

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, MAY 14, 2025, 10:00 A.M., CT**

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**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, MAY 14, 2025, 10:00 A.M., CT**

**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 Tim
Reed**

**Representative
Erik Muckey**

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 meeting held April 9, 2025 and May 5, 2025, as presented.

Motion made by _____ and seconded by _____.

Conflicts of Interest Disclosures

Public Comments

Commissioners Comments

Acceptance of Monies

Motion to accept \$432,489, or the entire cash balance residing in the sunset VAARP program and up to \$2,500,000.00 from the EDFA Capital Reserve Fund to the REDI Fund. Staff requests the Board promotes and acknowledges at its discretion that the donation of these monies to the REDI Fund is in furtherance of economic development and requests that these monies reside in and are retained in the REDI Fund for the purpose of making loans and grants from these monies.

Motion made by _____ and seconded by _____.

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 _____.

Vice-Chairman: The Vice-Chairman declared the board out of executive session at [a.m.]. Vice-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 vice-chairman's report from executive session.

Motion made by _____ and seconded by _____.

Please note times:

Call To Order: _____

Executive
Session _____

Regular Session _____

Adjournment _____

Loan Reviews

Kroeplin Air, LLC

Motion to approve the SD Works loan review and recommendation as presented.

Motion made by _____ and seconded by _____.

Old Business

Brightmark Full Circle RNG, LLC and Brightmark Mill Valley RNG, LLC

Motion to approve Department of Revenue releasing \$579,688.50 from the Reinvestment Payment Program.

Motion made by _____ and seconded by _____.

Grant County Development Corporation

Motion to approve an extension of the LIIP grant agreement expiration date to May 30, 2026.

Motion made by _____ and seconded by _____.

New Business

BMaddox Enterprises, LLC

Motion to approve a waiver for a loan amount over \$1,000,000, a waiver of the minimum equity contribution and to approve a REDI loan request from BMaddox Enterprises, LLC in the amount up to \$5,000,000. Secured by a pro-rata shared first position on equipment, subordinated blanket UCC on business assets, personal guaranties from all 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 made by _____ and seconded by _____.

BHV, LLC

Motion to approve a SD Works loan request from BHV, LLC in the amount up to \$706,066. Secured by a 3rd position on real estate, personal guaranties from all 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 made by _____ and seconded by _____.

DAP, LLC

Motion to approve a waiver over \$1,000,000 and a REDI loan request from DAP, LLC in the amount up to \$1,350,000. Secured by a shared 1st position on real estate, the personal guaranties from all 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 made by _____ and seconded by _____.

Sentry SD Properties, LLC

Motion to approve a waiver over \$1,000,000 and to approve a REDI loan request from Sentry SD Properties, LLC in the amount up to \$2,875,000. Secured by a shared first lien position on real estate and the personal guaranties from all principals with 10% or more ownership and corporate guaranties.

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 _____.

South Dakota Jobs Program

Cabin Still Cattle Company, LLC

Motion to approve the South Dakota Jobs Program application to Cabin Still Cattle Company, LLC as recommended by staff.

Having considered the applicable factors and the likelihood the project would not occur in South Dakota without a grant, a South Dakota Jobs grant of \$47,408 but not to exceed 100% of the actual sales and use taxes paid on eligible project costs not to exceed \$1,906,270 is approved for Cabin Still Cattle Company, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the applicable deadlines and requirements set forth in statute and administrative rule.

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, MAY 14, 2025, 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, Vice-Chairman Don Kettering

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 April 9, 2025 and May 5, 2025, as presented.

Conflicts of Interest Disclosures

Public Comments

Commissioner's Comments

Acceptance of Monies
RECOMMENDED ACTION: Motion to accept \$432,489, or the entire cash balance residing in the sunset VAARP program and up to \$2,500,000.00 from the EDFA Capital Reserve Fund to the REDI Fund. Staff requests the Board promotes and acknowledges at its discretion that the donation of these monies to the REDI Fund is in furtherance of economic development and requests that these monies reside in and are retained in the REDI Fund for the purpose of making loans and grants from these monies.

10:15 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

10:55 A.M. **Report from Executive Session**
RECOMMENDED ACTION: Approve Vice- Chairman's report from Executive Session.

Other Motions
Kropelin Air, LLC
Brightmark Full Circle RNG, LLC
Brightmark Mill Valley RNG, LLC
Grant County Development Corporation

BMaddox Enterprises, LLC
BVH, LLC
DAP, LLC
Sentry SD Properties, LLC
South Dakota Jobs Program
Cabin Still Cattle Company, LLC

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, APRIL 9, 2025, 10:00 A.M., CT**

Members Present

Chairman Jeff Erickson, Don Kettering, Matt Judson, Sharon Casey, Mike Luken, Tom Jones, Kevin Tetzlaff, Craig Christianson and Brad Moore

Staff Present

Commissioner Joe Fiala, Ashley Moore, Jack Valentine, Stephanie Deyo, Lexxy Phillips, Nick Rabern, Nadine Agneau, Curtis Egan, Ann Gesick Johnson, Jake Salman, Dale Knapp, Alissa Sendelbach and Alex Kahnke

Other Staff Present

Shawn Hofer – BankWest, Inc.

