

**OHIO TAX CREDIT AUTHORITY MEETING
MEETING MINUTES
MEETING DATE: JANUARY 26, 2015**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:01 a.m. on January 26, 2015 in Columbus, Ohio by David Goodman.

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

Staff Members Present: John Werkman, Daniel Strasser, Stephanie Gostomski, and Eric Lindner

Others present: Matt Cybulski, Matt Deptola, Victoria Schaefer, Brandon Simmons, Kimm Coyner, Chris Strayer, Archit Dhir, Patty Huddle, Lucious Plant, Tammy Riddle, Dustin Lester, Ian Smith, and Lisa Wagner

Minutes Approval: Goodman made a motion to approve the minutes of the December 3, 2014 meeting. Smith seconded. The vote was 3-0 yes. Voting Goodman, Smith, and Cooper.

PROJECTS

Alkermes, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in Union Township, Clinton County. Goodman made a motion to approve a tax credit of 50% for 7 years for Alkermes, Inc. in exchange for a commitment to create 51 new full-time equivalent employees generating \$3,164,800 in new annual payroll and retaining \$17,488,000 in existing payroll at the project location in Union Township, Clinton County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2021. Cooper seconded. The vote was 3-0. All present voted yes.

First Management Services, LLC, First Student Management, LLC, First Student, Inc., First Transit, Inc.; First Vehicle Services, Inc., FirstGroup America, Inc., and Greyhound Lines, Inc. 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 45% for 6 years for First Management Services, LLC, First Student Management, LLC, First Student, Inc., First Transit, Inc.; First Vehicle Services, Inc., FirstGroup America, Inc., and Greyhound Lines, Inc. in exchange for a commitment to create 75 new full-time equivalent employees generating \$3,900,000 in new annual payroll and retaining \$28,400,000 in existing payroll at the project location in the City of Cincinnati, Hamilton County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2020. Smith seconded. The vote was 3-0. All present voted yes.

Aspen Energy Corporation appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Dublin, Franklin County. Goodman made a motion to approve a tax credit of 45% for 6 years for Aspen Energy Corporation in exchange for a commitment to create 45 new full-time equivalent employees generating \$2,700,000 in new annual payroll and retaining \$2,986,000 in existing payroll at the project location in the City of Dublin, Franklin County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2016 and end on 12/31/2021. Cooper seconded. The vote was 3-0. All present voted yes.

J & R Schugel Trucking, 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 40% for 5 years for J & R Schugel Trucking, Inc. in exchange for a commitment to create 20 new full-time equivalent employees generating \$1,000,000 in new annual payroll and retaining \$588,641 in existing payroll at the project location in the City of Columbus, Franklin County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2019. Smith seconded. The vote was 3-0. All present

voted yes.

Vantage Point Logistics, LLC 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 40% for 5 years for Vantage Point Logistics, LLC in exchange for a commitment to create 20 new full-time equivalent employees generating \$1,200,000 in new annual payroll and retaining \$812,172 in existing payroll at the project location in the City of Columbus, Franklin County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2019. Smith seconded. The vote was 3-0. All present voted yes.

Precision Tower Products LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Delaware, Delaware County. Goodman made a motion to approve a tax credit of 45% for 7 years for Precision Tower Products LLC in exchange for a commitment to create 35 new full-time equivalent employees generating \$2,570,000 in new annual payroll at the project location in the City of Delaware, Delaware County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2021. Cooper seconded. The vote was 3-0. All present voted yes.

Benchmark Education Company LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Groveport, Franklin County. Goodman made a motion to approve a tax credit of 45% for 7 years for Benchmark Education Company LLC in exchange for a commitment to create 49 new full-time equivalent employees generating \$1,760,820 in new annual payroll at the project location in the City of Groveport, Franklin County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2016 and end on 12/31/2022. Smith seconded. The vote was 3-0. All present voted yes.

Saia-Burgess LLC appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Vandalia, Montgomery County. Goodman made a motion to approve a tax credit of 50% for 8 years for Saia-Burgess LLC in exchange for a commitment to create 100 new full-time equivalent employees generating \$3,000,000 in new annual payroll and retaining \$10,500,000 in existing payroll at the project location in the City of Vandalia, Montgomery County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2022. Cooper seconded. The vote was 4-0. All present voted yes.

