

CHAIR:
MARIE J. CARMICHAEL

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

EXECUTIVE DIRECTOR:
MARK STOMBAUGH



EX-OFFICIO MEMBERS:
MIKE KEHOE
LIEUTENANT GOVERNOR

MICHELLE HATAWAY
DIRECTOR,
ECONOMIC DEVELOPMENT

CHRIS CHINN
DIRECTOR, AGRICULTURE

DRU BUNTIN
DIRECTOR,
NATURAL RESOURCES

MISSOURI DEVELOPMENT FINANCE BOARD

MEETING MINUTES MISSOURI DEVELOPMENT FINANCE BOARD

The Chase Park Plaza Hotel
Waterman Meeting Room
212 N. Kingshighway Blvd.
St. Louis, Missouri

October 15, 2024

The Missouri Development Finance Board met in regular session on Tuesday, October 15, 2024, beginning at 09:30 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
Brent Buerck	Vice Chair and Member	Present
Matthew L. Dameron	Treasurer and Member	Present*
John Parry	Secretary and Member	Present
Dan Cranshaw	Member	Absent
Rick Holton, Jr.	Member	Absent
Jonas Arjes	Member	Present
Jessica Craig	Member	Present
Mike Kehoe	Lieutenant Governor and Member	Absent
Michelle Hataway	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	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: Cheryl Kerr, Rebecca Teague, Charles Miller, Austin Albert, Chris Peters and Katie Long.

Board Counsel: Erick Creach.

Others Present: Jeff Tegethoff, Tegethoff Development; Trevor McDonagh and Peter Czajkowski, Stifel; Peter Palermo, Julie Plowman and Jane Koster, The Sheldon; Mark Spykerman, Gilmore & Bell; Julia Stark and Katie Jenner, Husch Blackwell; Lesley Hoffarth and John O’Gorman, Forest Park Forever; Jeff White, Columbia Capital; Cole Bradbury, Michael Harmison; City of Osage Beach; Becky Ahlvin, Steadfast City; Steve Davis, St. Louis Development Corporation (SLDC). David Bushek and Ryan Elam, City of Lee’s Summit, participated via WebEx.

I. Secretary’s Report Secretary Parry

Secretary Parry presented for approval the minutes from the September 17, 2024, meeting. The minutes were included in the Board materials distributed in advance of the meeting.

There being no questions, corrections or additions, Vice Chair Buerck made a motion to approve the minutes as presented. Member Craig seconded the motion.

By unanimous consent, Chair Carmichael declared the motion passed.

II. Treasurer’s Report Treasurer Dameron

Treasurer Dameron presented for approval the Treasurer’s Report as of and for the twelve months ended June 30, 2024. The Treasurer’s Report was included in the Board materials distributed in advance of the meeting. Treasurer Dameron highlighted a year-to-date statement of net position of approximately \$3,400,000. The increase was attributable, in part, to the Investment Income of \$2,300,000 due to higher interest rates. Participation Fees have shown a significant decrease from the previous year. Operating expenses increased as well, due to the garage improvements and security enhancements.

There being no questions, corrections or additions, Vice Chair Buerck made a motion to approve the Treasurer’s Report as presented. Member Craig seconded the motion.

By unanimous consent, Chair Carmichael declared the motion passed.

III. Department of Economic Development Director Hataway

Director Hataway provided an update on new projects within the State of Missouri and noted the recent announcement of Western Logistics Express in Kansas City, bringing 76 new jobs; CSI Leasing in Weldon Springs, a \$4,800,000 investment bringing 25 new jobs; Procter and Gamble in St. Louis, a \$180,000,000 investment bringing 100 new jobs; Ziess in Chesterfield, a \$24,000,000 investment bringing 40 new jobs; and Four State Bank, \$1,100,000 investment bringing 27 new jobs. She also noted that there are several upcoming projects to be announced in the next few weeks.

Director Hataway noted that the Department of Economic Development is in the final stages of prepping next year's Budget and Legislative Agenda and will be preparing for the upcoming transition of the Missouri Governor.

