

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, JANUARY 12, 2022, 8:30 A.M., CT**

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**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, JANUARY 12, 2022, 8:30 A.M., CT**

**Motion Sheet**

Please note times:

Call To Order: \_\_\_\_\_

Executive Session \_\_\_\_\_

Regular Session \_\_\_\_\_

Adjournment \_\_\_\_\_

**Board  
Members:**

*Jeff Erickson*

(STAFF RECOMMENDATIONS)

*Matt Judson*    **Agenda**

Motion to approve the agenda as presented.

*Sharon  
Casey*

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

*Mike Luken*

**Minutes**

*Ted Hustead*    Motion to approve the minutes of the meetings held December 8, 2021 and January 3, 2022, as presented

*Don  
Kettering*

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

*Tom Jones*

**Conflicts of Interest Disclosures**

*Reed Kessler*

**Public Comments**

*Joy Nelson*

**Commissioners Comments**

*Eric Yunag*

*Pat Burchill*    **Executive Session**

Motion to enter into executive session to consult with legal counsel concerning contractual matters, to discuss contractual matters, and to discuss commercial and financial information relating to loan and other assistance applicants

*Kevin  
Tetzlaff*

*David Emery*

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Non-Voting**

**Chairman: Declare board out of executive session. [         a.m.]. Chairman: The BED entered into executive session to consult with legal counsel concerning contractual matters, to discuss contractual matters, and to discuss commercial and financial information relating to loan and other assistance applicants**

*Senator  
Reynold  
Nesiba*

*Senator  
Casey  
Crabtree*

**Motion to approve the chairman's report from executive session.**

*Representative  
Jennifer Keintz*

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Reviews**

*Representative  
Kent Peterson*

**South Dakota Division of Banking - Report from Examination**

Motion to accept the exam as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Loan Review Summary**

**RTI, LLC and Watertown Development Company (Dakota Tube, NT Sales & Leasing and CLI)**

Motion to approve the grant reviews as recommended by staff and Grant Committee.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**New Business**

**Reinvestment Payment Program**

**Red's All Natural, LLC**

Motion to approve the Reinvestment Payment Program grant application to Red's All Natural, 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 \$167,625.00 but not to exceed 50% of the State Sales/Use Tax paid on eligible project costs, is approved for Red's All Natural. 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 made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Royal Canin US**

Motion to approve the Reinvestment Payment Program grant application to Royal Canin US 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 \$3,950,145 but not to exceed 50 percent of State Sales/Use Tax paid on eligible project costs, is approved for Royal Canin US. 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 made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Bill**

Motion to approve the bill payable to Department of Legislative Audit in the amount of \$15,558.15.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Adjourn**

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

A

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, JANUARY 12, 2022, 8:30 A.M., CT**

***The public may participate by the following:***

Call In Number: (669) 900-9128 Meeting ID: 96677988449 Participant Id: # Passcode: 421401  
<https://state-sd.zoom.us/j/96677988449?pwd=S1l2bW5wRkd6OWJmVjUza0N2K1pDQT09>  
[www.zoom.com](http://www.zoom.com) Meeting ID: 96677988449 Passcode: 421401

**REGULAR SESSION AGENDA**

- 8:30 A.M. Call to Order, Chairman Jeff Erickson
- 8:35 A.M. **Agenda**  
RECOMMENDED ACTION: Motion to approve the agenda as provided or amended.
- Minutes**  
RECOMMENDED ACTION: Motion to approve the minutes of December 8, 2021 and January 3, 2022 as presented.
- Conflicts of Interest Disclosures**
- Public Comments**
- 8:45 A.M. **Commissioner's Comments**
- 8:50 A.M. **Executive Session**  
RECOMMENDED ACTION: Motion to enter into executive session to consult with legal counsel concerning contractual matters, to discuss contractual matters, and to discuss commercial and financial information relating to loan and other assistance applicants. SDCL 1-25-2(3), 1-25-2(4), 1-16G-11, 19-19-502
- 9:20 A.M. **Report from Executive Session**  
RECOMMENDED ACTION: Approve Chairman's report from Executive Session.
- Other Motions**  
South Dakota Division of Banking Exam  
Loan Review Summary  
Reinvestment Payment Program  
Red's All Natural, LLC  
Royal Canin US
- Bills**  
Department of Legislative Audit - \$15,558.15

**Adjournment**

Notice is further given to persons with disabilities that this meeting is being held in a physically accessible place. Please notify the above mentioned office within 48 hours of the public hearing if you have special needs for which this agency will make the necessary arrangements.

B

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, DECEMBER 8, 2021, 10:00 A.M., CT**

Members Present

Vice-Chairman Don Kettering, Matt Judson, Sharon Casey, Mike Luken, Tom Jones, Reed Kessler, Eric Yunag, Pat Burchill, Kevin Tetzlaff, David Emery, Reynold Nesiba and Casey Crabtree

Staff Present

Commissioner Steve Westra, Deputy Commissioner Chris Schilken, Travis Dovre, Ashley Moore, Jack Valentine, Cathleen Rouillard, Nadine Agneau, Joe Fiala and Ann Gesick-Johnson

Other Staff Present

Mike Bietz and Andrew Coppersmith – BankWest, Inc.

