

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

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

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

Staff Members Present: John Werkman, Daniel Strasser, Eric Lindner, and Lisa Colbert

Others present: Matt Deptola, Chris Strayer, Ian Smith, Jason Dunkle, Mitch Heaton, Andrea Enders, and Brandon Sehlhorst

Minutes Approval: Goodman made a motion to approve the minutes of the January 25, 2015 meeting. Cooper seconded. The vote was 4-0 yes. Voting Goodman, Cooper, Smith, and Crider.

PROJECTS

Navigator Management Partners Limited Liability 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 1.590% for 6 years for Navigator Management Partners Limited Liability in exchange for a commitment to create 43 new full-time equivalent employees generating \$4,386,000 in new annual payroll and retaining \$12,500,000 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 1/1/2016 and end on 12/31/2021. Cooper seconded. The vote was 4-0. All present voted yes.

Polyfill, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Sidney, Shelby County. Goodman made a motion to approve a tax credit of 1.180% for 6 years for Polyfill, LLC in exchange for a commitment to create 30 new full-time equivalent employees generating \$1,592,552 in new annual payroll and retaining \$2,714,208 in existing payroll at the project location in the City of Sidney, Shelby 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 12/31/2021. Smith seconded. The vote was 4-0. All present voted yes.

Blue & Co. of Ohio, LLC (Blue & Co., LLC) 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 1.346% for 6 years for Blue & Co. of Ohio, LLC (Blue & Co., LLC) in exchange for a commitment to create 20 new full-time equivalent employees generating \$1,642,000 in new annual payroll and retaining \$1,700,000 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 1/1/2016 and end on 12/31/2021. Cooper seconded. The vote was 4-0. All present voted yes.

Brothers Trading Co., Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Springboro, Warren County. Goodman made a motion to approve a tax credit of 1.135% for 6 years for Brothers Trading Co., Inc. in exchange for a commitment to create 50 new full-time equivalent employees generating \$2,500,000 in new annual payroll and retaining \$16,660,000 in existing payroll at the project location in the City of Springboro, 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 1/1/2017 and end on 12/31/2022. Cooper seconded; Kelly abstained. The vote was 4-0. All present voted yes.

Health Carousel, 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 1.657% for 8 years for Health Carousel, LLC in exchange for a commitment to create 85 new full-time equivalent employees generating \$6,000,000 in new annual payroll and retaining \$4,800,000 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 1/1/2016 and end on 12/31/2023. Smith seconded; Kelly abstained. The vote was 4-0. All present voted yes.

Macy's Credit and Customer Services, Inc. & FDS Bank appeared before the Tax Credit Authority requesting a tax credit for a project in Deerfield Township, Warren County and in the City of Springdale, Hamilton County. Goodman made a motion to approve a tax credit of 0.849% for 7 years for Macy's Credit and Customer Services, Inc. & FDS Bank in exchange for a commitment to create 175 new full-time equivalent employees generating \$4,924,000 in new annual payroll and retaining \$69,511,382 in existing payroll at the project location in Deerfield Township, Warren County and in the City of 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 1/1/2016 and end on 12/31/2022. Crider seconded; Kelly abstained. The vote was 4-0. All present voted yes.

PatientPoint Network Solutions, LLC appeared before the Tax Credit Authority requesting a tax credit for a project in Sycamore Township, Hamilton County. Goodman made a motion to approve a tax credit of 1.108% for 6 years for PatientPoint Network Solutions, LLC in exchange for a commitment to create 22 new full-time equivalent employees generating \$1,320,000 in new annual payroll and retaining \$9,261,614 in existing payroll at the project location in Sycamore Township, 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 1/1/2016 and end on 12/31/2021. Smith seconded; Kelly abstained. The vote was 4-0. All present voted yes.

CardioInsight Technologies Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in Sycamore Township, Hamilton County. Goodman made a motion to approve a tax credit of 1.800% for 5 years for CardioInsight Technologies Inc. in exchange for a commitment to create 28 new full-time equivalent employees generating \$2,856,000 in new annual payroll and retaining \$2,856,000 in existing payroll at the project location in Sycamore Township, 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 1/1/2016 and end on 12/31/2020. Kelly seconded. The vote was 5-0. All present voted yes.