IV. Department of Agriculture

Director Chinn

Director Chinn provided an update on harvesting. She stated that corn crops are making good progress while in the bootheel, bean crops have been significantly impacted by the recent inclement weather. She noted that with the current drought status in Missouri, rainfall will be crucial to the Missouri and Mississippi River levels and the ability to move the crops to market. Director Chinn noted that although Missouri is experiencing a drought, hay supply is up from last year at this time.

Director Chinn stated that the fall migration is taking place, and the Department of Agriculture's (DOA) Animal Health Division has been focused on biosecurity due to the High Path Avian Influenza issues over the recent years. She also noted that DOA has been working with the United States Department of Agriculture as well as the Department of Conservation to spread awareness about the ongoing black vulture issues and educating farmers on what to do to protect their herd. This is a migratory bird that is federally protected and cannot be destroyed without a permit. Permits from the U.S. Fish and Wildlife Service can be obtained through Missouri Farm Bureau.

V. Department of Natural Resources

Director Buntin

This report was deferred.

VI. Lt. Governor's Report

Lt. Governor Kehoe

This report was deferred.

VII. Old Business

A. City of Lee's Summit – Downtown Market Plaza
Tax Credit for Contribution Application

Katie Long

Ms. Long presented for approval the tax credit application from the City of Lee's Summit for the benefit of the Downtown Market Plaza. The project was initially presented at the September 17, 2024 Board meeting. They are requesting \$3,000,000 in tax credits to assist them in raising \$6,000,000 in contributions. Ms. Long noted that the application details plans for an event space, outdoor performance area, children's playground, restaurant, multi-story apartment complex and a boutique hotel. The estimated total project cost is approximately \$140,000,000. Staff recommends approval of the \$3,000,000 in tax credits.

Secretary Parry made a motion to approve the application as presented and adopt the following 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**

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

Aye: Buerck, Dameron, Parry, Arjes, Craig, Hataway, Chinn, and Chair Carmichael

Nay: None

Absent: Cranshaw, Holton, Kehoe, and Buntin

Chair Carmichael declared the motion passed.

B. St. Louis LCRA Obligation Extension Mark Stombaugh

Mr. Stombaugh reported that the Board made a \$5,000,000 loan to the Land Clearance for Redevelopment Authority of the City of St. Louis (LCRA) in 2010 to help facilitate the redevelopment of One City Centre. Over the last few years, the Board has been working with LCRA on terms to satisfy this obligation.

Mr. Stombaugh stated that this obligation matured April 30, 2023 and was thereafter extended by the Board through September 30, 2024. The Board of Directors of LCRA authorized a resolution at their September 24, 2024 Board meeting to extend the loan for 90 days, or until December 31, 2024. The extension includes a \$200,000 principal reduction payment expected in October, 2024. The Obligation will continue at the same interest rate of 6% with interest only payments through the term of the loan. Staff recommends the approval of an extension through the end of the year, December 31, 2024.

Member Craig made a motion to extend the \$5,000,000 LCRA Loan contingent upon the staff recommended terms. Vice Chair Buerck seconded the motion. The following roll call vote was recorded.

Aye: Buerck, Dameron, Parry, Arjes, Craig, Hataway, Chinn, and Chair Carmichael

Nay: None

Absent: Cranshaw, Holton, Kehoe, and Buntin

Chair Carmichael declared the motion passed.

VIII. New Business

A. St. Louis LCRA – The Sheldon Arts Foundation
Tax Credit for Contribution Application

Katie Long

Ms. Long introduced the St. Louis Land Clearance Redevelopment Authority (LCRA) application for the benefit of the Sheldon Arts Foundation. They are requesting \$1,000,000 in tax credits to assist in raising \$2,000,000 in contributions. The total project is estimated at approximately \$7,800,000. Ms. Long noted that the application details renovation plans to create a more accessible and welcoming facility. Plans include the addition of ADA-accessible features, and the renovation will create a greater capacity to provide educational programs to more students in the area. Ms. Long invited the project team to begin their presentation.

Ms. Becky Ahlvin introduced herself as the Associate Director for Credits and Incentives for Steadfast City. She also introduced The Sheldon's team as Peter Palermo, Executive Director; Julie Plowman, Deputy Director; and Jane Koster, Director of Development.

