

**OHIO TAX CREDIT AUTHORITY MEETING  
MEETING MINUTES  
MEETING DATE: JUNE 30, 2014**

The regular meeting of the Ohio Job Creation Tax Credit Authority was called to order at 10:02 a.m. on June 30, 2014 in Columbus, Ohio by David Goodman.

Roll Call:	David Goodman, Chair	Present
	David Smith	Present
	Emmett Kelly	Absent
	Rod Crider	Present
	Vacant	-----

**Staff Members Present:** Heather Keesee, Daniel Strasser, John Werkman, Todd Walker, and Stephanie Gostomski

**Others present:** Matt Cybulski, Andrew Charlton, Mindy McLaughlin, Thomas Seward, Kelly Simms, Matt Deptola, Chris Strayer, Patty Huddle, Julie Sullivan, Katy Farber, Quinten Harris, and Ian Smith

**Minutes Approval:** Goodman made a motion to approve the minutes of the May 20, 2014 meeting. Smith seconded. The vote was 3-0 yes. Voting Goodman, Crider, and Smith.

**PROJECTS**

**ArcelorMittal Tubular Products Shelby LLC** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Shelby, Richland County. Goodman made a motion to approve a tax credit of 40% for 7 years for ArcelorMittal Tubular Products Shelby LLC in exchange for a commitment to create 45 new full-time equivalent employees generating \$1,900,000 in new annual payroll and retaining \$44,374,949 in existing payroll at the project location in the City of Shelby, Richland 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. Crider seconded. The vote was 3-0. All present voted yes.

**Borgers USA Corporation** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Norwalk, Huron County. Goodman made a motion to approve a tax credit of 60% for 9 years for Borgers USA Corporation in exchange for a commitment to create 230 new full-time equivalent employees generating \$8,309,808 in new annual payroll at the project location in the City of Norwalk, Huron 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 12/31/2024. Smith seconded. The vote was 3-0. All present voted yes.

**Exel, Inc. & Quality Associates, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Union, Montgomery County. Goodman made a motion to approve a tax credit of 70% for 9 years for Exel, Inc. & Quality Associates, Inc. in exchange for a commitment to create 801 new full-time equivalent employees generating \$31,829,000 in new annual payroll at the project location in the City of Union, 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 12/31/2023. Crider seconded. The vote was 3-0. All present voted yes.

**One Source Technology, LLC dba Asurint** appeared before the Tax Credit Authority requesting a tax credit for a project at a to-be-determined location. Goodman made a motion to approve a tax credit of 45% for 7 years for One Source Technology, LLC dba Asurint in exchange for a commitment to create 70 new full-time equivalent employees generating \$3,710,000 in new annual payroll and retaining \$5,064,499 in existing payroll at the project location at a to-be-determined location. 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. The vote was 3-0. All present voted yes.

**Lighthouse Insurance Group LLC** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Independence, Cuyahoga County. Goodman made a motion to approve a tax credit of 40% for 5 years for Lighthouse Insurance Group LLC in exchange for a commitment to create 75 new full-time equivalent employees generating \$3,375,000 in new annual payroll and retaining \$1,861,201 in existing payroll at the project location in the City of Independence, Cuyahoga 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 1/1/2014 and end on 12/31/2018. Smith seconded. The vote was 3-0. All present voted yes.

**Pier 1 Imports (U.S.), Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Grove City, Franklin County. Goodman made a motion to approve a tax credit of 55% for 6 years for Pier 1 Imports (U.S.), Inc. in exchange for a commitment to create 165 new full-time equivalent employees generating \$5,000,000 in new annual payroll and retaining \$4,300,000 in existing payroll at the project location in the City of Grove City, 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 1/1/2014 and end on 12/31/2019. Smith seconded. The vote was 3-0. All present voted yes.

**The Crimson Cup, 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 6 years for The Crimson Cup, Inc. in exchange for a commitment to create 20 new full-time equivalent employees generating \$1,050,000 in new annual payroll and retaining \$1,033,000 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 12/31/2020. Crider seconded. The vote was 3-0. All present voted yes.

