

CHAIR:
MARIE J. CARMICHAEL

MEMBERS:
MATTHEW L. DAMERON
BRENT T. BUERCK
DAN E. CRANSHAW
JOHN M. PARRY
RICK HOLTON JR.
JONAS P. ARJES
JESSICA L. CRAIG

EXECUTIVE DIRECTOR:
MARK STOMBAUGH



EX-OFFICIO MEMBERS:
MIKE KEHOE
LIEUTENANT GOVERNOR

MAGGIE KOST
ACTING DIRECTOR,
ECONOMIC DEVELOPMENT

CHRIS CHINN
DIRECTOR, AGRICULTURE

DRU BUNTIN
DIRECTOR,
NATURAL RESOURCES

MISSOURI DEVELOPMENT FINANCE BOARD

MEETING MINUTES MISSOURI DEVELOPMENT FINANCE BOARD

Governor Office Building
200 Madison Street, Room 1010
Jefferson City, Missouri

April 18, 2023

The Missouri Development Finance Board met in regular session on Tuesday, April 18, 2023, 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
Brent Buerck	Secretary and Member	Present
Dan Cranshaw	Member	Present *
John Parry	Member	Present
Rick Holton, Jr.	Member	Absent
Mike Kehoe	Lieutenant Governor and Member	Present *
Maggie Kost	Acting Director, Dept. of Economic Development and Member	Present
Chris Chinn	Director, Dept. of Agriculture and Member	Present *
Dru Buntin	Director, Dept. of Natural Resources and Member	Present
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, Rebecca Teague

Board Counsel: Erick Creach

Others Present: Doug Rasmussen and Evan Glantz, Steadfast City; Nancy Prives and Jason Fry, UMB Bank; Kristin Lamprecht and Steven Rosenzweig, St. Louis Symphony Orchestra participated via WebEx.

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I. Secretary's Report

Secretary Buerck

Secretary Buerck presented for approval the minutes from the February 21, 2023 meeting. The minutes were included in the Board materials distributed in advance of the meeting.

There being no questions, corrections or additions, Secretary Buerck 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

Vice Chair Dameron

Vice Chair Dameron presented for approval the Treasurer's Report as of and for the eight months ended February 28, 2023 along with the report for the seven months ended January 31, 2023. The Treasurer's Report was included in the Board materials distributed in advance of the meeting.

Vice Chair Dameron highlighted two things that happened outside this meetings reporting period. First, in March, the Executive Committee met and voted to approve a \$70,000 expenditure for additional cameras and safety equipment in the garages in St. Louis. Second, also in March, the St. Louis Regional Sports Authority (RSA) fully repaid a \$1,500,000 line of credit allowing MDFB to effectively close out this line of credit. He explained that both of those items will be in the next Treasurer's report but he did want to flag them for the Board.

There being no questions, corrections or additions, Member Parry 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 spoke of the current Legislative Session and expressed a positive outlook on the budget and hopes for completion of the Senate markup this week.

Acting Director Kost stated that they are in the final stretch of awarding their ARPA Grant funding. Tourism grants were awarded the previous week and Site Development Grants are next to finalize. Acting Director Kost expressed her excitement for these projects and the benefits they will bring across the state.

IV. Department of Agriculture

Director Chinn

Director Chinn commented that she would be attending Vaisakhi today, an event that our State Treasurer is hosting at the Capital to educate and celebrate the Indian cultures spring harvest festival.

Director Chinn gave an update on the Black Vulture issue, stating that the Department is working on an MOU with the University of Missouri to provide education and outreach. The Department of Agriculture also has a cooperative agreement with the USDA Wildlife Services to help provide solutions for farmers dealing with these birds, which are protected by the Migratory Act of 1918.

High Path Avian Influenza continues to be an ongoing issue this spring, but the Department of Agriculture thinks the migratory season is over. There were only three outbreaks this year and they were all in backyard flocks.

Director Chinn expressed that spring planting has started and is ahead of pace from the same time last year with corn at 30%, soybeans at 5% and rice at 30%. Reports show that our wheat crop is at 72% “Good or Excellent rated,” versus our 57% last year. Grape growers are watching temperatures with concerns of a late frost and the potential to affect their harvest.

