# Fairfield County Tax Incentive Review Council (TIRC) Tuesday, June 25, 2024, 1:00pm 108 N. High St. Floor 2, Lancaster, OH 43130 Meeting Minutes

Attendance of the June 25, 2024, meeting of the Fairfield County Tax Incentive Review Councils

## For Fairfield County (Boldface indicates TIRC members in attendance)

- Dr. Carri L. Brown , County Auditor, TIRC Chair
- Dave Levacy, President, Board of Fairfield County Commissioners
  - o Alternate: Jeff Fix, Vice-President of the Board of Fairfield County Commissioners
- Aunie Cordle, County Administrator
  - o Alternate: Jeff Porter, Deputy County Administrator
- Holly Mattei, Regional Planning Executive Director
  - o Alternate: Anthony Iachini, Fairfield County Economic Development Coordinator
- Julie Taylor, Treasurer, Lancaster City Schools
  - Alternate: Nathan Hale, Superintendent, Lancaster City Schools
- Mayor Don McDaniel, City of Lancaster
- Stephanie Bosco, Economic Development & Port Authority Director, City of Lancaster

## For Fairfield County/Violet Township (Boldface indicates TIRC members in attendance)

- Dr. Carri L. Brown , County Auditor, TIRC Chair
- Dave Levacy, President, Board of Fairfield County Commissioners
  - Alternate: Jeff Fix, Vice-President of the Board of Fairfield County Commissioners
- Aunie Cordle, County Administrator
  - Alternate: Jeff Porter, Deputy County Administrator
- Holly Mattei, Regional Planning Executive Director
  - Alternate: Anthony Iachini, Fairfield County Economic Development Coordinator
- John Walsh, Treasurer, Pickerington City Schools
  - o Alternate: Keltah-Houser-Siders, Assistant Treasurer, Pickerington City Schools
- Dawn Lemley, Treasurer, Board of Education for the Eastland-Fairfield Career and Technical Schools
  - o Alternate: Cherrelle Turner, Coordinator of Business Partnerships & Career Readiness
- Vince Utterback, Violet Township Administrator
- Kelly Sarko, Violet Township Zoning Inspector

## Subject Matter Experts & Interested Parties Attending:

- Rick Szabrak, Economic and Workforce Development Director, Fairfield County
- Anthony Iachini, Economic Development Coordinator, Fairfield County
- Steve Davis, Commissioner, Fairfield County
- Gareth Boyd, Finance Director, Blue Label Packaging

**Welcome and Introduction:** Carri Brown welcomed everyone to the meeting at 1:00 pm and described the two parts to the Tax Incentive Review Council. The first part pertained to Fairfield County with the second pertaining to Fairfield County and Violet Township. All attendees then introduced themselves.

**Role of TIRC**: Carri Brown gave an update on the history of Tax Incentive Review Council. Per ORC Code 5709.85, the TIRC is comprised of three members appointed by the Board of Commissioners, two members of the municipal corporation to which the instrument granting the tax exemption applies the County Auditor (or designee), and an individual appointment by the Board of Education of each city, local, exempted village, and joint vocational school district to which the instrument granting the tax exemption applies.

She went on to describe how the Board of County Commissioners approves incentives for companies; the purpose of the TIRC is to review company activity and performance as it relates to the incentive agreement and to determine if the job and payroll benchmarks are being met given the current business climate and make a recommendation to the Board of County Commissioners about continuing the tax incentives.

**Information Posted on the County Website**: Carri Brown stated that anyone interested in learning more about the terms used at Tax Incentive Review Councils, reviewing maps or previous meeting minutes, and browsing other reference materials can do so on the Fairfield County Auditor website.

#### For Fairfield County

# Motion to approve Commissioner David Levacy to serve as Vice-Chair of the Fairfield County Tax Incentive Review Council

Carri Brown discussed the ORC requirement for a Vice-Chair of the TIRC.

On the motion of Jeff Porter and the second of Julie Taylor, the TIRC voted to approve Commissioner David Levacy to serve as vice-chair of the Fairfield County TIRC.

Discussion: There was no additional discussion.

The motion carried with Commissioner Levacy abstaining.

#### Motion to approve the minutes from the June 27, 2023, meeting

Carri Brown noted that meeting minutes from June 27, 2023, were available for review online and in the meeting packets distributed today.

On the motion of Stephanie Bosco and the second of Julie Taylor, the TIRC voted to approve the minutes from the June 27, 2023, meeting.

Discussion: There was no additional discussion.

The motion carried unanimously.

**Report of the Enterprise Zone Agreements for Blue Label Packaging:** Rick Szabrak noted that Blue Label Packaging continues to be one of the model companies in Fairfield County. He mentioned wages, growth, and diversification. He shared that Blue Label Packaging has done three different expansions. This included one to expand their warehouse, one to add a warehouse, and the third to renovate their office space. He mentioned that their employment numbers have not quite reached the levels anticipated, but their payroll and wage growth have far exceeded expectations.

Gareth Boyd from Blue Label Packaging provided a report that outlined employee growth, payroll data, and included their non-discriminatory hiring practices. (See attached report.) He spoke about revenue being slightly down this year in both of their divisions. He noted they still had two raises this year for employees and no layoffs. They were able to maintain profitability despite it being a slower year. A large investment on a piece of equipment that is sourced in Israel was delayed due to the ongoing turmoil in the region. Gareth stated this played a part in employment numbers staying flat instead of showing expected growth. The piece of equipment is expected to be delivered later in 2024 and is anticipated to increase job numbers and revenue. He discussed wage growth of 13.76% annually since 2019 to outpace inflationary trends.

