

CHAIR:
MARIE J. CARMICHAEL

MEMBERS:
JOHN E. MEHNER
MATTHEW L. DAMERON
BRADLEY G. GREGORY
DAN E. CRANSHAW
JOHN M. PARRY
BRENT T. BUERCK
RICK HOLTON JR.

EXECUTIVE DIRECTOR:
ROBERT V. MISEREZ



EX-OFFICIO MEMBERS:
MIKE KEHOE
LIEUTENANT GOVERNOR

ROBERT B. DIXON
DIRECTOR,
ECONOMIC DEVELOPMENT

CHRIS CHINN
DIRECTOR, AGRICULTURE

CAROL S. COMER
DIRECTOR,
NATURAL RESOURCES

MISSOURI DEVELOPMENT FINANCE BOARD

MEETING MINUTES MISSOURI DEVELOPMENT FINANCE BOARD

Governor Office Building
200 Madison Street, Room 1010
Jefferson City, Missouri

March 16, 2021

The Missouri Development Finance Board met in regular session on Tuesday, March 16, 2021, beginning at 10:30 a.m. The meeting was conducted via telephone conference call. Notice of the meeting was duly posted as required by Section 610.020 RSMo at the MDFB principal office.

The following members and officers of the Board were present or absent at the meeting as follows:

Marie J. Carmichael	Chair	Present
John E. Mehner	Treasurer and Member	Present
Matthew L. Dameron	Secretary and Member	Present
Bradley G. Gregory	Member	Present
Dan E. Cranshaw	Member	Present
John M. Parry	Member	Present
Brent Buerck	Member	Present
Rick Holton Jr.	Member	Absent
Mike Kehoe	Lieutenant Governor and Member	Present
Robert B. Dixon	Director, Dept. of Economic Development and Member	Present
Chris Chinn	Director, Dept. of Agriculture and Member	Present
Carol S. Comer	Director, Dept. of Natural Resources and Member	Present
Robert V. Miserez	Executive Director and Assistant Secretary	Absent

Chair Carmichael called the meeting to order and declared a quorum was present. In addition to the above members, attendees were:

Board Staff: Kathleen Barney, Erica Griffin, Kimberly Martin, Ryan Vermette and Erin Carel

Board Counsel: Erick Creach

Others Present: Henry Herschel, Lt. Governor's Office, Mark Stombaugh, Missouri Department of Economic Development, Subash Alias and Kaylee Garretson, Missouri Partnership, Katie Riegelman and Brandon Talbert, Austin Consulting, Bernie Andrews, Stacey Button and Jay Sparks, REDI, Matt LaFollett and Vicente Zuffo, Swift Prepared Foods, Kurt Erickson, St. Louis Post-Dispatch

Chair Carmichael welcomed the newest Board member Brent Buerck.

I. Secretary's Report

Secretary Dameron

Secretary Dameron presented for approval the minutes from the January 19, 2021 meeting. The minutes were included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Member Cranshaw made a motion to approve the minutes as presented. Member Parry seconded the motion. The following roll call vote was recorded:

Aye: Mehner, Dameron, Gregory, Cranshaw, Parry, Buerck, Kehoe, Dixon, Chinn, Comer and Carmichael

Nay: None

Absent: Holton

Chair Carmichael declared the motion passed.

II. Treasurer's Report

Treasurer Mehner

Treasurer Mehner presented for approval the Treasurer's Reports as of and for the six and seven months ended December 31, 2020 and January 31, 2021. The Treasurer's Reports were included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Secretary Dameron made a motion to approve the Treasurer's Reports as presented. Member Parry seconded the motion. The following roll call vote was recorded:

Aye: Mehner, Dameron, Gregory, Cranshaw, Parry, Buerck, Kehoe, Dixon, Chinn, Comer and Carmichael

Nay: None

Absent: Holton

Chair Carmichael declared the motion passed.

Chair Carmichael asked Treasurer Mehner to give an overview of the Finance Committee Meeting from March 8, 2021.

