

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

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 9:33 a.m. on October 25, 2021 by Lydia Mihalik.

Roll Call:	Lydia Mihalik, Chair	Present
	Brian Cooper	Present
	Emmett Kelly	Present
	David Smith	Present
	Joy Davis	Absent

Staff Members Present: Carrie Manno, Daniel Strasser, Ben LaGrasso, and Todd Walker

Others Present: Frank LaRock, Ian Smith, Michelle Marek, and Erika Roitblat Bowers

Minutes Approval: Mihalik made a motion to approve the minutes of the October 5, 2021, meeting and Cooper seconded. The vote was 4-0 yes. Voting Mihalik, Cooper, Kelly, and Smith.

PROJECTS

Divisions, Inc. (Divisions Maintenance Group) appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Cincinnati, Hamilton County. Mihalik made a motion to approve a tax credit of 2.102% for 10 years for Divisions, Inc. (Divisions Maintenance Group) in exchange for a commitment to create 256 new full-time equivalent employees generating \$25,600,000 in new annual payroll and retaining \$19,110,000 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 12/31/2031. Cooper seconded; Kelly abstained. The vote was 3-0. All present voted yes.

Legrand North America, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Union, Montgomery County. Mihalik made a motion to approve a tax credit of 1.399% for 8 years for Legrand North America, LLC in exchange for a commitment to create 261 new full-time equivalent employees generating \$10,291,230 in new annual payroll and retaining \$1,442,479 in existing payroll at the project location in the City of Union, 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. Smith seconded. The vote was 4-0. All present voted yes.

Coterie Applications, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Blue Ash, Hamilton County. Mihalik made a motion to approve a tax credit of 1.319% for 6 years for Coterie Applications, Inc. in exchange for a commitment to create 10 new full-time equivalent employees generating \$750,000 in new annual payroll and retaining \$2,730,000 in existing payroll at the project location in the City of Blue Ash, 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 12/31/2027. Cooper seconded. The vote was 4-0. All present voted yes.

EPC - Columbia, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Lebanon, Warren County. Mihalik made a motion to approve a tax credit of 1.018% for 6 years for EPC - Columbia, Inc. in exchange for a commitment to create 50 new full-time equivalent employees generating \$1,924,000 in new annual payroll and retaining \$1,054,000 in existing payroll at the project location in the City of Lebanon, Warren 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.

Iten Defense, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Saybrook, Ashtabula County. Mihalik made a motion to approve a tax credit of 1.726% for 7 years for Iten Defense,

LLC in exchange for a commitment to create 102 new full-time equivalent employees generating \$3,696,689 in new annual payroll and retaining \$3,079,901 in existing payroll at the project location in the Village of Saybrook, Ashtabula 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. Kelly seconded. The vote was 4-0. All present voted yes.

OTHER BUSINESS

SK Food Group, Inc. (City of Groveport/City of Columbus, Franklin County)

The staff recommends that the Authority approve the following changes: (1) Extend the term of the 55%/10 year tax credit by two years ending 12/31/2025. (2) Extend the tax report end year from 2026 to 2028. (3) Increase the created job commitment from 253 to 906 FTEs. (4) Increase the created payroll commitment from \$7,644,000 to \$37,199,512. (5) Increase the fixed asset investment commitment from \$13,000,000 to \$31,000,000, including \$10,000,000 in additional building costs and \$8,000,000 in additional machinery and equipment costs. (6) Add the new project site address of 2955-3035 Charter St., Columbus, Ohio 43228 to the agreement.

If SK Food Group, Inc. does not reach the commitments above by 12/31/2024, the JCTC-Extension will be cancelled. SK Food Group, Inc. must maintain operations at the project site until 12/31/2028.

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

Valeo Climate Control Corp. (City of Hamilton, Butler County)

The staff recommends that the Authority terminate with clawback the agreement for failure to file the 2018, 2019 and 2020 annual reports. Due to this failure, the Authority has statutory authorization to terminate the agreement with clawback. On 5/20/2013, the grantee was approved for a 55%/7-year tax credit in exchange for a commitment to create 105 FTEs and to retain 135 FTEs at the project location. After multiple attempts to contact the Grantee, the 2018, 2019, and 2020 annual reports, which were due 3/31/2019, 3/1/2020, and 3/1/2021, respectively, remain unfiled. Based on this information, the staff recommends the Authority terminate the agreement with required clawback of 100% of the credits issued, which totaled \$392,750.14

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

MEK Van Wert Inc. (City of Van Wert, Van Wert County)

The staff recommends that the Authority terminate the tax credit agreement with clawback for failure to maintain operations during the active-term period of the agreement. On 12/4/2017, the grantee was approved for a 1.254%/7 year tax credit in exchange for a commitment to create 30 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 \$8,483.90. Based on this information, the staff recommends that the Authority terminate the agreement with clawback of \$8,483.90.

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

BarkBox Inc. (City of Van Wert, Van Wert County)

Due to the tax credit approved at the 10/4/2021 meeting, the staff recommends the Authority reduce the term of the agreement from 7 to 6 years, ending 12/31/2021 with the post-term period ending 12/31/2024. This will eliminate any overlap with the new agreement.

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

Protiviti Inc. (City of Cincinnati, Hamilton County)

The staff recommends that the Authority add the project location at 10101 Alliance Rd., Cincinnati, OH 45242.

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

CrossCountry Mortgage, LLC (City of Cleveland, Cuyahoga County)

The staff recommends that the Authority add the project location at 6850 Miller Rd., Brecksville, Ohio 44141.

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

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

The staff recommends that the Authority cancel the tax credit at the request of the grantee. 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.

MOTION TO AJOURN

The meeting was adjourned at 10:08 a.m. by Lydia Mihalik

The next meeting is scheduled December 6, 2021 at 10:00 a.m.

Chair of Ohio Tax Credit Authority's Signature

