

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, SEPTEMBER 10, 2019, 9:30 A.M., CT**

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**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, SEPTEMBER 10, 2019, 9:30 A.M. CT**

**Board
Members:**

Jeff Erickson

Matt Judson

*Sharon
Casey*

Mike Luken

Ted Husted

*Don
Kettering*

Tom Jones

Reed Kessler

Joy Nelson

Eric Yunag

Pat Burchill

*Kevin
Tetzlaff*

Non-Voting

Lee Qualm

Erin Healy

*Craig
Kennedy*

**Motion Sheet
(STAFF RECOMMENDATIONS)**

Agenda

Motion to approve the agenda as presented.

Minutes

Motion to approve the minutes of the meetings held August 13, 2019 and August 28, 2019, as presented

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.

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

Motion made by _____ and seconded by _____.

Grant Reviews

Local Infrastructure Improvement Program (City of Volga, Edmunds County II and Four Bands Community Fund), Reinvestment Payment Program (Agropur, Inc., GRACO Minnesota, Inc., Prevailing Wind Park, LLC, Crocker Wind Farm, LLC and Ag Processing, Inc.) and South Dakota Jobs Program (MNY Group, LLC)

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

Motion made by _____ and seconded by _____.

Please note times:

Call To Order: _____

Executive Session _____

Regular Session _____

Adjournment _____

Old Business

Day County Wind II, LLC

Motion to approve a construction extension to June 2020 as recommended by staff and Grant Committee.

Motion made by _____ and seconded by _____.

Rosebud Economic Development Corporation

Motion to deny the extension request as recommended by staff and Grant Committee.

Motion made by _____ and seconded by _____.

Terex South Dakota, Inc.

Motion to approve extending the commitment letter to September 13, 2020.

Motion made by _____ and seconded by _____.

New Business

Local Infrastructure Improvement Program

City of Watertown

Motion to approve the Local Infrastructure Improvement application to City of Watertown as recommended by staff and Grant Committee.

City of Watertown

Approve a Local Infrastructure Improvement grant award to the City of Watertown in the amount of \$75,000 not to exceed 35% of the total project costs, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Motion made by _____ and seconded by _____.

Reinvestment Payment Program

Triple H Wind Project, LLC

Motion to deny the Reinvestment Payment Application to Triple H Wind Project, LLC as recommended by staff.

Motion made by _____ and seconded by _____.

South Dakota Jobs Program

J & A Hog Company, LLC

Motion to approve the South Dakota Jobs grant application to J & A Hog 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 in the amount of \$49,207, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for J & A Hog 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 _____.

Shannon Klumb & Ben Klumb

Motion to approve the South Dakota Jobs grant application to Shannon Klumb & Ben Klumb 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 in the amount of \$28,496, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Shannon & Ben Klumb. 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, SD
TUESDAY, SEPTEMBER 10, 2019, 9:30 A.M. CT**

REGULAR SESSION AGENDA

- 9:30 A.M. Call to Order, Chairman Jeff Erickson
- 9:35 A.M. **Agenda**
RECOMMENDED ACTION: Motion to approve the agenda as provided or amended.
- Minutes**
RECOMMENDED ACTION: Motion to approve the minutes of August 13 2019 and August 28, 2019, as presented.
- Conflicts of Interest Disclosures**
- Public Comments**
- 9:40 A.M. **Commissioner's Comments**
- 9:45 A.M. **Executive Session**
RECOMMENDED ACTION: Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance applicants.
- 10:15 A.M. **Report from Executive Session**
RECOMMENDED ACTION: Approve Chairman's report from Executive Session.
- Other Motions**
- Grant Reviews
 - Day County Wind II, LLC
 - Rosebud Economic Development Corporation
 - Terex South Dakota, Inc.
 - Local Infrastructure Improvement Program
 - City of Watertown
 - Reinvestment Payment Program
 - Triple H Wind Project, LLC
 - South Dakota Jobs Program
 - J & A Hog Company, LLC
 - Shannon & Ben Klumb

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.

Participation in the meeting can be at GOED at 711 E Wells Ave, Pierre, South Dakota, or the GOED office at the Zeal Center for Entrepreneurship at 2329 N. Career Avenue, Sioux Falls, South Dakota.

B

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, AUGUST 13, 2019, 9:30 A.M. CT**

Members Present

Chairman Jeff Erickson, Matt Judson, Sharon Casey, Mike Luken, Tom Jones, Joy Nelson, Reed Kessler, Eric Yunag, Pat Burchill, Kevin Tetzlaff, Craig Kennedy and Justin Cronin

Staff Present

Interim Deputy Commissioner Mary Lehecka Nelson, Cassie Stoesser, LaJena Gruis, Ashley Moore, Cassidy Kulesa, Terri LaBrie and Dale Knapp

Other Staff Present

Andrew Coppersmith and Mike Bietz - BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 9:33 a.m.

Agenda

A motion was made by Mike Luken and seconded by Ted Husted to approve the agenda as presented.

Motion passed by a roll call vote.

