/2017, the grantee was approved for a 1.537%/7 year tax credit in exchange for a commitment to create 48 FTEs at the project location. ODSA has learned that the grantee failed to maintain operations at the project location, ending operations during 2019. Due to this failure, the Authority has statutory authorization to require clawback of 100% of the credits issued, which totaled \$13,381.60. Based on this information, the staff recommends that the Authority terminate the agreement with clawback of \$13,381.60.

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

Upstart Network, Inc. (City of Columbus/ Franklin County)

The staff recommends that the Authority approve the following changes:

- (1) Extend the term of the 2.607%/10-year tax credit by one year ending 12/31/2030;
- (2) Increase the new job commitment by an additional 250 jobs to 507 new FTEs;
- (3) Increase the new payroll commitment by an additional \$23,389,500 to \$51,014,500.

If Upstart does not reach the commitments above by 12/31/2024, the JCTC-Extension will be cancelled. Upstart must maintain operations at the project site until 12/31/2033.

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

Radiology Partners Management, LLC (City of Columbus, Franklin County)

The staff recommends that the Authority add the grantee, Columbus Radiology Corp. (and associated FEIN), to the tax credit agreement.

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

Freepoint Commodities LLC (Village of Obetz/Franklin County)

The staff recommends that the Authority change the name of the grantee from Freepoint Commodities LLC to Freepoint Eco-Systems LLC. The FEIN remains unchanged.

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

Ascendum Solutions LLC (City of Springdale, Hamilton County)

The staff recommends that the Authority make the following changes:

- (1) Add the project location at 10290 Alliance Road, Cincinnati, OH 45242
- (2) Increase the retained job commitment from 75 FTEs to 143 FTEs
- (3) Increase the total retained payroll from \$3,000,000 to \$9,078,849
- (4) Increase the Ohio employee retained payroll from \$3,000,000 to \$7,789,493

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

Daisy Brand, LLC (City of Wooster/Wayne County)

The staff recommends that the staff change the project location from 3600 N. Geyers Chapel Road, Wooster OH 44691 to 3049 Daisy Way, Wooster OH 44691. This change is due to the city updating the street address.

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

Darana Hybrid, Inc. (City of Hamilton, Butler County)

Due to an error in the tax credit rate presented at the December 10, 2018 meeting, the staff recommends the Authority adjust the tax credit rate from 1.161% to 1.548%.

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

Adare Pharmaceuticals, Inc. (City of Vandalia, Montgomery County)

Per the company's request, the staff recommends that the Authority terminate the tax credit agreement. The company has not claimed any tax credit certificates and has agreed to waive any pending or unissued tax credit certificates.

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

Traction on Demand US Inc. (City of Dayton, Montgomery County)

Per the company's request, the staff recommends that the Authority terminate the tax credit agreement. The company has not claimed any tax credit certificates and has agreed to waive any pending or unissued tax credit certificates.

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

Avery Dennison Retail Information Services, LLC (City of Miamisburg, Montgomery 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 Cooper seconded. The vote was 4-0. All present voted yes.

ADDITIONAL AGENDA ITEMS

- Withholding Adjustment Factor Recommendation

Mihalik made a motion to accept staff recommendations to the withholding adjustment factor. Kelly seconded. The vote was 4-0. All present voted yes.

MOTION TO AJOURN

The meeting was adjourned at 10:38 a.m. by Lydia Mihalik

The next meeting is scheduled February 22, 2021 at 10:00 a.m.

Chair of Ohio Tax Credit Authority's Signature
