

MEETING MINUTES
MISSOURI DEVELOPMENT FINANCE BOARD

Port KC Headquarters
110 Berkley Plaza
Kansas City, MO 64120

October 18, 2022

The Missouri Development Finance Board met in regular session on Tuesday, October 18, 2022, beginning at 10:30 a.m. Notice of the meeting was duly posted as required by Section 610.020 RSMo at the MDFB principal office.

The following members and officers of the Board were present or absent at the meeting as follows:

Marie J. Carmichael	Chair	Present
Matthew L. Dameron	Vice Chair and Member	Present
John E. Mehner	Treasurer and Member	Present *
Brent Buerck	Secretary and Member	Present
Dan Cranshaw	Member	Absent
John Parry	Member	Present
Rick Holton, Jr.	Member	Present *
Mike Kehoe	Lieutenant Governor and Member	Present *
Maggie Kost	Director, Dept. of Economic Development and Member	Present
Chris Chinn	Director, Dept. of Agriculture and Member	Absent
Dru Buntin	Director, Dept. of Natural Resources and Member	Absent
Mark Stombaugh	Executive Director and Assistant Secretary	Present

*Participated via WebEx

Chair Carmichael called the meeting to order and declared a quorum was present. In addition to the above members, attendees were:

Board Staff: Erica Griffin, Kimberly Martin, Cheryl Kerr

Board Counsel: Erick Creach

Others Present: Hannah Humphrey, Department of Natural Resources; Mackenzie Smith Ledet and Sean Parks, James Hardie Building Products; Jon Giokas, Husch Blackwell; Chris Roepe, Bardgett & Associates; Todd Tracy, Jefferson County; Subash Alias and Deborah Price, Missouri Partnership and Janet Wilding, Greater St. Louis, Inc.

I. Secretary's Report

Secretary Buerck

Secretary Buerck presented for approval the minutes from the September 20, 2022 meeting. The minutes were included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Vice Chair Dameron made a motion to approve the minutes as presented. Member Parry seconded the motion.

By unanimous consent, Chair Carmichael declared the motion passed.

II. Treasurer's Report

Treasurer Mehner

Treasurer Mehner presented for approval the Treasurer's Reports as of and for the twelve months ending June 30, 2022 and for the one month ending July 31, 2022. The Treasurer's Report was included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Vice Chairman Dameron made a motion to approve the Treasurer's Report as presented. Secretary Buerck seconded the motion.

By unanimous consent, Chair Carmichael declared the motion passed.

III. Department of Economic Development

Director Kost

Acting Director Kost provided an update on the ARPA programs that the Department is responsible for, stating that applications are now being accepted for the Workforce Development and Community Development programs while the application period for the Broadband program is now closed.

Acting Director Kost also referenced the upcoming Missouri Economic Development Council conference where the Department would be looking to gain public feedback on the draft guidelines for the Industrial Site Development Program.

IV. Department of Natural Resources

Director Buntin

Hannah Humphry, on behalf of Director Buntin, reported that the Department of Natural Resources continues to stay busy working with the ARPA funding applications. Ms. Humphry stated that they have received 1001 applications requesting more than \$2.4 billion in project funding. She added that there is only \$410 million available so they will be relying on a fairly complex scoring system in order to select the most deserving applicants for the funding.

Ms. Humphry also reminded the group that the Department still has the State Revolving Fund available to provide assistance with infrastructure projects. There is currently \$600 million committed to Wastewater projects and \$129 million committed to Drinking Water projects out of this fund.

V. Lt. Governor's Report

Lt. Governor Kehoe

Lt. Governor Kehoe expressed his apologies for missing this year's board retreat and stated that he had just finished a busy and successful Buy Missouri week with the 500th company being announced last week.

Lt. Governor Kehoe commented on the special legislative session that wrapped up last month noting that both the Omnibus Agriculture Bill and a permanent tax cut for Missourians had been passed.

Lt. Governor Kehoe spoke of upcoming activities to recognize Veterans Day and bring awareness to what our heroes have done. Lt. Governor Kehoe also spoke of the upcoming Honor Flight which he would be chaperoning.

Lt. Governor concluded with an update on the Alzheimers Task Force who intend to have a report to the Governor by the end of the year.

VI. New Business

A. James Hardie Building Products, BUILD Application Resolution of Intent

Kimberly Martin

Ms. Martin introduced the James Hardie Building Products BUILD Application and project team. Ms. Martin noted that the project consists of the construction of a new facility and is anticipated to create 238 new jobs over the next three years and invest approximately \$404,000,000 at this location.

Ms. Martin invited Mackenzie Smith Ledet with James Hardie Building products to begin the presentation of the project to the Board. Ms. Ledet provided a brief overview of the James Hardie company, noting that they are the leading US manufacturer of fiber cement building products for residential homes, multifamily dwellings and commercial buildings. Ms. Ledet stated that the company was founded in 1888 in Australia, with US manufacturing operations beginning in 1989, this proposed facility will mark the company's eleventh opening in North America.