David Levacy mentioned that seeing these profitability numbers in the current economy is great to see.

Gareth Boyd stated that the number of customers remained the same but the average order size was down slightly. Distillery customers did not have to fill their warehouses as quickly as in previous years, but the company anticipated that to change this upcoming year.

Steve Davis asked if there are any other products the company is labelling or would like to label in the future, and Gareth Boyd mentioned that the company has considered wineries.

Steve Davis mentioned that Blue Label Packing was thinking of opening a western United States operation and asked if that is still a consideration.

Gareth Boyd stated they have considered a western United States location, but that type of expansion is still just an idea. They currently have one employee in the State of Washington who serves as their representative to their west coast clients. He noted the biggest change to their labelling will be that they will be printing directly on to cans within the next six to eight months.

Rick Szabrak asked if everything was still on track with new equipment or if more delays are to be expected.

Gareth Boyd stated they are seeing the last of the delays and expected an October or November arrival on their large piece of equipment.

Carri Brown noted the volunteer time off program and asked if that could be explained.

Gareth Boyd discussed partnering with the United Way to find out where volunteers were needed around the community. He mentioned having many employees volunteer for the United Way Day of Action this previous year and their ability to contribute to Habitat for Humanity.

Carri Brown asked what the turnover is like at the company and Gareth Boyd stated the company is an industry leader regarding turnover with only 8 employees leaving. They were able to fill those positions.

Carri Brown asked what the main challenges are facing the company and what could be done to help.

Gareth Boyd stated that a main challenge was with recycling legislation and requirements of that legislation. He clarified that recycling legislation seemed to be state by state and differs by location. He indicated it was an issue that was being reviewed federally, at the state level, and at the local level. They have made efforts to increase their recycling. He mentioned they do not have the volume to have a truck at their location.

David Levacy asked if this was about their plastics and if Gareth could clarify the type of recycled materials being regulated.

Gareth Boyd indicated this involved much of their roll stock. He mentioned a "UPS map change" that has impacted Lancaster heavily. The one-day map has been changed and places like Pittsburgh are no longer included.

**Report of Compliance with Non-Discriminatory Policies:** Andrew Boyd went on to describe Blue Label Packaging's non-discriminatory employment policies and practices. They are focused on the importance of diversity and recognize that they need to pull employment talent from other diverse communities.

# Motion to accept the reports, acknowledge compliance with the agreements, and recommend continuance of the tax incentives

On the motion of Stephanie Bosco and second of Holly Mattei, the TIRC voted to accept the reports, acknowledge compliance, and recommend continuance of the tax incentives.

Discussion: Steve Davis noted that he knows others get hung up on larger companies in the region, but he believes Blue Label Packaging is the best story in the county.

The motion carried unanimously.

# For Fairfield County/ Violet Township

Update on the Community Reinvestment Area in Violet Township: Rick Szabrak talked about the Community Reinvestment Area (CRA) in Violet township and the related agreement with DHL. He stated that a representative from DHL was not invited because they have not completed their building and are not receiving any tax benefits yet. DHL is currently on track to finish this summer (2024). This is a \$55 million investment and DHL has committed to 200 jobs. He mentioned that DHL agreed to a Payment In-Lieu of Taxes (PILOT) to pay both Pickerington Local Schools and Eastland-Fairfield Career and Technical Schools for 15 years. The amount will be approximately \$150,000 a year with the majority going to Pickerington Local Schools and a percentage going to Eastland-Fairfield Career and Technical Schools. He also mentioned that DHL will be contributing approximately \$2,000,000 for road improvements to the Basil-Western Road corridor which will help to spur more development in the CRA. There are several other development projects being discussed in the vicinity of the DHL project, with one expected to be finalized in the coming weeks. Rick Szabrak stated that he anticipated an additional 800,000 square feet of industrial and logistical buildings along the corridor and in the CRA. He mentioned that he appreciated the numerous partnerships built with the schools and Violet Township to make these projects happen and noted that this is the first large scale project of its kind in the county. There is no activity to review for the Fairfield County/Violet Township TIRC.

Carri Brown affirmed that Rick and his team will communicate about the nondiscriminatory policies at the appropriate time as it is a requirement.

She also noted the potential for other school districts to be involved in future agreements, and Rick Szabrak confirmed Canal Winchester Schools would be involved in future agreements along the Basil-Western Road corridor.

# For Greenfield Township (No Activity in 2022 or 2023)

Carri Brown stated that there was no activity for the Greenfield Township TIRC, and at the time when there was activity to review, those involved would be invited, as this is another part of the TIRC.

**2024** Fairfield County TIRC Meeting Date & Location: The next meeting of the Fairfield County TIRC is scheduled for June 24, 2025, at 1:00 pm at 108 N. High St., Floor 2, Lancaster, OH 43130.

# Motion to Adjourn

On the motion of Julie Taylor and second of Jeff Porter, the TIRC voted to adjourn at 1:26 pm. The motion carried unanimously.

Recorded by Anthony Iachini on June 25, 2024