

**BOARD OF ECONOMIC DEVELOPMENT
BHR CAPITOL CONFERENCE ROOM B20, PIERRE, SD
WEDNESDAY, JANUARY 13, 2021, 10:00 A.M., CT**

Members Present

Chairman Jeff Erickson, Matt Judson, Sharon Casey, Mike Luken, Don Kettering, Tom Jones, Joy Nelson, Eric Yunag, Pat Burchill, Kevin Tetzlaff and David Emery

Staff Present

Commissioner Steve Westra, Deputy Commissioner Mary Lehecka Nelson, Cassie Stoesser, Ashley Moore, LaJena Gruis, Cassidy Kulesa, Terri LaBrie, Dale Knapp, Natalie Likness, Joe Fiala, Brenna Block and Tanner Beukleman

Other Staff Present

Andrew Coppersmith and Mike Bietz - 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 Don Kettering to approve the agenda as presented.

Motion passed by a roll call vote.

Minutes

A motion was made by Pat Burchill and seconded by Mike Luken to approve the minutes of the meetings held December 9, 2020 and January 4, 2021, as presented.

Motion passed by a roll call vote.

Conflicts Disclosure

Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. Joy Nelson declared a potential conflict with The Plains Apartments, LLC as she is real estate broker on the land being purchased and she would not partake in the discussion or vote on the project. The Chairman opened up the floor for questions and discussion concerning the potential conflicts; there were none from board members and no objection to proceeding with the agenda.

Public Comments – none

Executive Session

A motion was made by Sharon Casey and seconded by Don Kettering to enter into executive session at 10:17 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. SDCL 1-25-2(4) and SDCL 1-16G-11.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the board out of executive session at 10:46 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 Matt Judson and seconded by Mike Luken to approve the Chairman's report from executive session.
Motion passed by a roll call vote.

Old Business

Hydrogreen, Inc.

A motion was made by Pat Burchill and seconded by Don Kettering to approve a one-year extension as presented.
Motion passed by a roll call vote.

MinKota Fisheries, Inc.

A motion was made by Joy Nelson and seconded by Eric Yunag to approve an extension to the loan schedule as presented.
Motion passed by a roll call vote.

Purity Seeds, LLC

A motion was made by Don Kettering and seconded by Sharon Casey to approve an extension to the payment modification with a 1% interest rate as presented.
Motion passed by a roll call vote.

Tech V, LLC

A motion was made by Don Kettering and seconded by Matt Judson to approve the request to forgive the loan as presented.
Motion passed by a roll call vote.

New Business

The Plains Apartments, LLC

A motion was made by Pat Burchill and seconded by Mike Luken to approve the waiver for a loan over \$1,000,000 and a loan request from The Plains Apartments, LLC in the amount of \$12,820,534. Secured by 35% in a shared first position with participating lender, 10% in a sole second position and the limited personal guaranty of 125% ownership for all owners.

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 roll call vote with Joy Nelson abstaining.

Reinvestment Payment Program

Norway Pork OP, LLC

A motion was made by Don Kettering and seconded by Tom Jones to approve the Reinvestment Payment Program grant application to Norway Pork OP, LLC 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 of \$651,600 but not to exceed the State Sales/Use Tax paid on eligible project costs, is approved for Norway Pork OP, LLC. 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 roll call vote.

Bills

A motion was made by Eric Yunag and seconded by Joy Nelson to approve the bill payable to Department of Legislative Audit in the amount of \$15,551.05 for the 2020 Audit.
Motion passed by a roll call vote.

Adjourn

The Chairman adjourned the meeting at 10:56 a.m.


Matt Judson, Treasurer