Frutarom USA Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in West Chester Township, Butler County. Goodman made a motion to approve a tax credit of 50% for 6 years for Frutarom USA Inc. in exchange for a commitment to create 45 new full-time equivalent employees generating \$2,500,000 in new annual payroll and retaining \$3,674,000 in existing payroll at the project location in West Chester Township, Butler County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2020. Kelly seconded. The vote was 4-0. All present voted yes.

Metcut Research Associates Inc. and Cincinnati Testing Laboratories, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Cincinnati and in the City of Forest Park. Goodman made a motion to approve a tax credit of 35% for 5 years for Metcut Research Associates Inc. and Cincinnati Testing Laboratories, Inc. in exchange for a commitment to create 15 new full-time equivalent employees generating \$875,000 in new annual payroll and retaining \$10,022,035 in existing payroll at the project location in the City of Cincinnati and in the City of Forest Park. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2019. Smith seconded; Kelly abstained. The vote was 3-0. All present voted yes.

NPW-USA, Inc. 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 40% for 6 years for NPW-USA, Inc. in exchange for a commitment to create 17 new full-time equivalent employees generating \$1,500,000 in new annual payroll at the project location in the City of Cincinnati, Hamilton County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2020. Cooper seconded. The vote was 4-0. All present voted yes.

The Gorilla Glue Company appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Sharonville, Hamilton County. Goodman made a motion to approve a tax credit of 55% for 7 years for The Gorilla Glue Company in exchange for a commitment to create 110 new full-time equivalent employees generating \$5,000,000 in new annual payroll and retaining \$11,500,000 in existing payroll at the project location in the City of Sharonville, Hamilton County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2021. Smith seconded; Kelly abstained. The vote was 3-0. All present voted yes.

Oldcastle BuildingEnvelope, Inc. appeared before the Tax Credit Authority requesting a tax credit for a project in Perrysburg Township, Wood County. Goodman made a motion to approve a tax credit of 45% for 6 years for Oldcastle BuildingEnvelope, Inc. in exchange for a commitment to create 50 new full-time equivalent employees generating \$2,200,000 in new annual payroll and retaining \$11,500,000 in existing payroll at the project location in Perrysburg Township, Wood County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2015 and end on 12/31/2020. Kelly seconded. The vote was 4-0. All present voted yes.

The Laserflex Corporation appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Hilliard, Franklin County. Goodman made a motion to approve a tax credit of 40% for 5 years for The Laserflex Corporation in exchange for a commitment to create 30 new full-time equivalent employees generating \$1,200,000 in new annual payroll and retaining \$3,276,943 in existing payroll at the project location in the City of Hilliard, Franklin County. In addition, the company will claim the tax credit on income tax revenue generated at the project location in excess of the company's baseline income tax revenue at the project location. The tax credit would begin on 1/1/2016 and end on 12/31/2020. Kelly seconded. The vote was 4-0. All present voted yes.

OTHER BUSINESS

AssureRx Health, Inc.

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

- (1) Extend the term of the 55%/8 year JCTC by 4 years, for a total of 12 years ending on 12/31/2022;
- (2) Increase the new job commitment from 73 to 267 jobs;
- (3) The grantee will also commit to a capital investment of \$4,500,000 in machinery/equipment.

The total number of jobs at the project location will be 274 by 12/31/2017. If these commitments are not met by 12/31/2017, the JCTC-Extension will be cancelled. The JCTC baseline set in 2009 at 7 retained jobs will remain.

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

ConAgra Foods Packaged Foods, LLC

The staff recommends that the Authority terminate the tax credit agreement with clawback for failure to maintain operations during the post-term reporting period. On 11/27/1999, the grantee was approved for a 50%/10 year tax credit in exchange for a commitment to create 90 new jobs and retain 152 existing jobs at the project location. In August 2014, DSA learned that the grantee's Marion facility would be closing effective 10/10/2014. Due to this failure, the Authority has statutory authorization to require clawback of 50% of the credits issued, which totaled \$418,096.30. The grantee provided DSA with feedback regarding this proposed clawback. Based on this information, the staff recommends a clawback of \$105,000.