**ADS Alliance Data Systems, 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 70% for 10 years for ADS Alliance Data Systems, Inc. in exchange for a commitment to create 700 new full-time equivalent employees generating \$52,500,000 in new annual payroll and retaining \$124,435,039 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 1/1/2016 and end on 12/31/2025. Smith seconded. The vote was 3-0. All present voted yes.

**Universal Fabricating & Construction Services, 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 Universal Fabricating & Construction Services, Inc. in exchange for a commitment to create 30 new full-time equivalent employees generating \$1,200,000 in new annual payroll and retaining \$2,439,517 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.

**Lunarline, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Kettering, Montgomery County. Goodman made a motion to approve a tax credit of 40% for 5 years for Lunarline, Inc. in exchange for a commitment to create 15 new full-time equivalent employees generating \$1,050,000 in new annual payroll and retaining \$37,500 in existing payroll at the project location in the City of Kettering, 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 12/31/2019. Smith seconded. The vote was 3-0. All present voted yes.

**Consolidated Metco, Inc.** appeared before the Tax Credit Authority requesting a tax credit for a project in the City of Chillicothe, Ross County. Goodman made a motion to approve a tax credit of 45% for 5 years for Consolidated Metco, Inc. in exchange for a commitment to create 55 new full-time equivalent employees generating \$2,335,906 in new annual payroll at the project location in the City of Chillicothe, Ross 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 1/1/2014 and end on 12/31/2018. Crider seconded. The vote was 3-0. All present voted yes.

**Empower MediaMarketing, 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 5 years for Empower MediaMarketing, Inc. in exchange for a commitment to create 40 new full-time equivalent employees generating \$2,800,000 in new annual payroll and retaining \$9,319,700 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 12/31/2019. Smith seconded. The vote was 3-0. All present voted yes.

**Powerhouse Factories, 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 40% for 5 years for Powerhouse Factories, LLC in exchange for a commitment to create 30 new full-time equivalent employees generating \$2,100,000 in new annual payroll and retaining \$2,066,800 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 1/1/2014 and end on 12/31/2018. Crider seconded. The vote was 3-0. All present voted yes.

**Global Cloud, LTD** 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 Global Cloud, LTD in exchange for a commitment to create 22 new full-time equivalent employees generating \$1,209,894.00 in new annual payroll and retaining \$1,905,464 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. Crider seconded. The vote was 3-0. All present voted yes.

## **OTHER BUSINESS**

### **CP Redi, 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. Due to this failure, the Authority has statutory authorization to require clawback of 50% of the credits issued, which totaled \$174,799.38. On October 30, 2006, the grantee was approved for a 45%/7 year tax credit in exchange for a commitment to create 140 new jobs and retain 46 jobs at the project location. In March 2014, DSA learned that the Grantee ceased operations at the project location. Based on this information, the staff recommends a clawback of \$87,399.69, which is 50% of the credits issued.

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

### **Midwest Motor Supply Co. Inc.**

The staff recommends that the Authority approve the following changes:

- (1) Decrease the retained job commitment from 307 to 284 FTEs;
- (2) Increase retained payroll from \$18,161,000 to \$20,051,000;
- (3) Decrease baseline income tax revenue from \$927,811 to \$838,300.

The reasons for these changes are that the previous numbers were calculated using an incorrect date range and based on actual headcount as opposed to an FTE calculation. Also, an affiliated company's payroll data was erroneously included.

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

**Spartech Polycom, Inc.**

The staff recommends that the Authority reassign the tax credit agreement from Spartech Polycom, Inc. to PolyOne Corporation (and associated FEIN); due to a statutory merger.

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

**VitaMix Corporation**

The staff recommends that the Authority add the following grantees to the tax credit agreement:

- (1) VitaMix Holding Company, (and associated FEIN);
- (2) VitaMix Management Corporation, (and associated FEIN);
- (3) VitaMix Manufacturing Corporation, (and associated FEIN).

This change is due to an internal re-organization. There will be no change to the forecasted wage and job creation commitments previously approved by the Authority.