Minutes

A motion was made by Matt Judson and seconded by Pat Burchill to approve the minutes of the meetings held July 9, 2019 and August 6, 2019, 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. Kevin Tetzlaff declared a potential conflict with Ratio, LLC and Redstone RE, LLC due to banking relationships with First Bank & Trust. 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 Joy Nelson and seconded by Kevin Tetzlaff to enter into executive session at 9:36 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the board out of executive session at 10:05 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 Eric Yunag to approve the Chairman's report from executive session.

Motion passed by a roll call vote.

Loan Review Summary

CMW Industrial Properties, LLC, Vantage Point Solutions, Inc., Weisser Properties, LLC and Weisser Falls Properties, LLC

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

Motion passed by a roll call vote.

Old Business

Deuel Harvest Wind Energy, LLC

A motion was made by Kevin Tetzlaff and seconded by Joy Nelson to approve extending the construction commencement date to December 31, 2019.

Motion passed by a roll call vote.

Fiedler Holdings, LLC

A motion was made by Mike Luken and seconded by Sharon Casey to approve a commitment extension to March 1, 2020.

Motion passed by a roll call vote.

K & M Tire, Inc.

A motion was made by Pat Burchill and seconded by Reed Kessler to approve extending the commitment letter to May 31, 2020.

Motion passed by a roll call vote.

Kerry K Engle Separate Property Trust

A motion was made by Mike Luken and seconded by Sharon Casey to approve a change in tenant as presented.

Motion passed by a roll call vote.

Willow Creek Wind Power, LLC

A motion was made by Mike Luken and seconded by Ted Hustead to approve changing the project owner to Lincoln Clean Energy, LLC and extending the construction start date to October 27, 2019.

Motion passed by a roll call vote.

New Business

Reinvestment Payment Program

Ratio, LLC

A motion was made by Pat Burchill and seconded by Joy Nelson to approve the Reinvestment Payment Application to Ratio, 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 \$477,585 but not to exceed 100 percent of State Sales/Use Tax paid on eligible project costs, is approved for Ratio, 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 with Kevin Tetzlaff abstaining.

Redstone Farms RE, LLC

A motion was made by Matt Judson and seconded by Sharon Casey to approve the Reinvestment Payment Application to Redstone Farms RE, 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 \$477,585 but not to exceed 100 percent of State Sales/Use Tax paid on eligible project costs, is approved for Redstone Farms RE, 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 with Kevin Tetzlaff abstaining.

South Dakota Jobs Program

Sonstegard Foods Company

A motion was made by Ted Hustead and seconded by Kevin Tetzlaff to approve the South Dakota Jobs grant application to Sonstegard Foods Company 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 in the amount of \$350,450, but not to exceed 100% of the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Sonstegard Foods Company. 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 passed by a roll call vote.

Joel Rempfer

A motion was made by Pat Burchill and seconded by Mike Luken to approve the South Dakota Jobs grant application to Joel Rempfer 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 in the amount of \$11,970, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Joel Rempfer. 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 passed by a roll call vote.

Adjourn

The Chairman adjourned the meeting at 10:15 a.m.

Matt Judson, Treasurer

**GRANT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, AUGUST 28, 2019, 2:00 P.M. CT**

Members Present

Chairman Don Kettering, Sharon Casey, Mike Luken and Ted Husted

Staff Present

Commissioner Steve Westra, Cassie Stoesser, Ashley Moore, LaJena Gruis and Joe Fiala

Call to Order

Chairman Kettering called the meeting to order at 2:01 p.m.

Agenda

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

Motion passed by a roll call 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 Mike Luken and seconded by Ted Husted to enter into executive session at 2:03 p.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the Grant Committee out of executive session at 2:26 p.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 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 roll call vote.

Grant Reviews

Local Infrastructure Improvement Program (City of Volga, Edmunds County II and Four Bands Community Fund), Reinvestment Payment Program (Agropur, Inc., GRACO Minnesota, Inc., Prevailing Wind Park, LLC, Crocker Wind Farm, LLC and Ag Processing, Inc.) and South Dakota Jobs Program (MNY Group, LLC)

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

A motion was made by Ted Husted and seconded by Sharon Casey.

Motion passed by a roll call vote.

Old Business

Day County Wind II, LLC

Grant Committee recommends to the Board approving a construction extension to June 2020 as presented.

A motion was made by Mike Luken and seconded by Ted Husted.

Motion passed by a roll call vote.

Rosebud Economic Development Corporation

Grant Committee recommends to the Board denying the extension request as presented.

A motion was made by Ted Husted and seconded by Sharon Casey.

Motion passed by a roll call vote.

New Business

Local Infrastructure Improvement Program

City of Watertown

Grant Committee recommends to the Board approving as recommended by staff.

City of Watertown

Approve a Local Infrastructure Improvement grant award to the City of Watertown in the amount of \$75,000 not to exceed 35% of the total project costs, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

A motion was made by Sharon Casey and seconded by Ted Husted.

Motion passed by a roll call vote.

Adjourn

A motion was made by Ted Husted and seconded by Sharon Casey to adjourn the meeting at 2: p.m.

Motion passed by a roll call vote.

Matt Judson, Treasurer