Treasurer Mehner reported on March 8, 2021 the Finance Committee met to discuss Tax Credit options for the City of Kansas City for the use of MRIGlobal, a Missouri Nonprofit Corporation. MRI Global is requesting the board consider a request for \$2 million in tax credits to raise \$4 million in contributions. This request would be in addition to the award made in 2019.

Treasurer Mehner and the Finance Committee expressed some concerns related to the previous phases of this project. Treasurer Mehner stated in Phase I approximately 14,000 sq. ft. of space was to be renovated but only 9,300 sq. ft. was actually renovated. In Phase I the project spent less money than what was originally budgeted. Treasurer Mehner reported that MRIGlobal has not yet utilized all of the 2019 tax credits that were allotted to the company. Treasurer Mehner also noted the committee found the Balance Sheet, specifically the assets to be substantial. The committee raised the question of the “but for” qualification. The committee wants to ensure the information given would meet the standards generally followed within the tax credit process. Treasurer Mehner reported the Finance Committee agreed there were some inconsistencies in the information given to date.

The committee members agreed if the company would like to move forward with this request or a modified version of the request, they are welcome to follow the two step process used for tax credit applicants. The first step being a presentation only to the board, with the second step being action taken by the board.

III. Department of Economic Development Report

Director Dixon

Director Dixon discussed how well the Missouri economy is improving along with the number of jobs that have come back since the start of the pandemic. Director Dixon also commented that Missouri’s business rankings, unemployment rate, and job returns point to a strong direction for the state’s future while the country continues to recover from the pandemic. Director Dixon also reported tourism in Missouri is starting to see a turn around. Tourism is accounting for a fair amount of jobs that are returning to Missouri.

Director Dixon reported that with the vaccine distribution and rollout they have treated the public health issue and the economic issue as two sides of a coin. Director Dixon encouraged everyone to keep up on data at MO.COVID.COM. On March 15, 2021 Director Dixon reported that Phase I Tier 3 was activated and they plan on Phase II coming in the near future.

IV. Department of Agriculture Report

Director Chinn

Director Chinn reported that the Department of Agriculture has been reaching out to employees that serve in the agriculture industry. The Department is getting in touch with employers to help them direct their employees where to get vaccinated. Director Chinn mentioned the harsh weather a few weeks ago was extremely hard on farmers especially those who have livestock. Director Chinn reported that the recent nice weather has

allowed many farmers to start their planting season. Director Chinn also reported that they have started planning this year's state fair that will take place in August. The plan for this year's state fair is to return to the normal schedule and events.

V. Department of Natural Resources Report

Director Comer

Director Comer reported that on March 1st Missouri parks officially opened trout season. The opening day had 5,400 anglers which was down 2,000 from 2020. Director Comer said they were pleased with the turn out considering opening day was on a rainy Monday in the middle of a pandemic.

Director Comer stated that in regards to the Volkswagen Trust, DNR is proposing to update the Missouri Beneficiary Mitigation plan. The plan would outline categories and establish spending approximately \$41 million in VW trust dollars. This will allow increased flexibility and explanation of how the incurred interest will be applied.

Director Comer gave an update to the Missouri River Basin Water Management run-off forecast for 2021 which is shortly below average. The Department doesn't expect the first half of the navigation season to be impacted. It remains to be seen how the second half of the navigation season will be impacted. Director Comer also mentioned that DNR's State Revolving fund recently awarded \$61 million in grants and low interest loans to various cities around the state.

VI. Lieutenant Governor's Report

Lt. Governor Kehoe

Lt. Governor Kehoe reported that a key piece of transportation legislation passed the Senate last week. The legislation also known as the South Carolina Model allows a 12 cent increased tax on gas. Missouri residents will be able to save their receipts and apply for a rebate.

Lt. Governor Kehoe mentioned a new transportation add campaign named "My MO" was released last week.

VII. New Business

A. Plumrose USA, Inc. — BUILD Application
Resolution of Intent

Kimberly Martin

Ms. Martin presented the BUILD application from Plumrose USA Inc., requesting up to \$3,012,000 in BUILD Bonds to partially fund the construction of a new facility in Columbia, MO.