Other's Present

Bob Mercer - Keloland

Call to Order

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

Agenda

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

Motion passed by a voice vote.

Minutes

A motion was made by Brad Moore and seconded by Don Kettering to approve the minutes of the meetings held March 13, 2025 and March 31, 2025 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

Certification and Attestations

A motion was made by Kevin Tetzlaff and seconded by Mike Luken to accept the changes reflected on the Certifications and Attestations addendum, and further recommends the Board approve, acknowledge, and affirm the Certifications and Attestations to be a requirement of each loan, grant, or reinvestment payment application as of April 9, 2025.

Motion passed by a voice vote.

Dotation of Monies

A motion was made by Don Kettering and seconded by Tom Jones to accept the \$7,164,868 that the GOED Loan Committee gifts to the REDI Fund for the purpose of making grants and loans for economic development from pursuant to South Dakota Codified Law 1-16G-7.

Motion passed by a voice vote.

REDI Rules

A motion was made by Sharon Casey and seconded by Mike Luken to approve entering the rulemaking procedures allowed by SDCL for the Board's promulgation of rules in Chapter 68:02 of Administrative Rules South Dakota.

Motion passed by a voice vote.

Executive Session

A motion was made by Brad Moore and seconded by Craig Christianson to enter into Executive Session at 10:20 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 10:41 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters, commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Mike Luken and seconded by Matt Judson to approve the Chairman's report from Executive Session.

Motion passed by a voice vote.

Old Business

SWAT Properties, LLC

A motion was made by Don Kettering and seconded by Sharon Casey to approve the changes as presented.

Motion passed by a voice vote.

New Business

Reinvestment Payment Program

Bel Brands USA

A motion was made by Mike Luken and seconded by Tom Jones to approve the Reinvestment Payment Program grant application to Bel Brads USA as recommended by staff.

Based on the presentations 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 \$2,566,012 but not to exceed 50% of the amount of the actual State Sales/Use Tax paid on eligible project costs not to exceed \$196,000,000, is approved for Bel Brands USA. 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.

Big Stone Energy Storage Project, LLC

A motion was made by Sharon Casey and seconded by Brad Moore to approve the Reinvestment Payment Program grant application to Big Stone Energy Storage Project, 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 \$3,386,040 but not to exceed 50% of the amount of the actual State Sales/Use Tax paid on eligible project costs not to exceed \$209,700,000, is approved for Big Stone Energy Storage Project 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 voice vote.

Dakota Line Energy, LLC

A motion was made by Craig Christianson and seconded by Kevin Tetzlaff to approve the Reinvestment Payment Program grant application to Dakota Line Energy, 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 \$250,682 but not to exceed 50% of the amount of the actual State Sales/Use Tax paid on eligible project costs not to exceed \$13,400,105, is approved for Dakota Line Energy 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 voice vote.

Adjourn

A motion was made by Mike Luken and seconded by Matt Judson to adjourn the meeting at 10:45 a.m. Motion passed by a voice vote.

Matt Judson, Treasurer

CREDIT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
MONDAY, MAY 5, 2025, 11:00 A.M. CT

Members Present

Vice-Chairman Don Kettering, Reed Kessler, Matt Judson and Craig Christianson

Staff Present

Commissioner Bill Even, Jack Valentine, Ashley Moore, Nadine Agneau, Adam Molseed, Curtis Egan and Jake Salmen

Others Present

Shawn Hofer – BankWest, Inc.

Call to Order

Vice-Chairman Kettering called the meeting to order at 11:03 a.m.

Agenda

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

Motion passed by a voice vote.

Conflicts Disclosure

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

Acceptance of Monies

Credit Committee recommends to the Board accepting \$ 432,489, or the entire cash balance residing in the sunset VAARP program and up to \$2,500,000.00 from the EDFA Capital Reserve Fund to the REDI Fund. Staff requests the Board promotes and acknowledges at its discretion that the donation of these monies to the REDI Fund is in furtherance of economic development and requests that these monies reside in and are retained in the REDI Fund for the purpose of making loans and grants from these monies.

A motion was made by Reed Kessler and seconded by Craig Christianson.

Motion passed by a voice vote.

Executive Session

A motion was made by Reed Kessler and seconded by Matt Judson to enter into Executive Session at 11:11 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 Vice-Chairman declared the Credit Committee out of Executive Session at 11:33 a.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 Matt Judson and seconded by Reed Kessler to approve the Vice-Chairman's report from executive session.
Motion passed by a voice vote.