Ms. Ledet commented on some of the aspects that make James Hardie products so appealing to customers, including; exterior design and curb appeal, superior durability, low maintenance, outstanding customer support and a trusted reputation.

Ms. Ledet also spoke of the company's commitment to being an asset to the communities they locate in, sharing statistics relating to the sourcing of raw materials locally and efforts to hire local talent. She also commented on the company's desire to positively impact the people and families in the communities in which they operate and to respond to specific needs related to housing and community resilience within those communities.

Ms. Ledet outlined the details of the BUILD application and the project to locate in Crystal City, commenting on the commitment to create 238 new jobs. She invited her team member Sean Parks to provide details on the project site and its proximity to necessary infrastructure.

Member Holton asked if there would be expansion capabilities at this project location. Mr. Parks responded that this project is considered to be phase 1 at this location with an expansion phase being explored.

Member Buerck asked if this facility would be in operation 24 hours a day. Mr Parks confirmed that this is what is planned for this facility.

Lt. Governor Kehoe and Chair Carmichael both applauded the company for the jobs and salaries committed to this project, adding that this will provide great opportunities for job-seekers in that area.

Director Kost thanked the local partners for their work to secure this project.

Lt. Governor Kehoe made a motion to approve the project as presented as adopt the following Resolution of Intent:

RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD PRELIMINARILY APPROVING A PROJECT FOR JAMES HARDIE BUILDING PRODUCTS, INC., AND DETERMINING THE INTENT OF THE BOARD TO ISSUE ITS BUILD MISSOURI REVENUE BONDS IN A PRINCIPAL AMOUNT OF APPROXIMATELY \$2,582,700 TO FINANCE A PORTION OF THE COSTS OF THE PROJECT.

Director Kost seconded the motion. The following roll call vote was recorded.

Aye: Dameron, Mehner, Buerck, Parry, Holton, Kehoe, Kost, and Carmichael

Nay: None

Absent: Cranshaw, Chinn and Buntin

Chair Carmichael declared the motion passed.

B. Approval of FY2022 Annual Comprehensive Financial Report

Erica Griffin

Ms. Griffin presented for approval the MDFB FY2022 Annual Comprehensive Financial Report. Ms. Griffin noted that Williams-Keepers issued an unmodified “clean” opinion. The Audit Committee met October 17, 2022 and approved the draft FY2022 Annual Comprehensive Financial Report.

Vice Chair Dameron made a motion to approve the FY2022 Annual Comprehensive Financial Report as presented. Member Parry seconded the motion. The following roll call vote was recorded.

Aye: Dameron, Mehner, Buerck, Parry, Holton, Kehoe, Kost, and Carmichael

Nay: None

Absent: Cranshaw, Chinn and Buntin

Chair Carmichael declared the motion passed.

CLOSED SESSION

Treasurer Mehner made a motion to go into closed session to discuss real estate matters as authorized by Section 610.225 RSMo (2). Vice Chairman Dameron seconded the motion. The following roll call vote was recorded to go into closed session:

Aye: Dameron, Mehner, Buerck, Parry, Holton, Kehoe, Kost, and Carmichael

Nay: None

Absent: Cranshaw, Chinn and Buntin

Chair Carmichael declared the motion passed.

Upon completion of discussion and with no votes being taken, Secretary Buerck made a motion to move the meeting back into open session. Treasurer Mehner seconded the motion. The following roll call vote was recorded:

Aye: Mehner, Buerck, Parry, Holton, Kehoe, Kost, and Carmichael

Nay: None

Absent: Dameron, Cranshaw, Chinn and Buntin

Chair Carmichael declared the motion passed.

OPEN SESSION

VII. Executive Director's Report

Mark Stombaugh

Mr. Stombaugh thanked everyone for their time and especially for the opportunity to spend additional time with the Board during the retreat. He thanked the rest of the staff team who were so helpful getting everything put together for the days in Kansas City and also the team at Port KC for their hospitality.

Following the approval of the exciting James Hardie project, Mr. Stombaugh indicated that there were still a couple of proposal commitments outstanding which may move forward before the end of the year. Likewise, the pending tax credit project for Jefferson City and Cole County will be ready for action at the next meeting.

Mr. Stombaugh updated the group on a change to their November Meeting schedule. The meeting will be moved from the 15th of November to Tuesday December 6th. Stombaugh asked the Board to continue to hold the third Tuesday date, the 20th, as well with the intent of holding a virtual meeting before the holidays for any action items, if necessary.

VII. Adjournment

There being no further business before the Board, Member Parry made a motion to adjourn the meeting. Director Kost seconded the motion. By unanimous consent, Chair Carmichael declared the motion passed and the meeting adjourned.

Secretary Buerck