V. Department of Natural Resources

Director Buntin

Director Buntin gave an update on the Department's Water Grant Projects, stating that they received their first executed contract, which happens to be with one of the smallest communities involved in these projects.

Director Buntin also commented that the precipitation over the winter was substantial enough to abate the drought to some extent, but there is still some concern when you look at drought in the west and reservoir levels. With fairly dry conditions, we are still dependent on releases from the Missouri River reservoirs. This means the Department will have to keep an eye on them, in regards to commercial navigation and freight movements on the Mississippi River.

VI. Lt. Governor's Report

Lt. Governor Kehoe

Lt. Governor Kehoe gave an update on the Women's Achievement Awards that concluded near the end of March. He expressed his admiration for the women chosen to receive these Awards and appreciation for his office staff for their hard work and discipline in putting this event together, hosted at the Capital and Governor's Mansion.

Lt. Governor Kehoe announced that this years' Buy Missouri event was happening at the Capital this week. This event will give some of the Buy Missouri companies a chance to visit with their legislators and help give exposure to the program as they showcase their products and services.

Lt Governor Kehoe explained that the Senate is currently working through the budget, with just a few more weeks to go in regular session.

Lt. Governor Kehoe noted that he, along with Director Buntin, plans to visit several state parks across Missouri this summer during the Flapjack Tours. He stated these tours are meant to promote Missouri State Parks, and that Missouri is one of only seven states in the nation with a state park system that remains free of charge.

VII. Old Business

- A. American Foods Group, LLC, now known as America’s Heartland Packing, LLC, – BUILD Application Final Authorizing Resolution Kimberly Martin

Ms. Martin reported the Board adopted a preliminary resolution expressing its intent to issue BUILD Bonds for the American Foods Group, LLC at its November 16, 2021 meeting. Ms. Martin stated that the project consists of the construction of an approximately 500,000 square foot beef production facility, related site and infrastructure improvements as well as the acquisition of property in Warren County, located near the City of Foristell.

Ms. Martin reported that the company is now known as America’s Heartland Packing, LLC, but that all other aspects of the project remain the same. America’s Heartland Packing will add a minimum of 1,363 jobs over the next three years and make an investment of approximately \$450,000,000. Staff recommended approval of the Final Authorizing Resolution for Bonds not to exceed \$15,069,800.

Member Parry made a motion to approve the project as presented and adopt the following Authorizing Resolution:

RESOLUTION AUTHORIZING THE MISSOURI DEVELOPMENT FINANCE BOARD TO ISSUE ITS BUILD MISSOURI REVENUE BONDS (AMERICA’S HEARTLAND PACKING, LLC PROJECT), IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,069,800 FOR THE PURPOSE OF PROVIDING FUNDS TO MAKE A LOAN TO FINANCE A PORTION OF THE COSTS OF AN ECONOMIC DEVELOPMENT PROJECT FOR THE BENEFIT OF AMERICA’S HEARTLAND PACKING, LLC; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.

Lt. Gov. Kehoe seconded the motion. The following roll call vote was recorded.

Aye: Dameron, Buerck, Cranshaw, Parry, Kehoe, Kost, Chinn, Buntin and Chair Carmichael

Nay: None

Absent: Holton

Chair Carmichael declared the motion passed.

B. URBN SR, LLC – BUILD Application Kimberly Martin
Final Authorizing Resolution

Ms. Martin reported the Board adopted a preliminary resolution expressing its intent to issue BUILD Bonds for the URBN SR, LLC at its January 17, 2023 meeting. Ms. Martin noted the URBN SR, LLC project (also known as Project Nuuly) consists of machinery and equipment purchases and the development of a new warehousing and distribution facility in Raymore, Missouri.

Ms. Martin stated URBN SR, LLC is committed to adding a minimum of 618 jobs over the next 3 years and will make an investment of approximately \$60,000,000. All aspects of the project remain as initially presented. Staff recommended approval of the Final Authorizing Resolution for Bonds not to exceed \$3,000,000.

