

CHAIR:
MARIE J. CARMICHAEL

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

EXECUTIVE DIRECTOR:
MARK STOMBAUGH



EX-OFFICIO MEMBERS:
MIKE KEHOE
LIEUTENANT GOVERNOR

MAGGIE KOST
ACTING DIRECTOR,
ECONOMIC DEVELOPMENT

CHRIS CHINN
DIRECTOR, AGRICULTURE

DRU BUNTIN
DIRECTOR,
NATURAL RESOURCES

MISSOURI DEVELOPMENT FINANCE BOARD

MEETING MINUTES MISSOURI DEVELOPMENT FINANCE BOARD

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

FEBRUARY 15, 2022

The Missouri Development Finance Board met in regular session on Tuesday, February 15, 2022, beginning at 10:30 a.m. The meeting was conducted in person. 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	Absent
Dan Cranshaw	Member	Present
John Parry	Member	Present
Brent Buerck	Member	Present
Rick Holton, Jr.	Member	Present*
Mike Kehoe	Lieutenant Governor and Member	Present
Maggie Kost	Director, Dept. of Economic Development and Member	Present
Chris Chinn	Director, Dept. of Agriculture and Member	Present*
Dru Buntin	Director, Dept. of Natural Resources and Member	Present*
Mark Stombaugh	Executive Director and Assistant Secretary	Present

**participated virtually via Webex*

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, Kim Martin, Erica Griffin and Nicole Slusser

Board Counsel: Erick Creach

Others Present: Kerrie Tyndall, City of Kansas City; Jerrod Sanderson, EPEC, Inc/ The Grooming Project; and Henry Herschel, Lt. Governor's Office

I. Secretary's Report

Chair Carmichael

Chair Carmichael presented for approval the minutes from the December 14, 2021, meeting. The minutes were included in the Board materials distributed in advance of the meeting.

There being no questions, corrections or additions, Member Parry made a motion to approve the minutes as presented. Member Cranshaw seconded the motion. The following roll call vote was recorded:

Aye: Mehner, Cranshaw, Parry, Buerck, Holton, Kehoe, Kost, Chinn, Buntin and Carmichael.

Nay: None

Absent: Dameron

Chair Carmichael declared the motion passed.

II. Treasurer's Report

Treasurer Mehner

Treasurer Mehner presented for approval the Treasurer's Report as of and for the five months ended November 30, 2021 and six months ended December 31, 2021. The Treasurer's Report was included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Member Buerck made a motion to approve the Treasurer's Report as presented. Member Parry seconded the motion. The following roll call vote was recorded:

Aye: Mehner, Cranshaw, Parry, Buerck, Holton, Kehoe, Kost, Chinn, Buntin and Carmichael.

Nay: None

Absent: Dameron

Chair Carmichael declared the motion passed.

III. Department of Economic Development Report

Director Kost

Acting Director Kost informed the Board that the Governor gave his State of the State address recently outlining his budget priorities.

The General Assembly is in the process of reviewing those requests for different departments and DED is working closely to understand what resources they will oversee. Regardless, of the specific authorizations and language she reflected on the Department's opportunity to have a generational impact across the state.

Acting Director Kost highlighted one of those program and priorities areas in the works to support community revitalization projects. This would provide a \$250 million dollar investment to support transformation and revitalization efforts for many communities.

Ms. Kost also referenced potential programs which would mirror those developed through the Cares Act funds to support small businesses and non profits. She

mentioned the opportunity to use a small allocation of the ARPA funds to complete an automotive industry study to research the changing landscape and the potential impact of this critical industry of manufacturers and suppliers throughout the state.

Acting Director Kost closed with highlights of the \$400 million that has been requested for broadband. She looked forward to sharing additional details on everything as it moved along through the process.

IV. Department of Agriculture Report Director Chinn

Director Chinn opened with speaking about how the Department of Ag is working with the Governor's office, like several other state agencies, on their upcoming year's budget.

Director Chinn shared that work has begun on this year's State Fair. Like many other places they are having struggles finding labor. She commented on the possibility being explored to expand the Fair Grounds. The possible purchase of 200 acres of land would open up opportunities for the Fair as well as adjacent State Fair Community College.

V. Department of Natural Resources Report Director Buntin

Director Buntin started his report with sharing that DNR was also in the midst of reviewing their requested budgets with the appropriations committees.

Director Buntin stated they are looking into different projects to spend ARPA funds on such as drinking water, wastewater and storm water projects. The budget included \$400 million for grant projects to help communities with these water projects. They are also surveying to see what can be done for improvements on lead service lines.

DNR also has projects in the works in the area of flood water and drought areas. They are working with different communities to address potential levee improvements.

Director Buntin shared that DNR has been busy with Governor Parson's recent announcement of Rock Island Park Trail, which will go through Owensville, Eldon, Belle and Versailles, among other communities. The project included \$69 million from ARPA funds to create the park.

Director Buntin closed with informing the Board that DNR is focusing on budget items which will allow their department to invest in communities across the State.

VI. Lieutenant Governor's Report Lt. Governor Kehoe

Lt. Governor Kehoe started his report to the Board sharing one of the great things about Missouri is we are one of the few states that doesn't charge for people to visit our state parks and what a real asset and beauty our parks system is for the state.

Lt. Governor Kehoe spoke on how funds available are at an all-time high, but with that comes more organizations requesting funds so the legislature is busy reviewing and listening to all requests, which does require considerable time and attention.