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

voted yes.

Torque-Traction Integration Technologies LLC

The staff recommends that the Authority terminate the tax credit agreement with repayment for failure to maintain operations during the post-term reporting period. On 6/27/2005, the grantee was approved for a 60%/5 year tax credit in exchange for a commitment to create 85 new jobs at the project location. DSA learned that the grantee's Toledo facility closed in 2012. Due to this failure, the Authority has statutory authorization to require repayment of 50% of the credits issued, which totaled \$138,278.47. The grantee provided DSA with a statement on adverse market conditions. Based on this information, the staff recommends a repayment of \$25,000.

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

Affymetrix, Inc.

The staff recommends that the Authority terminate the tax credit agreement for failure to submit a 2013 annual report or notice of voluntary termination. On 8/25/2008, the grantee was approved for a 50%/7 year tax credit in exchange for a commitment to create 61 new jobs and retain 78 jobs at the project location. The grantee received a letter from DSA dated 10/15/2014 requiring that the outstanding 2013 annual report or notice of voluntary termination be submitted by 11/17/2014. To Date, DSA has not received the requested materials, thus making the grantee in default with the terms of the agreement. Based on this information, the staff recommends that the Authority terminate the agreement without clawback, as no certificates were issued to the company.

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

Chrysler Group LLC (ECDD# 04-084; TI 2011 0622; & TI 2011 0651)

The staff recommends that the Authority change the name of the grantee from Chrysler Group LLC to FCA US LLC. The FEIN remains unchanged.

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

Avery Dennison Manufacturing Company

The staff recommends that the Authority reassign the tax credit from Avery Dennison Manufacturing Company to Dennison Manufacturing Company and CCL Label, Inc.

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

SpeedFC, Inc.

The staff recommends that the Authority reassign the tax credit from SpeedFC, Inc. to Speed Commerce Corp (and associated FEIN).

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

Jedson Engineering, Inc.

The staff recommends that the Authority add the following grantees to the tax credit agreement, effective 1/1/2013: Jedson, Inc. (and associated FEIN) and Jedson CM, Inc. (and associated FEIN). Jedson CM, Inc. and Jedson Engineering Inc. are operating subsidiaries of the parent company, Jedson, Inc.

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

The Rovisys Company

The staff recommends that the Authority approve the following changes:

- (1) Reduce the retained payroll from \$13,920,000 to \$12,552,519;
- (2) Reduce the retained withholding amount from \$660,000 to \$459,480, which will cause the baseline income

tax revenue to be reduced to \$287,398.46 in year 1 and \$479,919.51 in year 2;
(3) Add the grantee, RoviSys Building Technologies (and associated FEIN), to the tax credit agreement, effective 1/1/2014.

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

Mane, Inc.

The staff recommends that the Authority approve the following changes:

- (1) Add 87 retained FTEs to the tax credit agreement;
- (2) Add \$185,744 in retained withholdings to the tax credit agreement, which will cause the baseline income tax revenue to be calculated as \$190,573.34 in year 1 and \$195,528.25 in year 2.

Information regarding the number of retained FTEs and retained withholdings was not available at the time of original approval.

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

Core-Mark Holding Company, Inc.

The staff recommends that the Authority approve the following changes:

- (1) Reassign the tax credit from Core-Mark Holding Company, Inc. (and associated FEIN) to Core-Mark International, Inc. (and associated FEIN);
- (2) Update the previously TBD project location to 30300 Emerald Valley Parkway, Glenwillow, OH 44139.

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

Zulily, Inc.

The staff recommends that the Authority approve the following changes:

- (1) Update the previously TBD project location to 775 Taylor Rd., Gahanna, OH 43230.
- (2) Remove the retained job commitment of 148 FTEs from the agreement. The grantee was contemplating relocating these positions from its Columbus location to the new location in Gahanna, but due to business reasons decided against it.

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

Allstate Insurance Company

The staff recommends that the Authority change the retained payroll from \$61,600,000 to \$47,000,000. This change will align the payroll with the reduced job commitment that the Authority approved at the December 2014 meeting.

