

CHAIR:
MARIE J. CARMICHAEL

MEMBERS:
JOHN D. STARR
LARRY D. NEFF
JOHN E. MEHNER
L. B. ECKELKAMP, JR.
DANETTE D. PROCTOR
BRIAN H. MAY
KELLEY M. MARTIN

EXECUTIVE DIRECTOR:
ROBERT V. MISEREZ



EX-OFFICIO MEMBERS:
PETER D. KINDER
LIEUTENANT GOVERNOR

DAVID D. KERR
DIRECTOR,
ECONOMIC DEVELOPMENT

DR. JON HAGLER
DIRECTOR, AGRICULTURE

MARK N. TEMPLETON
DIRECTOR,
NATURAL RESOURCES

MISSOURI DEVELOPMENT FINANCE BOARD

MEETING MINUTES MISSOURI DEVELOPMENT FINANCE BOARD

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

JUNE 15, 2010

The Missouri Development Finance Board met in regular session on Tuesday, June 15, 2010, beginning at 10:00 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 D. Starr	Vice Chairman and Member	Present
Larry D. Neff	Secretary and Member	Present
John E. Mehner	Treasurer and Member	Present
L. B. Eckelkamp, Jr.	Member	Present
Danette D. Proctor	Member	Present
Brian H. May	Member	Present
Kelley M. Martin	Member	Present
Peter D. Kinder	Lieutenant Governor and Member	Present
David D. Kerr	Director, Dept. of Economic Development and Member	Present
Jon Hagler	Director, Dept. of Agriculture and Member	Present
Mark Templeton	Director, Dept. of Natural Resources and Member	Present
Robert V. Miserez	Executive Director and Assistant Secretary	Present

Chair Carmichael called the meeting to order and declared a quorum was present. In addition to the above, those in attendance included:

Board Staff: Kathleen Barney, Krystal Davis, Mike Golden, Dawn Holt, Kimberly Martin and Valerie Haller

Board Counsel: David Queen and James Caldwell

Others Present: Bruce Cole and Reena Gordon, Mamtek, U.S., Inc.; Corey Mehaffy, Moberly Area Economic Development Corporation; Terry Maglich, Missouri Department of Economic Development; and Keith Wenzel, Polsinelli Shughart PC

I. Secretary's Report

Assistant Secretary Miserez

Secretary Neff presented for approval the minutes from the May 17, 2010 meeting. The minutes were included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Secretary Neff made a motion to approve the minutes as presented. Vice Chairman Starr seconded the motion. The following roll call vote was recorded:

Aye: Starr, Neff, Mehner, Eckelkamp, Proctor, May, Martin, Kinder, Kerr, Templeton and Carmichael

Nay: None

Absent: Hagler

Chair Carmichael declared the motion passed.

Director Hagler joined the call.

II. Treasurer's Report

Treasurer Mehner

Treasurer Mehner presented for approval the Treasurer's Report as of and for the nine months ended March 31, 2010. The Treasurer's Report was included in the Board materials distributed in advance of the meeting. Treasurer Mehner noted that funds had been transferred from the IDRf to the Parking Garage Fund for the Seventh Street Garage project. Mr. Miserez gave a historical background on the Board's funds and was available for questions. There being no questions, corrections or additions, Treasurer Mehner made a motion to approve the Treasurer's Report as presented. Secretary Neff seconded the motion. The following roll call vote was recorded:

Aye: Starr, Neff, Mehner, Eckelkamp, Proctor, May, Martin, Kinder, Kerr, Hagler, Templeton and Carmichael

Nay: None

Absent: None

Chair Carmichael declared the motion passed.

III. Department of Economic Development Report

Director Kerr

Director Kerr commented that the Missouri economy has begun to rebound from the recession and the Department has been releasing announcements of new jobs to the State. Director Kerr reported that an upcoming announcement will be of approximately 300-400

high-tech new jobs from another global company that will be relocating or expanding in Missouri, and several other projects will be announced in the near future.

Director Kerr reported on the Governor's economic development strategic plan for the State of Missouri. The business-driven initiative's Executive Advisory Board consists of Director Kerr and four top business leaders — Ann Marie Baker, UMB, Springfield; Paul Combs, Baker Implement, Kennett; Bill Downey, Kansas City Power & Light, Kansas City; and David Steward, World Wide Technologies, St. Louis. Director Kerr stated that a Steering Committee will be formed and will consist of business, labor, education, economic development, and elected officials from throughout the State. Director Kerr reported that the objective of the strategic plan is to identify between six and 10 strategic initiatives the State must accomplish over the course of the next five years to transform our economy for the 21st century.

IV. Department of Agriculture Report

Director Hagler

Director Hagler reported he attended the rededication ceremony for Monsanto at their Chesterfield Village Research Center; Monsanto has reacquired the facility and are expanding their research capabilities. Director Hagler commented that the project will create a tremendous amount of future agricultural and scientific jobs for the State.

V. Department of Natural Resources

Director Templeton

Director Templeton reported on the Department's Energize Missouri Industries initiative. The initiative will award up to \$11 million in funding to improve the energy efficiency of industrial and commercial customers throughout Missouri. Director Templeton noted there are two sub-programs within the initiative — up to \$8 million will be awarded to small and large businesses through a combination of audits and energy system retrofits in which they can install energy efficiency products; and up to \$3 million will be awarded to pre-qualified providers that will competitively bid for energy efficiency incentives in which the winning providers will identify industrial and commercial customers to implement energy efficiency projects. Director Templeton reported that the \$8 million grant fund application deadline is July 9, 2010; and the \$3 million grant fund application deadline is June 25, 2010. Director Templeton commented the Department is very excited about this opportunity to help the State's industries save energy and therefore improve their bottom line; help the environment; and lead to more economic growth in the State.