Lt. Governor Kehoe closed with sharing about some of the struggles with a lack of workforce for all the open jobs available and how a recent study conducted in

partnership with United WE explored the economic impact of women in the workforce. The findings highlighted the large amount of women with children at home who aren't returning to the workplace with the main reason being the lack of, or high cost, of quality childcare. He was surprised when speaking at a recent meeting of County Commissioners how aware and concerned about the childcare crisis they all were. He said they are looking into different options with one being workplace childcare as an option for working moms. The economic impact of those women returning to the workforce would be tremendous.

VII. Old Business

A. Deli Star Corporation – BUILD Application – Final Authorizing Resolution

Kimberly Martin

Ms. Martin reintroduced the BUILD Application for the Deli Star Corporation. The project was originally presented at the July 2021 Board Meeting and the Board adopted a preliminary resolution expressing its intent to issue bonds.

The immediate phase of the project includes the leasing of 104,800 square feet of the space in St. Louis, MO to provide both production and office space at the location in order to expand production capabilities.

All financing terms remain as originally presented. Deli Star Corporation will add a minimum of 250 jobs over the next three years and make an investment of approximately \$31 million.

Staff is recommending approval of the Final Authorizing Resolution for Bonds not to exceed \$2,066,700 and authorization for the Chair and Executive Director to execute all required bond documents on behalf of the board.

Member Parry made a motion to approve the Final Authorizing Resolution as presented.

RESOLUTION AUTHORIZING THE MISSOURI DEVELOPMENT FINANCE BOARD TO ISSUE ITS BUILD MISSOURI REVENUE BONDS (DELI STAR CORPORATION PROJECT), IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,066,700 FOR THE PURPOSE OF PROVIDING FUNDS TO MAKE A LOAN TO FINANCE A PORTION OF THE COSTS OF AN ECONOMIC DEVELOPMENT PROJECT FOR THE BENEFIT OF DELI STAR CORPORATION; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.

Member Buerck seconded the motion. The following roll call vote was recorded:

Aye: Mehner, Cranshaw, Parry, Buerck, Holton, Kehoe, Kost, Chinn, Buntin and Carmichael.

Nay: None

Absent: Dameron

Chair Carmichael declared the motion passed.

VIII. New Business

A. City of Kansas City – Dog Grooming Project Tax Credit for Contribution Application

Kimberly Martin

Ms. Martin introduced Kerrie Tyndall with the City of Kansas City and Jerrod Sanderson with EPEC, Inc and The Grooming Project who would be presenting on the City of Kansas City – Dog Grooming Project – Tax Credit for Contribution Application.

Ms. Tyndall spoke about the effect the expansion would have on the Kansas City neighborhood. The location of the project is 5805 Troost Avenue, Kansas City. It is less than 1 mile from UMKC, 1.5 miles from Research Medical Center and a part of major redevelopment along 63rd and Prospect.

The project involves the organization moving to a building that is currently vacant to allow for expansion of their facilities and workforce programming. The total investment will be \$6,227,868. They currently have 25 plus graduates from their program with graduates having an expected income of \$52,000 to \$66,000 a year.

Mr. Sanderson explained that within the regions target population served by the program, there are 45,000 women living in poverty while also being the primary caretaker of children. Many suffer from severe trauma, have little to no education, little to no work history, and still other with evictions or criminal convictions which are barriers to making a living wage, or even finding a job. Many students of the program are homeless or are at risk single mothers.

The need for additional space and programming was recognized by the City and in 2018, they donated the property at 5825 Troost to The Grooming Project for \$1. This new space will allow The Grooming Project to double their capacity and graduate up to 50 students per year and groom 60 dogs per day. Additionally, it will give them room to expand their services to include doggy daycare and boarding services in order to increase their revenues and will result in the project creating at least 10 new permanent jobs within their organization.

The cost to renovate the property to meet their needs is estimated at just over \$6.2 million. At the time of their application, they have already raised more than \$2.5 million towards renovations. The organization requested \$1 million in tax credits to help them raise more than \$2 million in contributions to fill much of their remaining gap.

Chair Carmichael added that what a great program it was and how a good paying job can help with the costs of childcare for the program participants.

Member Parry asked follow up questions on the timing and costs estimated for the improvements.

Lt. Governor Kehoe commented on what a great asset this program is to individuals who just need someone to give them a chance and really want to work.

IX. Executive Director's Report

Mark Stombaugh

Mr. Stombaugh thanked the board for prioritizing time to provide feedback as he jumped into the new role of Executive Director. He also reinforced for the Board that the support of the staff has been tremendous. The knowledge and flexibility that each of them bring to the organization really reinforces the value that he hopes to continue to expand on in support of community and economic needs and opportunities throughout the state.

In addition to the outreach to members of the Board, he highlighted outreach to community partners. He shared his interest in working alongside our customers and partners to support catalytic opportunities.

Stombaugh commented that he would continue to work with the Board Chair and the Executive Committee to frame up goals and targets for his first year and encouraged everyone's input and open dialogue as they move through the transition.

Stombaugh mentioned briefly a pipeline of activities which included some bond refundings and potential contribution tax credit presentations for their considerations at the upcoming monthly meetings. He also shared an interest in working with the agency directors to provide that additional detail on the states spending priorities for the Recovery Act funds in a future work session.

X. Adjournment

There being no further business before the Board, Member Parry made a motion to adjourn the meeting. Member Cranshaw seconded the motion. By unanimous consent, Chair Carmichael declared the motion passed and the meeting adjourned.

[Secretary Signature]