Ms. Martin reported that Plumrose USA Inc., will invest more than \$180 million and create 235 new jobs within the next three years at the new Columbia location.

Total job creation is expected to exceed 250 at the Columbia location. Ms. Martin introduced Matt LaFollett, with Swift Prepared Foods.

Mr. LaFollett began a presentation by giving a brief overview of the new rebranding of the company. Plumrose USA Inc. is now doing business as Swift Prepared Foods and is a subsidiary of JBS USA. Mr. LaFollett detailed how the company has grown and expanded in a short time. Mr. LaFollett stated that in 2019 and 2021 they expanded lunchmeat operations in Council Bluffs, IA and Booneville, MS costing \$20 million. In 2020 the company did a bacon expansion in Ottumwa, IA costing \$20 million. In 2021 the company built its first plant in Missouri. The first plant in Missouri is located in Moberly, MO. The focus of the Moberly plant is RTE Bacon and had local project cost of nearly \$70 million. By 2022 the company plans to open a second plant in Columbia Mo, which will focus entirely on Italian meats. The estimated cost of the Columbia plant is \$200 million.

Mr. LaFollett discussed the reasons why the company feels Columbia, MO is a great fit for them. Columbia is centrally located in the US for favorable logistics within Swift Foods network. The site they plan to use has been certified with appropriate zoning and access to infrastructure. Swift Foods feel Columbia is a business friendly community that offers schools and training programs for future employment opportunities.

Mr. LaFollett outlined the two phase construction plan for the Columbia plant. Phase 1 would be the completion of a 275,000 sq. ft. facility in 2022. The second phase would be an expansion of the first phase. Mr. LaFollett stated they plan to construct a state-of-the-art facility with social distancing and welfare standards. Swift Foods facility will have measures in place to minimize consumption of utilities and the overall environmental impact to the surrounding area will be minimal.

Mr. LaFollett discussed not only would they be bringing 235 employment opportunities to Columbia but they offer a competitive benefits package to all full time employees. The average wage for employees would be above the county average. Mr. LaFollett was available to answer questions.

Director Dixon noted the project would be a great fit for Missouri. Director Dixon thanked the Missouri Partnership, REDI, local partners, and the project managers for their work and collaboration on the project

Member Brad Gregory made a motion to approve the application as presented and adopt the following Resolution of Intent:

**RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD
PRELIMINARILY APPROVING A PROJECT FOR PLUMROSE USA,
INC., AND DETERMINING THE INTENT OF THE BOARD TO ISSUE
ITS BUILD MISSOURI REVENUE BONDS IN A PRINCIPAL AMOUNT**

OF APPROXIMATELY \$3,012,000 TO FINANCE A PORTION OF THE COSTS OF THE PROJECT.

Lt. Governor Kehoe seconded the motion. The following roll call vote was recorded:

Aye: Mehner, Dameron, Gregory, Cranshaw, Parry, Buerck, Kehoe, Dixon, Chinn, Comer and Carmichael

Nay: None

Absent: Holton

Chair Carmichael declared the motion passed.

Closed Session

Treasurer Mehner made a motion to go into closed session to pursuant to RSMo Sections 610.021(3), 610.021(13) and 610.021(14). Lt. Governor Kehoe seconded the motion. The following roll call was recorded:

Aye: Mehner, Dameron, Gregory, Cranshaw, Parry, Buerck, Kehoe, Dixon, Chinn, Comer and Carmichael

Nay: None

Absent: Holton

Upon completion of discussion, Treasurer Mehner motioned to move the meeting back into open session. Member Parry seconded the motion. The following roll call was recorded.

Aye: Mehner, Dameron, Gregory, Cranshaw, Parry, Buerck, Kehoe, Dixon, Chinn, Comer, Carmichael

Nay: None

Absent: Holton

Secretary Dameron declared the motion passed.

Open Session

X. Adjournment

There being no further business before the Board and by unanimous consent, Chair Carmichael declared the meeting adjourned.

[Secretary Dameron's Signature]