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

**PQ Shelters, Inc.**

The staff recommends that the Authority reassign the tax credit agreement from PQ Shelters, Inc. to Precision Quincy Shelters, Inc. (and associated FEIN).

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

**Rhinegeist, LLC**

The staff recommends that the Authority change the project location from 1237 Vine Street, Unit 3, Cincinnati, OH 45202 to 1910 Elm St., Cincinnati, OH 45202. The local jurisdiction remains unchanged.

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

**Clinical Outcomes Management Systems, LLC**

The staff recommends that the Authority update the previously TBD project location to 9100 South Hills Blvd., Broadview Heights, OH 44147.

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

**SpeedFC, Inc.**

The staff recommends that the Authority update the previously TBD project location to 175 Heritage Dr., Etna Township, OH 43062.

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

**Lexi-Comp, Inc.**

The staff recommends that the Authority cancel the tax credit. The grantee does not have an executed agreement and has not received any tax credit certificates.

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

**Sigma 2010 OH Industries, Inc.**

The staff recommends that the Authority cancel the tax credit. The grantee does not have an executed agreement and has not received any tax credit certificates.

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

**Miba Energy Holding, LLC**

The staff recommends that the Authority change the tax credit effective date from 1/1/2015 to 1/1/2017 due to project delays.

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

**HealthSpot Inc.**

The staff recommends that the Authority change the metric evaluation date from 12/31/2013 to 12/31/2014 due to project delays.

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

**Nestle USA, Inc.**

The staff recommends that the Authority add the following project locations to the tax credit agreement: 30500 Bainbridge Road & 5750 Harper Road (offices only). Additional building addresses on the Nestle Solon campus are being added based upon where the new & retained full time employees will be located.

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

**American Greetings Corporation**

"The staff recommends that the Authority make the following changes:

- (1) Add the grantee, H L & L Property Company, (and associated FEIN);
- (2) Change the investment commitment from \$167,704,528 to \$162,400,000 (\$155M building and \$7.4M land)."

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

**Pinnacle Data Systems, Inc.**

Per the company's request, the staff recommends that the Authority terminate the tax credit agreement. Pinnacle Data Systems, Inc. was acquired by Avnet Inc. which was approved for a job creation tax credit on July 29, 2013. Avnet agrees that any potential remedial actions taken against their 2013 project may impact the certificates that Pinnacle has received as part of the agreement.

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

**Exel Inc.**

Per the company's request, the staff recommends that the Authority terminate the tax credit agreement. The benefits received to date are minimal, totaling \$11,070. As part of this request, Exel agrees to forego the tax credit earned in 2013 in the amount of \$11,907.

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

**Longbow Research, LLC**

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 Smith seconded. The vote was 3-0. All present voted yes.

**Kenexis Consulting Corporation**

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 Smith seconded. The vote was 3-0. All present voted yes.

**Harrison Ethanol LLC**

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 Smith seconded. The vote was 3-0. All present voted yes.

**Ice River Springs Water Ohio 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 Smith seconded. The vote was 3-0. All present voted yes.

**Streamline Health, 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 Smith seconded. The vote was 3-0. All present voted yes.

**SUREnergy LLC**

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 Smith seconded. The vote was 3-0. All present voted yes.

**Pactiv Corporation**

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 Smith seconded. The vote was 3-0. All present voted yes.

**SB Capital Acquisitions LLC**

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 Smith seconded. The vote was 3-0. All present voted yes.

**The Will-Burt Company**

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.

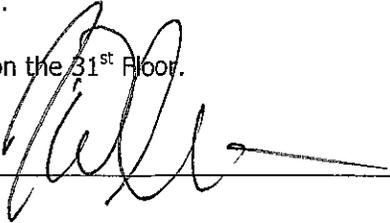
Goodman made a motion to accept staff recommendation and Smith seconded. The vote was 3-0. All present voted yes.

**MOTION TO AJOURN**

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

The next meeting is scheduled July 28, 2014 at 10:00 a.m. on the 31<sup>st</sup> Floor.

Chair of Ohio Tax Credit Authority's Signature



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