

**OHIO TAX CREDIT AUTHORITY MEETING  
MEETING MINUTES  
MEETING DATE: JULY 25, 2016**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:03 a.m. on July 25, 2016 in Columbus, Ohio by Daryl Hennessy.

Roll Call:	Daryl Hennessy, Acting Chair	Present
	David Smith	Absent
	Emmett Kelly	Present
	Rod Crider	Present
	Brian Cooper	Present

**Staff Members Present:** John Werkman, Daniel Strasser, Eric Lindner, and Todd Walker

**Others present:** Matt Deptola, Liz Rankin, Justin Bickle, Matt McQuade, Mitch Heaton, Julie Sullivan, John Sadosky, and Chase Eikenbary

**Minutes Approval:** Crider made a motion to approve the minutes of the June 27, 2016 meeting. Cooper seconded. The vote was 3-0 yes. Voting Crider, Cooper, and Hennessy.

**PROJECTS**

**Huckberry, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project at a to-be-determined project location. Hennessy made a motion to approve a tax credit of 1.235% for 6 years for Huckberry, Inc. in exchange for a commitment to create 158 new full-time equivalent employees generating \$5,226,000 in new annual 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 1/1/2017 and end on 12/31/2022. Cooper seconded. The vote was 4-0. All present voted yes.

**Virtusa Corporation** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Dublin, Franklin County. Hennessy made a motion to approve a tax credit of 1.765% for 6 years for Virtusa Corporation in exchange for a commitment to create 50 new full-time equivalent employees generating \$4,500,000 in new annual payroll at the project location in the City of Dublin, 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 1/1/2017 and end on 12/31/2022. Kelly seconded. The vote was 4-0. All present voted yes.

**STP Products Manufacturing Company; Armored AutoGroup Inc.; The Armor All/STP Products Company; & Armored AutoGroup Sales Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Dayton, Montgomery County and City of Painesville, Lake County. Hennessy made a motion to approve a tax credit of 1.217% for 7 years for STP Products Manufacturing Company; Armored AutoGroup Inc.; The Armor All/STP Products Company; & Armored AutoGroup Sales Inc. in exchange for a commitment to create 242 new full-time equivalent employees generating \$7,533,600 in new annual payroll and retaining \$3,173,180 in existing payroll at the project locations in the City of Dayton, Montgomery County and City of Painesville, Lake 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 12/31/2023. Cooper seconded. The vote was 4-0. All present voted yes.

**United Grinding North America, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Miamisburg, Montgomery County. Hennessy made a motion to approve a tax credit of 1.763% for 8 years for United Grinding North America, Inc. in exchange for a commitment to create 41 new full-time equivalent employees generating \$3,927,548 in new annual payroll and retaining \$9,832,778 in existing payroll at the project location in the City of Miamisburg, 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 1/1/2017 and end on 12/31/2024. Kelly seconded. The vote was 4-0. All present voted yes.

**Mountjoy Chilton Medley LLP** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Cincinnati, Hamilton County. Hennessy made a motion to approve a tax credit of 1.493% for 6 years for Mountjoy Chilton Medley LLP in exchange for a commitment to create 64 new full-time equivalent employees generating \$4,800,000 in new annual payroll and retaining \$1,191,040 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 1/1/2017 and end on 12/31/2022. Crider seconded; Kelly abstained. The vote was 3-0. All present voted yes.

**Alex Products, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the Village of Shreve, Wayne County. Hennessy made a motion to approve a tax credit of 0.685% for 5 years for Alex Products, Inc. in exchange for a commitment to create 30 new full-time equivalent employees generating \$748,800 in new annual payroll and retaining \$1,918,768 in existing payroll at the project location in the Village of Shreve, Wayne 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 12/31/2021. Cooper seconded. Kelly abstained. The vote was 3-0. All present voted yes.

**Church & Dwight Co., Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in Ridgeville Corners Township, Henry County; the City of Bryan, Williams County; and the Village of Paulding, Paulding County. Hennessy made a motion to approve a tax credit of 0.853% for 6 years for Church & Dwight Co., Inc. in exchange for a commitment to create 100 new full-time equivalent employees generating \$2,912,000 in new annual payroll and retaining \$26,361,250 in existing payroll at the project locations in Ridgeville Corners Township, Henry County; the City of Bryan, Williams County; and the Village of Paulding, Paulding 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. Crider seconded. The vote was 4-0. All present voted yes.

## **OTHER BUSINESS**

### **5Me, LLC (Union Township/Clermont County)**

On July 25, 2016, the Authority reduced the term of the tax credit for failure to create the required amount of jobs and payroll as set forth in the agreement. Due to this failure, the Authority has statutory authorization to reduce the term of the tax credit agreement. On 4/29/2013, the grantee was approved for a 50%/7 year tax credit in exchange for a commitment to create 62 FTEs with \$4,656,745 in new payroll at the project location. The grantee's 2015 annual report showed 25 new FTEs with \$2,535,489 in new payroll, thereby making the grantee non-compliant with the tax credit agreement. Based on this information, the Authority reduced the term of the tax credit agreement to 6 years, ending 12/31/2018. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2019 – 2021.

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

### **Sedgwick Claims Management Services, Inc. (City of New Albany/Franklin County)**

On July 25, 2016, the Authority reduced the rate of the tax credit for failure to create the required amount of jobs and payroll as set forth in the agreement. Due to this failure, the Authority has statutory authorization to reduce the rate of the tax credit agreement. On 7/30/2012, the grantee was approved for a 50%/5 year tax credit in exchange for a commitment to create 240 FTEs with \$9,100,000 in new payroll at the project location. The grantee's 2015 annual report showed 206 new FTEs with \$7,877,120 in new payroll, thereby making the grantee non-compliant with the tax credit agreement. Based on this information, the Authority reduced the rate of the tax credit agreement to 45% starting in 2016. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2018 – 2020.

