

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

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

Please note times:

Call To Order: _____

Executive Session _____

Regular Session _____

Adjournment _____

**Board
Members:**

Jeff Erickson

Matt Judson

**Sharon
Casey**

Mike Luken

**Don
Kettering**

Tom Jones

Reed Kessler

Joy Nelson

Eric Yunag

**Kevin
Tetzlaff**

David Emery

**Craig
Christianson**

Brad Moore

Non-Voting

**Senator
Reynold
Nesiba**

**Senator
Casey
Crabtree**

**Representative
Kameron
Nelson**

**Representative
Neal Pinnow**

Motion Sheet

(STAFF RECOMMENDATIONS)

Agenda

Motion to approve the agenda as presented.

Motion made by _____ and seconded by _____.

Minutes

Motion to approve the minutes of the meetings held February 13, 2024, February 26, 2024 and March 4, 2024, as presented

Motion made by _____ and seconded by _____.

Conflicts of Interest Disclosures

Public Comments

Commissioners Comments

Executive Session

Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. SDCL 1-16G-11

Motion made by _____ and seconded by _____.

Chairman: Declare board out of executive session. [a.m.]. Chairman: The BED 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.

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

Motion made by _____ and seconded by _____.

Grant Reviews

Local Infrastructure Improvement Program (City of Lake Norden, City of Lake Preston, City of North Sioux City and Mitchell Area Development Corporation) and Reinvestment Payment Program (Brookings Biogas, LLC, Dakota Renewable Hydrogen, GEVO Net Zero 1, LLC, Grace Minnesota, Inc., Henkel US Operations Corporation, Kingsbury Count Wind Fuel, LLC, Lakeside Biogas, LLC, Manitou Equipment America, LLC, North Bend Wind Project, LLC, Pacific Stainless Products, Inc., Phase Technologies, Riverview, LLP and Terex South Dakota, Inc.)

Motion to approve the grant reviews and recommendations as recommended by staff and grant committee.

Motion made by _____ and seconded by _____.

Old Business

Jitter Joint, LLC

Motion to approve the change in collateral as presented.

Motion made by _____ and seconded by _____.

Royal Canin, US

Motion to approve extending the permit expiration date to August 28, 2024.

Motion made by _____ and seconded by _____.

New Business

Centerville Manufacturing, LLC

Motion to approve a REDI loan request from Centerville Manufacturing, LLC in the amount of \$675,000. Secured by a shared 1st lien on real estate, a shared 1st UCC on all assts 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 made by _____ and seconded by _____.

Southern Sun, LLC

Motion to approve a SD Works loan request from Southern Sun, LLC in the amount of \$1,340,584. Secured by a sole 2nd lien position on equipment 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 made by _____ and seconded by _____.

Southern Sun, LLC

Motion to approve a waiver of a loan over \$1,000,000 and approve a REDI loan request from Southern Sun, LLC in the amount of \$1,675,730. Secured by a sole 1st lien position on specific equipment 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 made by _____ and seconded by _____.

Local Infrastructure Improvement Program

Mitchell Area Development Corporation

Motion to approve a Local Infrastructure Improvement grant award to the Mitchell Area Development Corporation in the amount of \$500,000 but not to exceed 11% of eligible project

costs, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy as recommended by staff and grant committee.

Motion made by _____ and seconded by _____.

Bill/Quote

Motion to approve the insurance quote from Redstone Insurance Brokers/BankWest, Inc. in the amount up to \$11,010.09.

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, MARCH 13, 2024, 10:00 A.M., CT**

The public may participate by the following:

Call In Number: (669) 900-9128 Meeting ID: 96677988449 Participant Id: # Passcode: 421401
www.zoom.com Meeting ID: 96677988449 Passcode: 421401

REGULAR SESSION AGENDA

10:00 A.M. Call to Order, Chairman Jeff Erickson

10:05 A.M. **Agenda**
RECOMMENDED ACTION: Motion to approve the agenda as provided or amended.

Minutes
RECOMMENDED ACTION: Motion to approve the minutes of February 13, 2024, February 26, 2024 and March 4, 2024, as presented.

Conflicts of Interest Disclosures

Public Comments

10:15 A.M. **Commissioner's Comments**

10:20 A.M. **Executive Session**
RECOMMENDED ACTION: Motion to enter into executive session to discuss contractual matters, and to discuss commercial and financial information relating to loan and other assistance applicants. SDCL 1-16G-11

11:00 A.M. **Report from Executive Session**
RECOMMENDED ACTION: Approve Chairman's report from Executive Session.