Others Present

Tim Engel – May, Adam

Brian Coyle – Banker

Andrew Nilges – North Sioux City Economic Development Corporation

Call to Order

Vice-Chairman Kettering called the meeting to order at 10:03 a.m.

Agenda

A motion was made by Sharon Casey and seconded by Pat Burchill to approve the agenda as approved.

Motion passed by a voice vote.

Minutes

A motion was made by Reed Kessler and seconded by Mike Luken to approve the minutes of the meetings held November 10, 2021, November 22, 2021 and November 30, 2021, as presented.

Motion passed by a voice vote.

Howard Building Lease

A motion was made by Mike Luken and seconded by Sharon Casey to authorize staff to negotiate the final terms of a lease with option to purchase as presented, and to terminate the existing Lease. Staff further recommends the board authorize the Treasurer to execute the new Lease and the termination of the existing Lease. Actions taken by staff and the Treasurer to date that are consistent with the terms of the foregoing authorization are hereby ratified.

Motion passed by a voice vote.

Conflicts Disclosure

Vice-Chairman Kettering opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. Casey Crabtree declared a potential conflict with the Howard Building Lease as he is employed by the Heartland Consumers Power District. Heartland Power District will receive a share of the rentals and Casey assisted in the negotiation of the lease. No waiver is required. The Vice-Chairman opened up the floor for questions and discussion concerning the potential conflicts; there were none from board members and no objection to proceedings with the agenda.

Public Comments – none

Executive Session

A motion was made by Pat Burchill and seconded by Tom Jones to enter into Executive Session at 10:14 a.m. to enter into executive session to consult with legal counsel concerning contractual matters, to discuss contractual matters, and to discuss commercial and financial information relating to loan and other assistance applicants.

Motion passed by a voice vote.

Executive Session Report

The Vice-Chairman declared the board out of Executive Session at 10:43 a.m. The Vice-Chairman reported that the Board of Economic Development entered into Executive Session to consult with legal counsel concerning contractual matters, to discuss contractual matters, and to discuss commercial and financial information relating to loan and other assistance applicants. No action was taken.

A motion was made by Sharon Casey and seconded by Eric Yunag to approve the Vice-Chairman's report from Executive Session.

Motion passed by a voice vote.

Grant Reviews

Economic Development Partnership Program (Greater Rapid City Area Economic Development Corporation and Onida Area Development Corporation), Local Infrastructure Improvement Program ( Belle Fourche Economic Development Corporation, City of Box Elder, City of Volga, Grant County Development Corporation, Sioux Falls Development Foundation), Reinvestment Payment Program (Dakota Wise Builders-SD II, LLC, Intrinsic Materials Corp., Meridian Wind Project, LLC and Ratio, LLC) and South Dakota Jobs Program (Shannon Klumb and Ben Klumb, Sonstegard Foods Company and TrueNorth Steel, Inc.)

A motion was made by Matt Judson and seconded by Pat Burchill to approve the grant reviews as recommended by staff and Grant Committee.

Motion passed by a voice vote.

Old Business

City of Clear Lake

A motion was made by Sharon Casey and seconded by Mike Luken to approve an extension of the grant agreement to December 9, 2022.

Motion passed by a voice vote.

City of Lake Norden

A motion was made by Pat Burchill and seconded by Tom Jones to approve an extension of the grant agreement to December 9, 2022.

Motion passed by a voice vote.

Clark County

A motion was made by David Emery and seconded by Reed Kessler to approve an extension of the grant agreement to December 9, 2022.

Motion passed by a voice vote.

Dakota Protein Solutions

A motion was made by Pat Burchill and seconded by Kevin Tetzlaff to approve a commitment extension to June 8, 2022.

Motion passed by a voice vote.



### Sonstegard Foods Company

A motion was made by Mike Luken and seconded by Sharon Casey to approve an extension of the grant agreement to April 6, 2022.

Motion passed by a voice vote.

### Turner County

A motion was made by David Emery and seconded by Eric Yunag to approve an extension of the grant agreement to December 31, 2022.

Motion passed by a voice vote.

### New Business

#### North Sioux City Economic Development Corporation

A motion was made by Sharon Casey and seconded by Mike Luken to approve the waiver for a loan over \$1,000,000, a waiver of 45% of total project costs and a loan request from North Sioux City Economic Development Corporation in the amount of \$10,500,000. Secured by a first position on approximately 390 acres of land.

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.

#### Local Infrastructure Improvement Program

##### City of Lake Preston

A motion was made by Pat Burchill and seconded by Kevin Tetzlaff to approve a Local Infrastructure Improvement grant award to City of Lake Preston in the amount of \$500,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy recommended by staff and Grant Committee.

Motion passed by a voice vote.