Loan Reviews

Kroeplin Air, LLC

Credit Committee recommends to the board approving the SD Works loan review and recommendation as presented.

A motion was made by Craig Christianson and seconded by Reed Kessler.

Motion passed by a voice vote.

New Business

BMaddox Enterprises, LLC

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

A motion was made by Matt Judson and seconded by Craig Christianson.

Motion passed by a voice vote.

BVH, LLC

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

A motion was made by Reed Kessler and seconded by Matt Judson.

Motion passed by a voice vote.

DAP, LLC

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

A motion was made by Craig Christianson and seconded by Matt Judson.

Motion passed by a voice vote.

Sentry SD Properties, LLC

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

A motion was made by Reed Kessler and seconded by Matt Judson.

Motion passed by a voice vote.

Adjourn

A motion was made by Reed Kessler and seconded by Matt Judson to adjourn the meeting at 11:37 a.m.

Motion passed by a voice vote.

Matt Judson, Treasurer

C

SOUTH DAKOTA

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

Memorandum

Date: May 5, 2025
To: Board of Economic Development Credit Committee
From: GOED Commissioner Joe Fiala
By: Jack Valentine, GOED Finance & Fiscal Director
RE: Acceptance of EDFA Monies being Donated to REDI Fund

On April 9, 2025, the Economic Development Finance Authority ("EDFA") acted to gift monies to the REDI Fund which currently reside in the sunset Value-Added Agriculture Relending Program ("VAARP"), and from EDFA's Capital Reserve Fund. EDFA is donating \$432,489, or the entire cash balance residing in the sunset VAARP program and up to \$2,500,000.00 from the EDFA Capital Reserve Fund to the REDI Fund.

Request:

Pursuant to South Dakota Codified Law 1-16G-7, Staff requests the Board accept the gift of:

- a. \$432,489.00, or the entire remaining cash balance residing in the sunset VAARP program which EDFA approved donating to the REDI Fund.
- b. \$2,500,000.00 from the EDFA Capital Reserve Fund which EDFA approved donating to the REDI Fund.

Mechanism:

SDCL 1-16G-3. Revolving economic development and initiative fund--Purpose., establishes that: There is established in the state treasury a special revenue fund to be known as the revolving economic development and initiative fund for the purpose of making grants and loans for economic development. Pursuant to SDCL 1-16G-3, Staff requests the Board's consideration and acceptance of the gift of these monies from which to make grants and loans in furtherance of economic development in South Dakota.

Recommendation:

Staff recommends the Board of Economic Development accepts \$ 432,489, or the entire cash balance residing in the sunset VAARP program and up to \$2,500,000.00 from the EDFA Capital Reserve Fund to the REDI Fund. Staff requests the Board promotes and acknowledges at its discretion that the donation of these monies to the REDI Fund is in furtherance of economic development and requests that these monies reside in and are retained in the REDI Fund for the purpose of making loans and grants from these monies.

Attachments:

- a. EDFA Meeting Minutes of April 9, 2025

**Economic Development Finance Authority
GOED Conference Room, 711 E Wells Ave, Pierre, SD
Wednesday, April 9, 2025, 9:30 a.m. CT**

Members Present

Chairman Jeff Erickson, Don Kettering, Mike Luken and Matt Judson

Staff Present

Commissioner Joe Fiala, Ashley Moore, Jack Valentine, Stephanie Deyo, Lexxy Phillips, Nick Rabern, Nadine Agneau, Dale Knapp and Alex Kahnke

Call to Order

Chairman Erickson called the meeting to order at 9:31 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.

Minutes

A motion was made by Mike Luken and seconded by Don Kettering to approve the minutes of March 13, 2025 and March 12, 2025 public hearings, as presented.

Motion passed by a voice vote.

Public Comment Period – none

Donation of Monies

A motion was made by Mike Luken and seconded by Don Kettering to approve the Authority donates \$432,489, or the entire cash balance residing in the sunset VAARP program to the REDI Fund. Furthermore, staff recommends the Authority donates up to \$2,500,000.00 from the EDFA Capital Reserve Fund to the REDI Fund. Staff requests the Authority promote and acknowledge at its discretion that the donation of these monies to the REDI Fund is in furtherance of economic development and requests itself that these monies reside in and are retained in the REDI Fund for the purpose of the Board of Economic Development to make loans and grants from these monies.

Motion passed by a voice vote

EDFA Rules

A motion was made by Don Kettering and seconded by Mike Luken to approve entering the rulemaking procedures allowed by SDCL for the Board's promulgation of rules in Chapter 68:01; Article 12:22; and Chapter 68:01:02 of Administrative Rules South Dakota.

Motion passed by a voice vote

Adjourn

A motion was made by Mike Luken and seconded by Don Kettering to adjourn the meeting at 9:37 a.m.

Motion passed by a voice vote.

Matt Judson, Secretary/Treasurer