

**OHIO TAX CREDIT AUTHORITY MEETING
MEETING MINUTES
MEETING DATE: JUNE 25, 2018**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:00 a.m. on June 25, 2018 in Columbus, Ohio by David Goodman.

Roll Call:	David Goodman, Acting Chair	Present
	Darnita Bradley	Present
	Brian Cooper	Absent
	Emmett Kelly	Absent
	David Smith	Present

Staff Members Present: Rasheda Hansard, Daniel Strasser, Eric Lindner, and Lisa Colbert

Others present: Eva Ruff, Matt McQuade, Justin Bickle, Tom Stipkovich, and Amy Schrempf

Minutes Approval: Goodman made a motion to approve the minutes of the May 21, 2018 meeting. Smith seconded. The vote was 3-0 yes. Voting Goodman, Smith, and Bradley.

PROJECTS

American Electric Power Service Corporation and Ohio Power Company appeared before the Tax Credit Authority requesting a tax exemption for a project in the City of Groveport, Franklin County. Goodman made a motion to approve a tax exemption of 100% for 15 years for American Electric Power Service Corporation and Ohio Power Company in exchange for a commitment to create 17 new full-time equivalent employees generating \$2,200,00 in new annual payroll at the project location in the City of Groveport, Franklin County. In addition, the company will make a fixed asset investment of \$130,382,291 between 1/1/2018 through 12/31/2020. The tax exemption would begin on 1/1/2018 and end on 12/31/2032. Bradley seconded. The vote was 3-0. All present voted yes.

Ace Hardware Corporation appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of West Jefferson, Madison County. Goodman made a motion to approve a tax credit of .988% for 6 years for Ace Hardware Corporation in exchange for a commitment to create 72 new full-time equivalent employees generating \$2,000,000 in new annual payroll and retaining \$5,572,970 in existing 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 1/1/2020 and end on 12/31/2025. Smith seconded. The vote was 3-0. All present voted yes.

Prime Equipment Group, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Columbus, Franklin County. Goodman made a motion to approve a tax credit of 1.189% for 6 years for Prime Equipment Group, Inc. in exchange for a commitment to create 20 new full-time equivalent employees generating \$945,000 in new annual payroll and retaining \$6,983,110 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 1/1/2019 and end on 12/31/2024. Bradley seconded. The vote was 3-0. All present voted yes.

Smartrac Technology Fletcher, Inc. 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 2.188% for 8 years for Smartrac Technology Fletcher, Inc. in exchange for a commitment to create 30 new full-time equivalent employees generating \$4,050,000 in new annual payroll and retaining \$93,345 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 1/1/2018 and end on 12/31/2025. Smith seconded. The vote was 3-0. All present voted yes.

Crown Equipment Corporation appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of New Knoxville, Auglaize County. Goodman made a motion to approve a tax credit of 1.309% for 6 years for Crown Equipment Corporation in exchange for a commitment to create 63 new full-time equivalent employees generating \$2,450,000 in new annual payroll and retaining \$5,490,000 in existing payroll at the project location in the Village of New Knoxville, Auglaize 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 1/1/2019 and end on 12/31/2024. Bradley seconded. The vote was 3-0. All present voted yes.

The Fremont Company appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Rockford, Mercer County. Goodman made a motion to approve a tax credit of 1.248% for 7 years for The Fremont Company in exchange for a commitment to create 70 new full-time equivalent employees generating \$2,574,000 in new annual payroll and retaining \$2,226,000 in existing payroll at the project location in the Village of Rockford, Mercer 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. The vote was 3-0. All present voted yes.

OTHER BUSINESS

Inogen, Inc. (City of Brooklyn/Cuyahoga County)

The staff recommends that the Authority make the following changes:

- (1) Increase the term of the JCTC agreement from 8 years to 10 years, ending 12/31/2027;
- (2) Increase new job commitment from 240 new FTEs to 500 new FTEs;
- (3) Increase new payroll commitment from \$12,000,000 to \$25,000,000.

The company will achieve the metrics identified above by 12/3/2020 as contemplated by the original TCA approval.

Goodman made a motion to accept staff recommendation and Bradley seconded. The vote was 3-0. All present voted yes.

Hadsell Chemical Processing LLC (City of Waverly/Pike 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. On 5/21/2012, the grantee was approved for a 45%/7 year tax credit in exchange for a commitment to create 35 FTEs and to retain 10 FTEs at the project location. ODSA 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 \$44,308.01. The grantee did not respond to a request for market conditions. Based on this information, the staff recommends that the Authority terminate the agreement with clawback of \$44,308.01.

Goodman made a motion to accept staff recommendation and Bradley seconded. The vote was 3-0. All present voted yes.

CW Egg Products, LLC (Village of Fort Recovery/Mercer County)

The staff recommends that the Authority reassign the tax credit agreement from CW Egg Products, LLC (and associated FEIN) to VH Cooper and Co. Inc. (and associated FEIN).

Goodman made a motion to accept staff recommendation and Bradley seconded. The vote was 3-0. All present voted yes.

International Paper Company (City of Kenton/Hardin County)

The staff recommends that the Authority reassign the tax credit agreement from International Paper Company (and associated FEIN) to Graphic Packaging International (and associated FEIN).

Goodman made a motion to accept staff recommendation and Smith seconded. The vote was 3-0. All present voted yes.

Modular Assembly Innovations LLC (Allen Township & City of Dublin/ Union & Franklin Counties)

The staff recommends that the Authority increase the retained job commitment from 166 to 176 FTEs.

Goodman made a motion to accept staff recommendation and Bradley seconded. The vote was 3-0. All present voted yes.

The Kroger Co. (City of Cincinnati/Hamilton County)

The staff recommends that the Authority add the project location at 221 E. Fourth St., Cincinnati, Ohio 45202.

Goodman made a motion to accept staff recommendation and Smith seconded. The vote was 3-0. All present voted yes.

Cooper-Standard Automotive Inc. (City of Bowling Green/Wood 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.

Goodman made a motion to accept staff recommendation and Bradley seconded. The vote was 3-0. All present voted yes.

Shearer's Foods, LLC (City of Massillon/Stark 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.

Goodman made a motion to accept staff recommendation and Bradley seconded. The vote was 3-0. All present voted yes.

Dmax, Ltd. (City of Moraine/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.

Goodman made a motion to accept staff recommendation and Bradley seconded. The vote was 3-0. All present voted yes.

MOTION TO AJOURN

The meeting was adjourned at 10:25 a.m. by David Goodman.

The next meeting is scheduled July 30, 2018 at 10:00 a.m. on the 31st Floor.

Chair of Ohio Tax Credit Authority's Signature


