

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, JULY 12, 2023, 10:00 A.M., CT**

Members Present

Chairman Jeff Erickson, Matt Judson, Sharon Casey, Mike Luken, Don Kettering, Tom Jones, Reed Kessler, Joy Nelson, Kevin Tetzlaff, Craig Christianson, Brad Moore, Reynold Nesiba and Kameron Nelson

Staff Present

Commissioner Chris Schilken, Travis Dovre, Ashley Moore, Jack Valentine, Nick Rabern, Nadine Agneau, Stephanie Deyo, Joe Fiala, Curtis Egan and Sarah Ebeling

Other Staff Present

Mike Bietz and Shawn Hofer – BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 10:01 a.m.

Agenda

A motion was made by Joy Nelson and seconded by Sharon Casey to approve the agenda as amended. The amendment to the agenda was to clarify 3M Center's inclusion under Other Motions.

Motion passed by a voice vote.

Minutes

A motion was made by Don Kettering and seconded by Mike Luken to approve the minutes of the meetings held June 14, 2023 and June 29, 2023, as presented.

Motion passed by a voice vote.

Feasibility Study Memo

A motion was made Matt Judson and seconded by Kevin Tetzlaff to approve commissioning a board funded study pursuant to ARSD 68:02:02:20 and direct GOED to start the process of drafting a Request for Proposals.

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 Reed Kessler and seconded by Don Kettering to enter into Executive Session at 10:22 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 10:45 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

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

New Business

SD Works

Kroeplin Air, LLC

A motion was made by Mike Luken and seconded by Joy Nelson to approve a SD Works loan request from Kroeplin Air, LLL in the amount of \$450,000. Secured by a first position mortgage on hanger M and second position mortgage on hanger H 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.

Reinvestment Payment Program

3M Center

A motion was made by Don Kettering and seconded by Kevin Tetzlaff to approve the Reinvestment Payment Program grant application to 3M Center as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment up to \$14,976,206 but not to exceed 100% percent of State Sales/Use Tax paid on eligible project costs, is approved for 3M Center. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.
Motion passed by a voice vote.

Adjourn

A motion was made by Mike Luken and seconded by Kevin Tetzlaff to adjourn the meeting at 10:50 a.m.
Motion passed by a voice vote.

Matt Judson, Treasurer