#### North Sioux City Economic Development Corporation

A motion was made by Tom Jones and seconded by David Emery to approve a Local Infrastructure Improvement grant award to North Sioux City Economic Development Corporation in the amount of \$500,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy and contingent upon land purchase by the City of North Sioux City recommended by staff and Grant Committee.

Motion passed by a voice vote.

#### Sioux Falls Development Foundation

A motion was made by Kevin Tetzlaff and seconded by David Emery to approve a Local Infrastructure Improvement grant award to Sioux Falls Development Foundation in the amount of \$500,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy recommended by staff and Grant Committee.

Motion passed by a voice vote.

#### Reinvestment Payment Program

##### Central States Manufacturing

A motion was made by Pat Burchill and seconded by Reed Kessler to approve the Reinvestment Payment Program grant application to Central States Manufacturing 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 \$56,250 but not to exceed 50% of the State Sales/Use Tax paid on eligible project costs, is approved for Central States Manufacturing. 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.

#### Henkel US Operations Corporation

A motion was made by Pat Burchill and seconded by Sharon Casey to approve the Reinvestment Payment Program grant application to Henkel US Operations Corporation 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 \$427,500 but not to exceed 100% of the State Sales/Use Tax paid on eligible project costs, is approved for Henkel US Operations Corporation. 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.

#### Pacific Stainless Products, Inc.

A motion was made by Eric Yunag and seconded by Mike Luken to approve the Reinvestment Payment Program grant application to Pacific Stainless Products, Inc. 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 \$135,000 but not to exceed 100% of the State Sales/Use Tax paid on eligible project costs, is approved for Pacific Stainless Products, Inc. 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.

#### Bills

A motion was made by Matt Judson and seconded by Mike Luken to approve the bill payable to Portfol Software in the amount of \$8,574.75 for Annual Maintenance.

Motion passed by a voice vote.

Adjourn

A motion was made by Sharon Casey and seconded by Eric Yunag to adjourn the meeting at 11:03 a.m.

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Matt Judson, Treasurer

**CREDIT COMMITTEE**  
**GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD**  
**MONDAY, JANUARY 3, 2022, 1:00 P.M. CT**

Members Present

Vice-Chairman Don Kettering, Matt Judson and Pat Burchill

Staff Present

Commissioner Steve Westra, Deputy Commissioner Chris Schilken, Ashley Moore, Travis Dovre, Jack Valentine and Cathleen Rouillard

Other Staff Present

Mike Bietz, Andrew Coppersmith and Shawn Hofer - BankWest, Inc.

Call to Order

Vice-Chairman Kettering called the meeting to order at 1:00 p.m.

Agenda

A motion was made by Matt Judson and seconded by Pat Burchill to approve the agenda as presented.

Motion passed by a voice vote.

Conflicts Disclosure – Vice-Chairman Kettering opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. There were none from committee members and no objection to proceeding with the agenda.

Public Comments- none

Executive Session

A motion was made by Pat Burchill and seconded by Matt Judson to enter into Executive Session at 1:02 p.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a voice vote.

Executive Session Report

The Vice-Chairman declared the Credit Committee out of Executive Session at 1:40 p.m. The Vice-Chairman reported that the Board of Economic Development Credit Committee 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 Pat Burchill and seconded by Matt Judson to approve the Vice-Chairman's report from executive session.

Motion passed by a voice vote.

Loan Reviews

RTI, LLC and Watertown Development Company (Dakota Tube, NT Sales & Leasing and CLI)  
Credit Committee recommends to the Board approving the loan reviews and recommendations as presented.

A motion was made by Matt Judson and seconded by Pat Burchill.

Old Business

The Plains Apartments, LLC

Credit Committee recommends to the Board approving a commitment extension to January 2023 as discussed.

A motion was made by Pat Burchill and seconded by Matt Judson.

Motion passed by a voice vote.

New Business

M&L Construction

Credit Committee recommends tabling the application as discussed.

A motion was made by Pat Burchill and seconded by Matt Judson.

Motion passed by a voice vote.

Adjourn

A motion was made by Pat Burchill and seconded by Matt Judson adjourned the meeting at 1:43 p.m.

Motion passed by a voice vote.

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Matt Judson, Treasurer

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**Board of Economic Development  
January 12, 2022**

**BILLS REQUIRING APPROVAL FOR PAYMENT**

Department of Legislative Audit

\$15,558.15

**N282121006**

December 16, 2021

For the audit of the fiscal affairs of the REDI Fund  
for the period ended June 30, 2021.

Audit Services:

Total Hours: 207.5 hours

Non-billable General Fund: 0.0 hours

and 207.5 hours billable at the following rates:

8.7 hours at the Fiscal 2021 rate of	\$74.50 per hour	\$648.15
<u>198.8 hours at the Fiscal 2022 rate of</u>	<u>\$75.00 per hour</u>	<u>\$14,910.00</u>
207.5		<u>\$15,558.15</u>

Cost Center Breakdown:

Other Programs	<u>207.5 hours</u>	<u>\$15,558.15</u>
	207.5 hours	\$15,558.15