Other Motions

Grant Reviews
Jitter Joint, LLC
Royal Canin, US
Centerville Manufacturing, LLC
Southern Sun, LLC
Local Infrastructure Improvement Program
Mitchell Area Development Corporation

Bill/Quote

Redstone Insurance Brokers/BankWest, Inc. – up to \$11,010.09

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
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

GRANT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
MONDAY, FEBRUARY 26, 2024, 10:00 A.M. CT

Members Present

Chairman Don Kettering, Sharon Casey, Mike Luken and Tom Jones

Staff Present

Travis Dovre, Ashley Moore, Stephanie Deyo, Adam Molseed, Joe Fiala, Curtis Egan, Tanner Beukelman and Brenna Block

Call to Order

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

Agenda

A motion was made by Mike Luken and seconded by Sharon to approve the agenda as amended to remove City of Spearfish.

Motion passed by a voice vote.

Conflicts Disclosure – 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 Tom Jones and seconded by Mike Luken to enter into executive session at 10:02 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. SDCL 1-16G-11

Motion passed by a voice vote.

Executive Session Report

The Chairman declared the Grant Committee out of executive session at 10:17 a.m. The Chairman reported that the Board of Economic Development Grant Committee entered into Executive Session to discuss 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 Mike Luken to approve the chairman's report from executive session.

Motion passed by a voice vote.

Grant Reviews

Local Infrastructure Improvement Program (City of Lake Norden, City of Lake Preston, City of North Sioux City and Mitchell Area Development Corporation) and Reinvestment Payment Program (Brookings Biogas, LLC, Dakota Renewable Hydrogen, GEVO Net Zero 1, LLC, Grace Minnesota, Inc., Henkel US Operations Corporation, Kingsbury Count Wind Fuel, LLC, Lakeside Biogas, LLC, Manitou Equipment America, LLC, North Bend Wind Project, LLC, Pacific Stainless Products, Inc., Phase Technologies, Riverview, LLP and Terex South Dakota, Inc.)

Grant Committee recommends to the Board approving the grant reviews and recommendations as presented.

A motion was made by Mike Luken and seconded by Tom Jones.

Motion passed by a voice vote.

New Business

Local Infrastructure Improvement Program

Mitchell Area Development Corporation

Grant Committee recommends to the Board approving a Local Infrastructure Improvement grant award to Mitchell Area Development Corporation in the amount of \$500,000 but not to exceed 11% of project costs, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

A motion was made by Mike Luken and seconded by Tom Jones

Motion passed by a voice vote.

Adjourn

A motion was made by Mike Luken and seconded by Sharon Casey to adjourn the meeting at 10:21 a.m.

Motion passed by a voice vote.

Matt Judson, Treasurer

CREDIT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
MONDAY, MARCH 4, 2024, 11:00 A.M. CT

Members Present

Chairman Jeff Erickson, Don Kettering, Matt Judson and Craig Christianson

Staff Present

Deputy Commissioner Chris Schilken, Ashley Moore, Travis Dovre, Jack Valentine, Nick Rabern, Lexxy Phillips, Joe Fiala, Adam Molseed, Curtis Egan, Katerine Kirby and Tanner Beukelman

Others Present

Shawn Hofer – BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 11:01 a.m.

Agenda

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

Motion passed by a voice vote.

Conflicts Disclosure – Chairman Erickson 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 Don Kettering and seconded by Matt Judson to enter into Executive Session at 11:02 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. SDCL 1-16G-11.

Motion passed by a voice vote.

Executive Session Report

The Chairman declared the Credit Committee out of Executive Session at 11:44 a.m. The 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 Don Kettering and seconded by Matt Judson to approve the Chairman's report from executive session.

Motion passed by a voice vote.

Old Business

Jitter Joint, LLC

Credit Committee recommends to the Board approving a collateral swap as presented.

A motion was made by Matt Judson and seconded by Don Kettering.

Motion passed by a voice vote.

New Business

Centerville Manufacturing, LLC

Credit Committee makes no recommendation regarding the REDI application and requests staff to gather additional information.

A motion was made by Don Kettering and seconded by Matt Judson.

Motion passed by a voice vote.

Southern Sun, LLC

Credit Committee recommends to the board approving the REDI and SD Works application as presented.

A motion was made by Matt Judson and seconded by Don Kettering.

Motion passed by a voice vote.

Adjourn

A motion was made by Don Kettering and seconded by Matt Judson to adjourn the meeting at 11:48 a.m.

Motion passed by a voice vote.

Matt Judson, Treasurer

L

**Board of Economic Development
March 13, 2024**

BILL/QUOTE REQUIRING APPROVAL FOR PAYMENT

Redstone Insurance Brokers/BankWest, Inc. up to \$11,010.09