

**OHIO TAX CREDIT AUTHORITY MEETING
MEETING MINUTES
MEETING DATE: MAY 24, 2021**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:02 a.m. on May 24, 2021 via videoconference by John Werkman.

Roll Call:	John Werkman, Acting Chair	Present
	Brian Cooper	Present
	Emmett Kelly	Present
	David Smith	Present
	Vacant	-----

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

Others Present: Frank LaRock, Tony Ciambone, Justin Bickle, Amy Schrimpf, Micah Newburg, Andrew Lorenz, and Kevin Donnelly

Minutes Approval: Kelly made a motion to approve the minutes of the April 26, 2021 meeting and Cooper seconded. The vote was 4-0 yes. Voting Kelly, Copper, Werkman and Smith.

PROJECTS

Peloton Interactive, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in Troy Township, Wood County. Werkman made a motion to approve a tax credit of 2.301% for 15 years for Peloton Interactive, Inc. in exchange for a commitment to create 2,174 new full-time equivalent employees generating \$138,088,353 in new annual payroll at the project location in Troy Township, 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 1/1/2023 and end on 12/31/2037. Cooper seconded. The vote was 4-0. All present voted yes.

Bath & Body Works Direct, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Commercial Point, Pickaway County, Cities of Columbus, New Albany, and Reynoldsburg, Franklin County. Werkman made a motion to approve a tax credit of 1.421% for 8 years for Bath & Body Works Direct, Inc. in exchange for a commitment to create 500 new full-time equivalent employees generating \$18,250,000 in new annual payroll and retaining \$135,000,000 in existing payroll at the project location in the Village of Commercial Point, Pickaway County, Cities of Columbus, New Albany, and Reynoldsburg, 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 1/1/2022 and end on 12/31/2029. Cooper seconded. The vote was 4-0. All present voted yes.

Transcendia, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Hebron, Licking County. Werkman made a motion to approve a tax credit of 1.274% for 6 years for Transcendia, Inc. in exchange for a commitment to create 36 new full-time equivalent employees generating \$1,945,000 in new annual payroll and retaining \$8,000,000 in existing payroll at the project location in the Village of Hebron, 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 1/1/2022 and end on 12/31/2027. Smith seconded. The vote was 4-0. All present voted yes.

Resonetics, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Kettering, Montgomery County. Werkman made a motion to approve a tax credit of 1.493% for 8 years for Resonetics, LLC in exchange for a commitment to create 95 new full-time equivalent employees generating \$5,034,717 in new annual payroll and retaining \$7,346,860 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 1/1/2023 and end on 12/31/2030. Cooper seconded. The vote was 4-0. All present voted yes.

Aptima, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Fairborn, Greene County. Werkman made a motion to approve a tax credit of 1.375% for 6 years for Aptima, Inc. in exchange for a commitment to create 15 new full-time equivalent employees generating \$1,140,146 in new annual payroll and retaining \$3,214,732 in existing payroll at the project location in the City of Fairborn, 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 1/1/2021 and end on 12/31/2026. Kelly seconded. The vote was 4-0. All present voted yes.

Matsu Ohio, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Edgerton, Williams County. Werkman made a motion to approve a tax credit of 1.124% for 7 years for Matsu Ohio, Inc. in exchange for a commitment to create 104 new full-time equivalent employees generating \$3,569,280 in new annual payroll and retaining \$8,629,407 in existing payroll at the project location in the Village of Edgerton, Williams 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 12/31/2028. Smith seconded. The vote was 4-0. All present voted yes.

Magnode, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Trenton, Butler County. Werkman made a motion to approve a tax credit of 1.811% for 9 years for Magnode, LLC in exchange for a commitment to create 171 new full-time equivalent employees generating \$10,646,000 in new annual payroll and retaining \$16,010,000 in existing payroll at the project location in the City of Trenton, Butler 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. The vote was 4-0. All present voted yes.

Sentrilock, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in West Chester Township, Butler County. Werkman made a motion to approve a tax credit of 1.494% for 7 years for Sentrilock, LLC in exchange for a commitment to create 79 new full-time equivalent employees generating \$4,345,000 in new annual payroll and retaining \$9,512,124 in existing payroll at the project location in West Chester Township, Butler 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 12/31/2028. Cooper seconded; Kelly abstained. The vote was 3-0. All present voted yes.

StarStone US Intermediaries, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Cincinnati, Hamilton County. Werkman made a motion to approve a tax credit of 1.936% for 8 years for StarStone US Intermediaries, Inc. in exchange for a commitment to create 40 new full-time equivalent employees generating \$4,500,000 in new annual payroll and retaining \$3,345,000 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 1/1/2022 and end on 12/31/2029. Smith seconded. The vote was 4-0. All present voted yes.