Director Buntin made a motion to approve the project as presented and adopt the following Authorizing Resolution:

RESOLUTION AUTHORIZING THE MISSOURI DEVELOPMENT FINANCE BOARD TO ISSUE ITS BUILD MISSOURI REVENUE BONDS (URBN SR LLC PROJECT), IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$3,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO MAKE A LOAN TO FINANCE A PORTION OF THE COSTS OF AN ECONOMIC DEVELOPMENT PROJECT FOR THE BENEFIT OF URBN SR LLC; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.

Member Parry seconded the motion. The following roll call vote was recorded.

Aye: Dameron, Buerck, Cranshaw, Parry, Kehoe, Kost, Chinn, Buntin and Chair Carmichael

Nay: None

Absent: Holton

Chair Carmichael declared the motion passed.

- C. St. Louis LCRA – St. Louis Symphony Orchestra Kimberly Martin
Tax Credit for Contribution Application

Ms. Martin presented to the Board the tax credit application from the St. Louis LCRA for the benefit of the St. Louis Symphony Orchestra. They are requesting \$1,500,000 in tax credits to raise \$3,000,000 in contributions towards their total project cost of approximately \$133,000,000. Ms. Martin stated that the project was initially presented at the February 21, 2023 Board Meeting and the application details the plans for the renovation and expansion of the historic Powell Hall, located in the Grand Center Arts District. Staff continued to work with them and with no significant changes to the project, are asking for the approval of the \$1,500,000 in tax credits.

Lt. Gov. Kehoe made a motion to approve the project as presented and adopt the following Authorizing Resolution:

**RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD
MAKING CERTAIN FINDINGS AND DETERMINATIONS; APPROVING
OF THE ISSUANCE OF TAX CREDITS PURSUANT TO THE TAX
CREDIT STATUTE; AND AUTHORIZING THE EXECUTION OF
CERTAIN DOCUMENTS IN CONNECTION WITH SUCH APPROVAL.**

Vice Chair Dameron seconded the motion. The following roll call vote was recorded.

Aye: Dameron, Buerck, Cranshaw, Parry, Kehoe, Kost, Chinn, Buntin
and Chair Carmichael

Nay: None

Absent: Holton

Chair Carmichael declared the motion passed.

- D. Contribution Tax Credit Pilot Program – Adoption Mark Stombaugh

Chair Carmichael introduced to the Board the Tax Credit for Contribution Pilot Program revisions prepared by Director Stombaugh and Staff.

Mr. Stombaugh explained the goals for the revisions were to fine tune three aspects of the program. The first, being to narrow down the population targets for this program to cities of 20,000 or less and counties with 50,000 or less.

The second was including additional detail to set the expectation, or policy guidance, for the amount of fundraising, or local match support, to be a minimum of 25%. He explained that ultimately, staff would seek the same 50/50 level of contributions as we do on any project, if possible. Finally, the third revision was to reinforce that the Board will retain authority to approve, not approve, or condition any award.

Mr. Stombaugh reported that the guidelines were further revised to reinforce eligibility for projects and explained that the same definitions used in the tax credit program would be applied. He explained that the guidelines were also revised to more clearly state that staff would be available to support and assist in the fundraising process.

The Resolution recommended for adoption establishes the Pilot Program. It allocates \$500,000 of the 2023 tax credit allocation, combined with \$500,000 of unencumbered funds from the Industrial Development Reserve Fund, in hopes of leveraging up to \$1,500,000 for these projects.

Mr. Stombaugh noted that staff is considering targeted outreach to communities and customers. He also stated that he anticipated the Board would be in a position to review applications after the start of the Fiscal Year, July 1, 2023.

Member Parry inquired as to what mechanism the Board would use to know when projects were completed. Mr. Stombaugh and Ms. Martin responded that when we issue tax credits, all projects include a Tax Credit Agreement; outlining responsibilities, timeline and compliance. Compliance reporting including proof of cost incurred, engineers report or contractors request for payment as well as individual site visits would confirm project completion dates.