Ms. Ahlvin stated that the mission of The Sheldon is to ensure that all have access to unique, relevant, and inventive experiences that change lives and strengthen the community through the power of music and art. She provided a brief history of The Sheldon and noted that it has been in existence since 1912, bringing over 100 years of history to the St. Louis area. The Sheldon Arts Foundation was later formed in the 1980's when it was transitioned into a full-time concert venue.

Ms. Ahlvin shared the community impacts and reported that The Sheldon serves nearly 125,000 people from all 50 states and numerous international locations. She noted the concert hall hosts a diverse array of artists, featuring local talents to Academy Award-winning actors. The Sheldon also offers several spaces for community use. She stated that the venue rentals not only benefit the community by offering versatile event spaces but also providing a vital source of income to support The Sheldon's charitable work. The Sheldon introduces approximately 30,000 students from 290 schools to music through their music and art education initiatives each year. They expands opportunities for engaging students in music education by partnering with local schools to offer low or no cost tickets to students at low-income schools. Ms. Ahlvin highlighted the organizations STEAM programs which introduce students to the fundamentals of the science of sound and challenges students to create their own musical instruments. The program provides teachers with professional development training and resources, and students from over 28 zip codes participate in these programs. Approximately 34% of students participating in these programs are classified as low-income and the majority identify as a minority.

Ms. Ahlvin explained that the proposed project will impact four primary areas of The Sheldon. The street presence; by adding a new sign, marquee, and outside lighting. The entryway, lobby, and visitor amenities; by renovating the lobby area with an expanded bar, new hospitality lounge, new restrooms, a new central staircase, and a new art gallery entrance. The first and second floor art galleries; by transforming the space into a more welcoming and flexible space.

Ms. Ahlvin commented on the anticipated impacts of the project to include \$3,800,000 in new economic activity, a 10% increase in concert attendance and events hosted, 30 new construction jobs, 9 new part-time jobs, and a 15% increase in revenue.

Ms. Ahlvin highlighted the Sources and Uses and noted that the total private cost is estimated at \$7,800,000 and includes the capital improvements. She discussed the Sources as being \$2,000,000 in contributions from the anticipated \$1,000,000 in MDFB Tax Credits; \$500,000 in contributions from anticipated NAP Tax Credits; and \$5,000,000 from the project's capital campaign.

The project timeline expects to complete street signage and begin construction in Q1 2025 with a goal of finalizing construction Q3 2025. The grand reopening is anticipated in Q4 2025.

Chair Carmichael questioned the project plans for funding the ongoing maintenance. Mr. Peter Palermo replied that The Sheldon expects the anticipated increase in revenue to be substantial enough to manage the increase in maintenance.

Chair Carmichael thanked the team for their presentation.

B. St. Louis LCRA – Forest Park Forever
Tax Credit for Contribution Application

Katie Long

Ms. Long introduced the St. Louis Land Clearance Redevelopment Authority (LCRA) application for the benefit of Forest Park Forever. They are requesting \$2,000,000 in tax credits to raise \$4,000,000 in contributions with a total project cost of approximately \$81,000,000. She stated that Forest Park Forever began engaging the community in 2018 to gather feedback in their plans to revitalize the eastern portion of the park that contains the Steinberg Ice Rink. The facility is currently only utilized for approximately four months each winter. The renovation will transform the space into an all-season destination with the addition of a welcome plaza that will improve access to the parks east side, boosting the number of visitors from the central west end. Ms. Long invited the project team to begin the presentation.

Ms. Lesley Hoffarth introduced herself as the President and Executive Director and John O’Gorman as Head of Development and Community Initiatives at Forest Park Forever. She stated that the Steinberg Ice Rink is only open for three months of the year as an outdoor wintertime ice skating rink. She provided a brief overview of the history of Forest Park Forever and stated it was formed in 1986 as a friends group and has evolved into a partnership between the community and the City. She noted that MDFB has served an important role by previously providing critical tax credits. She stated the parks current restoration is guided by the City’s 1995 master plan. She stated their public-private partnership outlines funding sources, equal decision-making, and how the park is maintained and operated. She noted that they have recently secured a new 30-year agreement with the city of St. Louis.