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

BSI Engineering, Inc.

The staff recommends that the Authority change the project location from 4225 Malabar Rd., Cincinnati, OH 45242-5562 to 300 E-Business Way, Ste. #300, Cincinnati, OH 45241. The change in project location will allow the company to accommodate additional growth.

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

Nautilus Hyosung America, Inc.

The staff recommends that the Authority change the project location from 9039 Springboro Pike, Miamisburg, OH 45342 to 2835 Miami Village Dr., Ste. 110, Miamisburg, OH 45342. The address provided at the time of original approval was temporary, and this will be the grantee's new permanent location.

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

Ohio National Financial Services, Inc.

The staff recommends that the Authority add the project location at 10260 Alliance Road, Blue Ash, OH 45242 to the tax credit agreement due to insufficient office space at the existing project locations.

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

Valued Relationships, Inc.

The staff recommends that the Authority extend the metric evaluation date from 12/31/2014 to 12/31/2015 due to project delays.

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

Ashlawn Energy, LLC

The staff recommends that the Authority approve the following changes:

- (1) Rescind the prior TCA action approved on 10/27/2014 cancelling the project;
- (2) Change the tax credit start date from 1/1/2012 to 1/1/2015 due to project delays.

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

General Electric Company

The staff recommends that the Authority update the previously TBD project location to 221 E. 4th Street, Cincinnati, OH 45202 (temporary location) and 191 Rosa Parks St., Cincinnati, OH 45202 (long-term location).

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

Zipline Logistics LLC

The staff recommends that the Authority update the previously TBD project location to 2300 West Fifth Ave., Columbus, OH 43215.

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

Grange Mutual Casualty Company

The company requests and the staff recommends that the Authority reduce the term of the 65%/8 year tax credit to 5 years, ending on 12/31/2011. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2012 - 2016.

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

The Brewer-Garrett Company

With the company's written consent, the staff recommends that the Authority approve the reduction of the grantee's new job commitment from 27 FTEs to 16 FTEs. To align with the new commitment, the staff recommends that the Authority reduce the grantee's 35%/5 year tax credit to 35%/3 years and 30%/2 years (35% for 2012 – 2014 and 30% for 2015 - 2016), for a total of 5 years. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2017-2019.

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

Charter Manufacturing Company, Inc.

With the company's written consent, the staff recommends that the Authority approve the reduction of the grantee's new job commitment from 25 FTEs to 20 FTEs. To align with the new commitment, the staff recommends that the Authority reduce the grantee's 40%/5 year tax credit to 40%/4 years and 35%/1 years (40% for 2012 – 2015 and 35% for 2016), for a total of 5 years. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2017-2019.

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

Cleveland HeartLab, Inc.

With the company's written consent, the staff recommends that the Authority approve the reduction of the grantee's new job commitment from 90 FTEs to 32 FTEs. The corresponding new payroll commitment will be reduced from \$4,100,000 to \$3,825,000. To align with the new commitment, the staff recommends that the Authority reduce the grantee's 65%/3 years and 40%/3 years tax credit to 65%/3 years and 35%/3 years (60% for 2012 – 2014 and 35% for 2015 – 2017), for a total of 6 years. Post-term reporting requirements may be fulfilled by filing annual progress reports with DSA for years 2018 – 2020.

The Grantee also requests that the retained payroll commitment be reduced from \$2,600,000 to \$1,884,000 due to an error in the application.

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

Medline Industries, Inc.

Per the company's request, the staff recommends that the Authority terminate the tax credit agreement. The company was issued and claimed a 2012 tax credit certificate in the amount of \$84,111.35. In exchange for this request, the grantee has repaid the full amount of tax credit claimed, and agrees to waive any pending or unissued tax credit certificates.

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

Patrick Products, Inc.

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 under the program 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 4-0. All present voted yes.

Process Plus Holdings, Inc.

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 Kelly seconded. The vote was 4-0. All present voted yes.

MOTION TO AJOURN

The meeting was adjourned at 11:32 pm by David Goodman.

The next meeting is scheduled February 23, 2014 at 10:00 a.m. on the 31st Floor.

Chair of Ohio Tax Credit Authority's Signature