Member Parry questioned whether an applicant would have the flexibility to use funds already awarded on another project if a more critical need arose. It was confirmed that without requesting an amendment to the agreement, the funds would have to go to the specific project for which it was approved.

Director Buntin stated that he anticipates the Department of Natural Resources will be passing some water infrastructure and energy related funding programs over the next few years and may have the opportunity to leverage other funding programs along with this grant and asked for continued communication about those opportunities as this program progresses.

Mr. Stombaugh agreed and noted plans to coordinate with his team as well as the other Directors. He stated that they have spoken some about other programs available, and that this Pilot Program is not designed to duplicate other programs but will hopefully help to augment other programs within the departments.

Chair Carmichael noted that she would prefer this program support the type of projects that build facilities to benefit the public rather than sewer/water lines that would apply to our other loan programs already in place.

Vice Chair Dameron stated that he questions whether there should be flexibility in the population targets vs. the strict limiting language. Director Kost commented that the Department of Economic Development has had the same concerns in some of their new programs but concluded that there needs to be a definite threshold to remove any gray area for the team to administer.

The members discussed and agreed that the restrictions on population size could be revisited and adjusted later if necessary. They also noted that applicants outside of the population restrictions could still apply for the existing Tax Credit for Contribution Program, but they would not have the extra assistance in fundraising.

Member Parry made a motion to approve the project as presented and adopt the following Authorizing Resolution:

**RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD
MAKING CERTAIN FINDINGS AND DETERMINATIONS; APPROVING
OF THE ISSUANCE OF TAX CREDITS PURSUANT TO THE TAX
CREDIT STATUTE; AND AUTHORIZING THE EXECUTION OF
CERTAIN DOCUMENTS IN CONNECTION WITH SUCH APPROVAL.**

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

Aye: Dameron, Buerck, Cranshaw, Parry, Kehoe, Kost, Chinn, Buntin
and Chair Carmichael

Nay: None

Absent: Holton

Chair Carmichael declared the motion passed.

CLOSED SESSION

Vice Chair Dameron made a motion to go into closed session pursuant to RSMo. Section 610.021(1) (2) (13) and RSMo. Section 620.014. Secretary Buerck seconded the motion. The following roll call vote was recorded to go into closed session:

Aye: Dameron, Buerck, Cranshaw, Parry, Kehoe, Kost, Chinn, Buntin and Chair
Carmichael

Nay: None

Absent: Holton

Chair Carmichael declared the motion passed and the Board entered closed session.

Lt. Governor Kehoe disconnected from the meeting during closed session.

Upon completion of the matters, Secretary Buerck made a motion to move the meeting back into open session. Member Parry seconded the motion. The following roll call vote was recorded:

Aye: Dameron, Buerck, Cranshaw, Parry, Kost, Buntin and Chair Carmichael

Nay: None

Absent: Holton, Kehoe and Chinn

Chair Carmichael declared the motion passed

OPEN SESSION

Director Chinn and Member Cranshaw disconnected from the meeting resulting in the Board no longer having a quorum.

VIII. New Business

A. Election of Officers Chair Carmichael

Chair Carmichael reported that after discussion with Mr. Creach, it has been decided that the election of officers will be moved to align with the addition of the two new members to the Board.

She stated that current officers had informed her of their interest in new positions, and to match those requests she proposed Brent Buerck as Vice Chair; Matt Dameron as Treasurer; and John Parry as Secretary. Chair Carmichael stated that she would also consider nominations and request action at the next meeting.

B. Approval of LCRA Extension Mark Stombaugh

Due to the loss of a quorum, the LCRA Extension discussion and any action will be taken at a future meeting.

IX. Executive Director's Report Mark Stombaugh

Director Stombaugh noted that there have been two recent appointments to the Board, who are awaiting their confirmation hearing and will then be considered for approval by the full Senate. He provided brief information on Ms. Jessica Craig and Mr. Jonas Arjes.

Mr. Stombaugh provided updates on the project pipeline and informed the Board of a few anticipated presentations and action items for upcoming meetings.

X. Adjournment

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

Secretary Buerck