OTHER BUSINESS

Sugar Creek Packing Co. (West Chester Township, Butler County)

The staff recommends that the Authority approve the following changes: (1) Extend the term of the 1.193%/7 year tax credit by one year ending 12/31/2027; (2) Increase the created job commitment from 120 to 235 FTEs; (3) Increase the created payroll commitment from \$4,243,200 to \$8,524,672; (4) Increase the retained job commitment from 386 to 506 FTEs; (5) Increase the baseline payroll from \$21,241,847 to \$25,485,047.

Additionally, staff recommends the Authority add the following project site locations to the agreement: 4585 Muhlhauser Road, West Chester, OH 45011; 4360 Creek Road, Blue Ash, OH 45241; 12021 Sheraton Lane, Cincinnati, OH 45246; 4347 Indeco Ct., Blue Ash, OH 45241. These sites were part of the original project but were inadvertently omitted from the original approval.

If Sugar Creek Packing does not reach the commitments above by 12/31/2023, the JCTC-Extension will be cancelled. Sugar Creek Packing must maintain operations at the project site until 12/31/2030.

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

IAC Huron, LLC (City of Huron, Erie 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 8/27/2012, the grantee was approved for a 1.022%/6 year tax credit in exchange for a commitment to create 143 FTEs at the project location. Development 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 \$134,518.53. After considering the effect of market conditions on the grantee's project and the grantee's other operations in Ohio, the staff recommends that the Authority terminate the agreement with clawback of \$25,000.

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

Eloquii Design, Inc. (City of Columbus, Franklin County)

The staff recommends that the Authority terminate the agreement with clawback for failure to file the 2018, 2019, and 2020 annual reports. Due to this failure, the Authority has statutory authorization to require clawback of 100% of the credits issued, which totaled \$93,570.21. On 8/25/2014, the grantee was approved for a 50%/7-year tax credit in exchange for a commitment to create 40 FTEs and to retain 6 FTEs at the project location. After multiple attempts to contact the Grantee, the 2018, 2019, and 2020 annual reports, which were due 3/1/2019, 3/1/2020, and 3/1/2021, respectively, remain unfiled. Based on this information, staff recommends that the Authority terminate the agreement with clawback of \$93,570.21.

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

Frutarom USA Inc (West Chester Township, 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 1/26/2015, the grantee was approved for a 50%/6 year tax credit in exchange for a commitment to create 45 FTEs and to retain 61 FTEs at the project location. Development 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 \$93,411.58. Based on this information, the staff recommends that the Authority terminate the agreement with clawback of \$93,411.58.

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

Matrix Technologies (City of Maumee, Lucas County)

The staff recommends that the Authority terminate the agreement with clawback for failure to file the 2018, 2019, and 2020 annual reports. Due to this failure, the Authority has statutory authorization to require clawback of 100% of the credits issued, which totaled \$140,443.77. On 3/31/2014, the grantee was approved for a 50%/6-year tax credit in exchange for a commitment to create 75 FTEs and to retain 169 FTEs at the project location. After multiple attempts to contact the Grantee, the 2018, 2019, and 2020 annual reports, which were due 3/1/2019, 3/1/2020, and 3/1/2021, respectively, remain unfiled. Based on this information, staff recommends that the Authority terminate the agreement with clawback of \$140,443.77

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

PCCW Teleservices (US) Inc. (City of Dublin, Franklin County)

The staff recommends that the Authority terminate the agreement with clawback for failure to file the 2018, 2019, and 2020 annual reports. Due to this failure, the Authority has statutory authorization to require clawback of 100% of the credits issued, which totaled \$66,116.18. On 6/29/2015, the grantee was approved for a 50%/6-year tax credit in exchange for a commitment to create 160 FTEs and to retain 337 FTEs at the project location. After multiple attempts to contact the Grantee, the 2018, 2019, and 2020 annual reports, which were due 3/1/2019, 3/1/2020, and 3/1/2021, respectively, remain unfiled. Based on this information, staff recommends that the

Authority terminate the agreement with clawback of \$66,116.18.

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

Superior Production LLC (City of Columbus, Franklin County)

The staff recommends that the Authority terminate the agreement with clawback for failure to file the 2018, 2019, and 2020 annual reports. Due to this failure, the Authority has statutory authorization to require clawback of 100% of the credits issued, which totaled \$28,073.78. On 2/23/2015, the grantee was approved for a 40%/6-year tax credit in exchange for a commitment to create 35 FTEs and to retain 154 FTEs at the project location. After multiple attempts to contact the Grantee, the 2018, 2019, and 2020 annual reports, which were due 3/1/2019, 3/1/2020, and 3/1/2021, respectively, remain unfiled. Based on this information, staff recommends that the Authority terminate the agreement with clawback of \$28,073.78.

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

ORIX Real Estate Capital Holdings, LLC (City of Columbus, Franklin County)

The staff recommends that the Authority change the FEIN on the tax credit agreement.

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

Hydro-Aire, Inc. (City of Elyria, Lorain 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.

Werkman 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 10:40 a.m. by John Werkman

The next meeting is scheduled June 28, 2021 at 10:00 a.m.

Chair of Ohio Tax Credit Authority's Signature _____