OTHER BUSINESS

Sauder Woodworking Co. (Village of Archbold/Fulton County)

The staff recommends that the Authority increase total retained payroll to \$67,440,771 and increase retained Ohio employee payroll to \$64,306,441. The associated baseline Ohio employee payroll will be \$65,721,182.70 for year 1 and \$67,167,048.72 for year 2.

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

Metcut Research Associates Inc. (City of Cincinnati/Hamilton County)

The staff recommends that the Authority make the following changes to the tax credit agreement:

- (1) Add the project location at 1775 Carillon Blvd, Forest Park, OH 45240;
- (2) Reduce the retained Ohio employee payroll from \$10,022,035 to \$7,775,539, which changes the baseline Ohio employee payroll to \$7,899,947.62 for year 1 and \$8,026,346.79 for year 2.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 5-0. All present voted yes.

Bell Ohio, Inc. (City of Groveport/Franklin County)

The staff recommends that the Authority make the following changes to the tax credit agreement:

- (1) Change the tax credit start date from 1/1/2016 to 1/1/2017;

- (2) Change the metric evaluation date from 12/31/2018 to 12/31/2019;
- (3) Add the project location at 6300 Commerce Center Dr., Ste. 100, Groveport, OH 43125 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 5-0. All present voted yes.

SSB Manufacturing Company (Cities of Monroe & Forest Park/Warren & Hamilton Counties)

The staff recommends that the Authority add the project location at 1680 Carillon Boulevard, Forest Park, Ohio 45240 to the tax credit agreement.

Goodman made a motion to accept staff recommendation and Smith seconded. The vote was 5-0. All present voted yes.

Smart IT Staffing LLC (City of Cincinnati/Hamilton County)

The staff recommends that the Authority change the project location from 8160 Corporate Park Drive, Cincinnati, OH 45242 to 300 E-Business Way, Ste. 100A, Cincinnati, OH 45241.

Goodman made a motion to accept staff recommendation and Cooper seconded. The vote was 5-0. All present voted yes.

Venture Products, Inc. (City of Orrville/Wayne County)

The staff recommends that the Authority change the project location from 328 E Water St, Orrville, OH 44667 to 500 Venture Dr., Orrville, OH 44667.

Goodman made a motion to accept staff recommendation and Cooper seconded. The vote was 5-0. All present voted yes.

Sid Tool Co, Inc./MSC Contract Management Inc. (City of Columbus/Franklin County)

With the company's written consent, the staff recommends that the Authority approve the reduction of the grantee's new job commitment from 250 FTEs to 125 FTEs. The associated new payroll commitment will also be reduced from \$7,900,000 to \$3,800,000. To align with the new commitment, the staff recommends that the Authority reduce the grantee's 65%/8 year tax credit to 65%/4 years and 50%/4 years (65% for 2014 – 2017 and 50% for 2018 - 2021), for a total of 6 years. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2022 - 2024.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 5-0. All present voted yes.

Intelligrated Systems, LLC (City of Mason/Butler County)

The staff recommends that the Authority change the name of the grantee, Knighted, LLC, to Intelligrated Software, LLC. The FEIN remains unchanged.

Goodman made a motion to accept staff recommendation and Smith seconded. The vote was 5-0. All present voted yes.

AlvaEDU (City of Cincinnati/Hamilton 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.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 5-0. All present voted yes.

Cellco Partnership (City of Hilliard/Franklin 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.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 5-0. All present voted yes.

Universal Fabricating & Construction Services, Inc. (City of Columbus/Franklin 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.

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 5-0. All present voted yes.

ADS Alliance Data Systems, Inc. (City of Columbus/Franklin County)

The staff recommends that the Authority add the following project locations to the tax credit agreement: 3075, 3085 & 3095 Loyalty Circle, Columbus, Ohio 43219.

Additionally, with the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 70% to 2.349%;
- 2) Update the baseline payroll to \$129,970,407.27 for year 1 and \$132,829,756.23 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 Crider seconded; Kelly abstained. The vote was 4-0. All present voted yes.

The Business Backer, LLC (City of Cincinnati/Hamilton County)

The staff recommends that the Authority make the following changes to the tax credit agreement:

- (1) Add the grantee, Enova Financial Holdings, LLC (and associated FEIN) to the tax credit agreement;
- (2) Add the project location at 10856 Reed Hartman Highway Cincinnati, OH 45242. The project had previously been approved with a TBD project location.

Additionally, with the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 55% to 1.692%;
- 2) Update the baseline payroll to \$4,136,591.17 for year 1 and \$4,202,776.63 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; Kelly abstained. The vote was 4-0. All present voted yes.