Ms. Hoffarth displayed a map and gave a brief explanation of the location of the project within Forest Park. She stated that the Steinberg Rink at the Glade is 22.5 acres and is the most underutilized part of the park. She noted the facility was built in 1957 and the systems are at the end of their useful life. The facility is used for one purpose three months out of the year and is unstaffed and dormant the rest of the year. She stated that Forest Park sees 15,500,000 visitors to the park every year, and this portion of the park only sees 70,000 ice skaters annually. She stated that projections after project completion anticipate 300,000 visitors by 2030.

Ms. Hoffarth stated that they utilized community engagement throughout their feasibility and design process and used those responses in their amenities, design, and programming plans. She shared that the new amenities to facilitate year-round economic activity would include roller-skating, dining and meeting room rental, water play, markets and events; all to improve access, mobility, and esthetics.

Mr. O’Gorman discussed the anticipated economic impact and noted approximately \$73,000,000 in capital investments during construction and supporting 540 jobs per year during that time. After opening as a 12-month destination, they project the economic impact of \$31,000,000 over the first four years, bringing 104 new jobs in 2026 and growing to 125 by 2030.

Mr. O’Gorman stated that Forest Park is one of the top destinations for visitors to the region from throughout the Midwest and around the country. He said these improvements in Forest Park would give visitors and families more family-friendly activities, attracting new families and encouraging those already visiting to extend their trip.

Mr. O’Gorman stated that a goal has been set to raise \$85,000,000 philanthropically, which will cover the design, construction, and cost of fundraising as well as some early operational costs for the project. He shared the goal also includes achieving \$65,000,000 in commitments prior to the start of the project. He stated the timeline has a 19-month construction period with a potential start date of March 2025, and this would follow the upcoming ice-skating season and target a reopening date of October or November 2026, thus only disrupting one season of skating.

Chair Carmichael asked if the master plan has been updated since it dates back to 1995 and is 30 years old. Ms. Hoffarth stated the original plan was broad and outlines the spirit and intent of changes in the park. She stated an amendment to the master plan specifically addresses the vision for year-round activity at the facility, but otherwise is not much different from what was written in 1995.

Secretary Parry inquired about fundraising, and Mr. O’Gorman stated they were raising the money privately from individuals, corporations, and foundations, mostly local foundations. Chair Carmichael asked about the use of their foundation funding, and Mr. O’Gorman stated that endowment dollars are strictly for the operation and maintenance of what exists now and will exist in the future. He stated the organization has three sources of funding; they raise money philanthropically from the community, over \$4,000,000 annually for ongoing operations; endowment funding helps with maintenance; and the new agreement with the City will also help with maintenance. Secretary Parry asked if they would receive any sales tax from the City. Mr. O’Gorman discussed how the 30-year license agreement states they are operating the facility for the City, and any revenue generated from buying concessions, renting skates, etc. will go to Forest Park Forever. Director Hataway stated that there would no other public dollars going into the construction or expansion opportunity other than continued maintenance in the future, and Mr. O’Gorman confirmed that was correct.

Chair Carmichael thanked the team for their presentation.

C. Lakeport Village Project – Osage Beach
Revenue Bonds

Mark Stombaugh

Executive Director Stombaugh stated that the City of Osage Beach and the Developer are asking the Board to consider the issuance of revenue bonds for a governmental tax-exempt issue to help facilitate the public improvements to support the Lakeport Village project. He stated that the development plans include a 400-room Marriott resort hotel and conference center, an indoor/outdoor water park, an amusement park, and a 1,000-space structured parking garage. He noted that the current presentation is strictly informational. Staff will continue to work with the team and will likely request formal approvals at the subsequent Board meeting. The bonds would be a conduit issue, limited obligations of the Board, with no repayment obligation. Mr. Stombaugh noted that there are several revenue sources for this project, including local and State Supplemental Tax Increment Financing (TIF) and invited the project team to begin the presentation.

Jeff Tegethoff with Tegethoff Developments introduced himself as the developer of the project and stated that he has been a lifelong visitor to the Lake of the Ozarks. Throughout the years he has seen a critical need for family-focused entertainment in the area, as well as conference resort hotels and believes the current facilities have suffered due to a lack of capital investment.