Hennessy made a motion to accept staff recommendation and Crider seconded; Kelly abstained. The vote was 3-

0. All present voted yes.

**Highlights for Children, Inc. (City of Columbus/Franklin County)**

On July 25, 2016, the Authority reduced the term of the tax credit for failure to create the required amount of jobs and payroll as set forth in the agreement. Due to this failure, the Authority has statutory authorization to reduce the term of the tax credit agreement. On 2/25/2013, the grantee was approved for a 45%/7 year tax credit in exchange for a commitment to create 50 FTEs with \$3,848,000 in new payroll and to retain 164 FTEs with \$12,610,000 in retained payroll and at the project location. The grantee's 2015 annual report showed 181 total FTEs with \$13,624,945 in total payroll, thereby making the grantee non-compliant with the tax credit agreement. Based on this information, the Authority reduced the term of the tax credit agreement to 5 years, ending 12/31/2017. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2018 – 2020.

Hennessy made a motion to accept staff recommendation and Cooper seconded; Kelly abstained. The vote was 3-0. All present voted yes.

**NRI Industrial Sales, LLC (Village of Delta/Fulton County)**

On July 25, 2016, the Authority reduced the term of the tax credit for failure to create the required amount of jobs and payroll as set forth in the agreement. Due to this failure, the Authority has statutory authorization to reduce the term of the tax credit agreement. On 12/10/2012, the grantee was approved for a 40%/6 year tax credit in exchange for a commitment to create 30 FTEs with \$990,000 in new payroll at the project location. The grantee's 2015 annual report showed 24 new FTEs with \$716,604 in new payroll, thereby making the grantee non-compliant with the tax credit agreement. Based on this information, the Authority reduced the term of the tax credit agreement to 5 years, ending 12/31/2017. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2018 – 2020.

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

**Navigator Management Partners Limited Liability Company (City of Grandview Heights/Franklin County)**

On July 25, 2016, the Authority added the project location at 1400 Goodale Blvd. Suite 100, Grandview Heights, OH 43212 to the tax credit agreement. The project had previously been approved with a TBD project location.

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

**Exel Inc. (Etna Township/Licking County)**

On July 25, 2016, the Authority added the project location at 147 Heritage Dr., Pataskala, OH 43062 to the tax credit agreement.

Hennessy made a motion to accept staff recommendation and Cooper seconded; Kelly abstained. The vote was 3-0. All present voted yes.

**Crown Solutions Co., LLC (City of Vandalia/Montgomery County)**

On July 25, 2016, the Authority reassigned the tax credit agreement from Crown Solutions Co., LLC (and associated FEIN) to Veolia Water Technologies, Inc. (and associated FEIN) as a result of a merger.

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

**Precision Tower Products LLC (City of Delaware/Delaware County)**

On July 25, 2016, the Authority reassigned the tax credit from Precision Tower Products LLC (and associated FEIN) to Sky Climber Fabricating LLC (and associated FEIN).

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

**Mold Masters International, Inc. (City of Mentor/Lake County)**

On July 25, 2016, the Authority changed the name of the grantee on the tax credit agreement from Mold Masters International, Inc. to Mold Masters Intl. LLC. The FEIN remains unchanged.

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

**Exel Inc./Quality Associates, Inc. (City of Union/Montgomery County)**

On July 25, 2016, the Authority approved the following changes to the tax credit agreement:

- (1) Remove the grantee, Quality Associates, Inc. (and associated FEIN);
- (2) Add the grantee, Impact Fulfillment Services, LLC (and associated FEIN).

Hennessy made a motion to accept staff recommendation and Crider seconded; Kelly abstained. The vote was 3-0. All present voted yes.

**Advics Manufacturing Ohio, Inc. (City of Lebanon/Warren County)**

On July 25, 2016, the Authority added the grantee, Advics North America, Inc. (and associated FEIN) to the tax credit agreement.

Hennessy made a motion to accept staff recommendation and Cooper seconded; Kelly abstained. The vote was 3-0. All present voted yes.

**Bleckmann USA LLC (Village of Johnstown, Licking County)**

On July 25, 2016, the Authority added the grantee, JT/SG Enterprises, Inc. (and associated FEIN) to the tax credit agreement.

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

**Empire Packing Company, L.P. (City of Mason/Warren County)**

On July 25, 2016, the Authority changed the tax credit effective date from 1/1/2017 to 1/1/2018 and the metric evaluation date from 12/31/2019 to 12/31/2020.

Hennessy made a motion to accept staff recommendation and Cooper seconded; Kelly abstained. The vote was 3-0. All present voted yes.

**StandardAero Component Services, Inc. (City of Sharonville/Hamilton County)**

On July 25, 2016, the Authority updated the retained Ohio employee payroll to \$23,586,128, which changes the baseline Ohio employee payroll to \$24,057,850.56 for year 1 and \$24,539,007.57 for year 2.

Hennessy made a motion to accept staff recommendation and Cooper seconded; Kelly abstained. The vote was 3-0. All present voted yes.

**MOTION TO AJOURN**

The meeting was adjourned at 11:10 a.m. by Daryl Hennessy.

The next meeting is scheduled August 29, 2016 at 10:00 a.m. on the 31<sup>st</sup> Floor.

Chair of Ohio Tax Credit Authority's Signature