Empower MediaMarketing, Inc. (City of Cincinnati/Hamilton County)

The staff recommends that the Authority make the following changes to the tax credit agreement:

- (1) Increase total retained payroll from \$9,319,700 to \$10,483,142;
- (2) Set retained Ohio employee payroll at \$7,873,004, with baseline payroll of \$8,046,210.09 for year 1 and \$8,223,226.71 for year 2.

Additionally, with the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 45% to 1.383%
- 2) Update the baseline payroll to \$8,046,210.09 for year 1 and \$8,223,226.71 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 Smith seconded; Kelly abstained. The vote was 4-0. All present voted yes.

Powerhouse Factories, LLC (City of Cincinnati/Hamilton County)

The staff recommends that the Authority make the following changes to the tax credit agreement:

- (1) Increase total retained payroll from \$2,066,800 to \$2,562,205;
- (2) Set retained Ohio employee payroll at \$1,895,081, with baseline payroll of \$1,936,772.78 for year 1 and \$1,979,381.78 for year 2.

Additionally, with the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 40% to 1.295%
- 2) Update the baseline payroll to \$1,936,772.78 for year 1 and \$1,979,381.78 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; Kelly abstained. The vote was 4-0. All present voted yes.

Perham Egg Ohio LLC (Village of Fort Recovery/Mercer County)

The staff recommends that the Authority reassign the tax credit from Perham Egg Ohio LLC (and associated FEIN) to CW Egg Products, LLC (47-2356392) due to an acquisition.

Additionally, with the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following change to the tax credit agreement:

- 1) Change the tax credit rate from 45% to 1.100%;

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

Goodman made a motion to accept staff recommendation and Kelly seconded. The vote was 5-0. All present voted yes.

EBTH Inc. (City of Cincinnati/Hamilton County)

With the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 45% to 1.280%;
- 2) Update the baseline payroll to \$1,711,805.57 for year 1 and \$1,739,194.46 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 5-0. All present voted yes.

Faurecia Emissions Control Systems NA, LLC (City of Franklin/Warren County)

With the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 55% to 1.354%;
- 2) Update the baseline payroll to \$15,775,775.96 for year 1 and \$16,122,843.03 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 5-0. All present voted yes.

Faurecia Emissions Control Systems NA, LLC (City of Toledo/Lucas County)

With the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 50% to 1.181%;
- 2) Update the baseline payroll to \$4,472,184.90 for year 1 and \$4,570,572.97 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 5-0. All present voted yes.

International Paper Company (City of Kenton/Hardin County)

With the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 60% to 1.363%;
- 2) Update the baseline payroll to \$18,779,250.00 for year 1 and \$19,192,393.50 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 5-0. All present voted yes.

Kenworth of Cincinnati, Inc. (City of Sharonville/Hamilton County)

With the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 40% to 1.040%;
- 2) Update the baseline payroll to \$2,273,647.49 for year 1 and for \$2,323,667.73 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 5-0. All present voted yes.

North Coast Container Corp. (City of Cleveland/Cuyahoga County)

With the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 50% to 1.531%;
- 2) Update the baseline payroll to \$6,438,600.00 for year 1 and \$6,580,249.20 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 5-0. All present voted yes.

Southland Truck Center, Inc. (City of Chillicothe/Ross County)

With the company's written consent, the staff recommends that the Authority approve the conversion of the grantee's Ohio Job Creation Tax Credit program from a withholdings-based incentive to a payroll-based incentive. Staff recommends the following changes to the tax credit agreement:

- 1) Change the tax credit rate from 40% to 0.971%;
- 2) Update the baseline payroll to \$476,139.58 for year 1 and \$486,614.65 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 5-0. All present

voted yes.

ADDITIONAL AGENDA ITEM

- **Withholding Adjustment Factor Recommendation**

Goodman made a motion to approve the withholding adjustment factor recommendation and Smith seconded. The vote was 5-0. All present voted yes.

MOTION TO AJOURN

The meeting was adjourned at 10:48 a.m. by David Goodman.

The next meeting is scheduled March 28, 2016 at 10:00 a.m. on the 31st Floor.

Chair of Ohio Tax Credit Authority's Signature

A handwritten signature in blue ink is written over a horizontal line. The signature is stylized and appears to be 'D. Goodman'.