Mr. Tegethoff referenced a third-party market study focused on facilities similar to their project and noted their projection of approximately 500,000 visitors a year. He noted that without any previous marketing, the hotel/conference center has currently booked 32 conferences, bringing 20,000 annual room nights with 80% of the reservations coming from outside the state of Missouri.

Mr. Tegethoff stated this project is a \$470,000,000 investment that the team believes will be a catalyst for continued infrastructure investments bringing growth in housing and tourism. He noted that approximately \$70,000,000 worth of site work has been completed. The planned amusement rides include two roller coasters that will be built by the same Dutch company that built one of Walt Disney World's newest coaster rides.

Mr. Tegethoff shared that the water park is a fully glassed-in structure with a retractable roof and 45,000 square feet. The overall site is around 25 acres with a public parking structure and around 200 boat slips. He stated that the site will have approximately 1,000 spaces in the public parking garage as well as an additional 400 parking spaces below the hotel building. Mr. Tegethoff further described the hotel space as a 402-room Marriott Resort with around 30,000 square feet of conference space to host a conference of approximately 1,000 people.

Member Buerck asked Mr. Tegethoff if he had previously developed an amusement park and if it would be self-operated. Mr. Tegethoff stated that he had not and that third party managers would operate each component. More specifically, he shared that they have a 30-year agreement with the Marriott, but it will be operated by Cambridge hospitality who operates 1,500 hotels in North America. He also stated that the water park would be operated by American Resort Management, and Skyview Partners will operate the amusement park.

Chair Carmichael thanked Mr. Tegethoff for his presentation and the project team for their attendance.

D. Approval of FY2024 Annual Comprehensive
Financial Report

Chris Peters

Executive Director Stombaugh introduced the FY2024 Annual Comprehensive Financial Report (ACFR). The report was approved by the Audit Committee with additional copies for the Members distributed during the retreat.

Mr. Peters provided a brief overview highlighting an increase in the overall Net Position of approximately \$3,400,000. The increase was driven by increases in Investment Income of approximately \$1,000,000 due to higher interest rates. He noted that revenue was down compared to the previous year and expenses were higher due to the garage repairs and enhancements.

Chair Carmichael mentioned that she would like to see garage financial projections without the depreciation and profit numbers without maintenance included. She also suggested establishing a maintenance and repair fund for the garages for future use. Mr. Stombaugh noted that previously staff has used condition assessments to project a level of necessary maintenance and repair and allocated that over a number of years and projected those expenses but never separated those funds into a separate account.

Member Craig made a motion to approve the MDFB FY2024 Annual Comprehensive Financial Report. Secretary Parry seconded the motion. The following roll call vote was recorded.

Aye: Buerck, Dameron, Parry, Arjes, Craig, Hataway, Chinn, and Chair Carmichael

Nay: None

Absent: Cranshaw, Holton, Kehoe, and Buntin

Chair Carmichael declared the motion passed.

IX. Executive Director’s Report

Mark Stombaugh

Executive Director Stombaugh expressed appreciation to the staff for their hard work on retreat planning and the Board members for their dedication to attending this year’s retreat.

Mr. Stombaugh provided an update on the project pipeline and noted the potential for a few new project presentations by the end of the year. Staff is expecting to have the regular Board meetings in November and December.

CLOSED SESSION

Secretary Parry made a motion to go into closed session pursuant to RSMo. Section 610.021 (1) (2) (3). Member Craig seconded the motion. The following roll call vote was recorded to go into closed session:

Aye: Buerck, Dameron, Parry, Arjes, Craig, Hataway, Chinn, and Chair Carmichael

Nay: None

Absent: Cranshaw, Holton, Kehoe, and Buntin

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

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

Aye: Buerck, Dameron, Parry, Arjes, Craig, Hataway, Chinn and Chair Carmichael

Nay: None

Absent: Cranshaw, Holton, Kehoe, and Buntin

Chair Carmichael declared the motion passed.

OPEN SESSION

X. Adjournment

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

Secretary Parry