

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, FEBRUARY 13, 2024, 10:00 A.M., CT**

Members Present

Chairman Jeff Erickson, Don Kettering, Matt Judson, Sharon Casey, Mike Luken, Reed Kessler, Joy Nelson, Eric Yunag, Craig Christianson, Brad Moore and Kameron Nelson

Staff Present

Deputy Commissioner Jesse Fonkert, Travis Dovre, Ashley Moore, Jack Valentine, Stephanie Deyo, Nick Rabern, Lexxy Phillips, Joe Fiala, Adam Molseed and Ann Gesick-Johnson

Other Staff Present

Shawn Hofer – BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 10:00 a.m.

Agenda

A motion was made by Craig Christianson and seconded by Joy Nelson to approve the agenda as presented.

Motion passed by a voice vote.

Minutes

A motion was made by Brad Moore and seconded by Mike Luken to approve the minutes of the meetings held January 9, 2024 and February 5, 2024, as presented.

Motion passed by a voice vote.

Conflicts Disclosure

Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. There were none from board members and no objection to proceeding with the agenda.

Public Comments – none

Executive Session

A motion was made by Matt Judson and seconded by Don Kettering to enter into Executive Session at 10:09 a.m. to discuss contractual matters, and to discuss commercial and financial information relating to loan and other assistance applicants. SDCL 1-16G-11

Motion passed by a voice vote.

Executive Session Report

The Chairman declared the board out of Executive Session at 11:03 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters, commercial and financial information and personnel matters relating to loan and other assistance to applicants. No action was taken.

A motion was made by Sharon Casey and seconded by Joy Nelson to approve the Chairman's report from Executive Session.
Motion passed by a voice vote.

Loan Review Summary

NextBeam, LLC and Watertown Development Company

A motion was made by Mike Luken and seconded by Reed Kessler to approve the loan reviews and recommendations as presented.
Motion passed by a voice vote.

Old Business

Watertown Development Company

A motion was made by Eric Yunag and seconded by Brad Moore to approve increasing the REDI loan amount as presented.
Motion passed by a voice vote.

New Business

Hairy Cow Brewing, LLC

A motion was made by Joy Nelson and seconded by Mike Luken to approve a SD Works loan request from Hairy Cow Brewing, LLC in the amount of \$501,924. Secured by a sole second lien position on financed assets and the personal guarantees from principals with 10% or more ownership.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.
Motion passed by a voice vote.

Meridian Holdings, LLC

A motion was made by Sharon Casey and seconded by Reed Kessler to approve a SD Works loan request from Meridian Holdings, LLC in the amount of \$810,000. Secured by a shared first lien position on the project's CRE and the personal guarantees from principals with 10% or more ownership.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.
Motion passed by a voice vote.

Sentry, LLC

A motion was made by Reed Kessler and seconded by Mike Luken to approve a waiver of a loan over \$1,000,000 and approve a REDI loan request from Sentry, LLC in the amount of \$1,275,000. Secured by a pro-rata shared first lien position on equipment, the personal guarantees from principals with 10% or more ownership and a corporate guaranty.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.
Motion passed by a voice vote.

Sentry, LLC

A motion was made by Mike Luken and seconded by Don Kettering to approve a SD Works loan request from Sentry, LLC in the amount of \$637,500. Secured by a second lien position on equipment, the personal guarantees from principals with 10% or more ownership and a corporate guaranty.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.

Motion passed by a voice vote.

Adjourn

A motion was made by Craig Christianson and seconded by Brad Moore to adjourn the meeting at 11:09 a.m.

Motion passed by a voice vote.

Matt Judson, Treasurer