VI. Lieutenant Governor's Report

Lt. Governor Kinder

Lt. Governor Kinder deferred his report.

VII. Old Business

A. International Business Machines Corporation
Final Authorizing Resolution

Mike Golden

Mr. Golden presented the Final Authorizing Resolution for adoption authorizing the issuance of BUILD Missouri Bonds in an amount not to exceed \$8,878,000 for International Business Machines Corporation.

Mr. Golden reported that the Board adopted a preliminary resolution expressing its intent to issue the Bonds for International Business Machines Corporation at its May 17, 2010 meeting. Counsel for the Company and the Board have been working on completing the financing documents.

Mr. Golden commented that all financing terms remain as originally presented and the Company will add 600 new jobs and make an investment of more than \$13.8 million equipping the facility in Columbia, Missouri.

Staff recommended adoption of the Final Authorizing Resolution approving issuance of the Bonds. Director Hagler made a motion to approve the following Final Authorizing Resolution:

RESOLUTION AUTHORIZING THE MISSOURI DEVELOPMENT FINANCE BOARD TO ISSUE ITS BUILD MISSOURI REVENUE BONDS (INTERNATIONAL BUSINESS MACHINES CORPORATION PROJECT), IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,878,000 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 INTERNATIONAL BUSINESS MACHINES 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.

Secretary Neff seconded the motion. The following roll call vote was recorded:

Aye: Starr, Neff, Mehner, Eckelkamp, Proctor, May, Martin, Kinder, Kerr, Hagler, Templeton and Carmichael

Nay: None

Absent: None

Chair Carmichael declared the motion passed.

VIII. New Business

A. Mamtek U.S., Inc. BUILD Application Preliminary Resolution of Intent

Mike Golden

Mr. Golden presented the application from Mamtek U.S., Inc. for Missouri BUILD Bonds in an amount not to exceed \$4,646,800. Mr. Golden reported that the project consists of initial construction of a 90,000 square foot manufacturing facility in Moberly, Missouri, and proceeds will be used for construction materials, production equipment, paving, landscaping and miscellaneous fees.

Mr. Golden reported that the project anticipates creating approximately 462 new jobs in the first three years at an average annual wage of \$35,000; and 612 planned jobs over five years. Mr. Golden introduced Bruce Cole and Reena Gordon with Mamtek U.S., Inc.

Mr. Cole reported that the Company leverages new technology to convert the sugar molecule into the sweetener sucralose. The Company has developed their own technology over the past five years and has patents pending worldwide. Mr. Cole gave a historical background of the Company and commented that the Company's technology originated in China and the majority of the shareholders are US taxpayers. Reena Gordon commented on the marketing aspect and proven demand of the product. Mr. Cole and Ms. Gordon were available for questions.

Secretary Neff asked for clarification on the source the sugar is derived from. Mr. Cole responded that the product could be produced from any type of raw, unprocessed sugar.

Member Martin questioned if the Moberly plant would serve primarily the U.S. Mr. Cole responded that the plant is intended to serve the worldwide market. Ms. Gordon commented that the Moberly plant will be capable of producing pharmaceutical-grade sucralose; the U.S.-made product has a better reputation; and there could be an opportunity to penetrate markets that may either strongly gravitate towards U.S.-made or not buy sucralose unless it is U.S.-made.

Staff recommended adoption of the Preliminary Resolution of Intent approving issuance of the Bonds. Member Martin made a motion to approve the following Resolution of Intent:

**RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD
PRELIMINARILY APPROVING A PROJECT FOR MAMTEK U.S., INC.,
AND DETERMINING THE INTENT OF THE BOARD TO ISSUE ITS
BUILD MISSOURI REVENUE BONDS IN A PRINCIPAL AMOUNT OF
APPROXIMATELY \$4,646,800 TO FINANCE A PORTION OF THE
COSTS OF THE PROJECT.**

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

Aye: Starr, Neff, Mehner, Eckelkamp, Proctor, May, Martin, Kinder, Kerr, Hagler, Templeton and Carmichael

Nay: None

Absent: None

Chair Carmichael declared the motion passed.

B. DREAM Initiative Robert V. Miserez
Recommendation to Approve a 2010 Round

Mr. Miserez presented the recommendation to authorize a 2010 DREAM round with the selection of up to 5 additional communities and commensurate funding for the approximately three-year funding cycle.

Mr. Miserez gave a brief background on the successes of the program regarding the economic impact and leveraging of the Board's investment. Mr. Miserez noted that MHDC staff has advised Board staff that there is a \$500,000 DREAM Initiative allotment in the MHDC budget that is to be discussed at their meeting scheduled for Thursday, June 17th. Staff recommended that the Board reauthorize the program for the fifth year and allow staff to select up to five additional communities to move forward on an approximate three-year funding cycle.

Mr. Miserez referenced the historical and estimated budget that was included in Board materials distributed in advance of the meeting. Mr. Miserez commented that the initial and current intent among the three sponsoring agencies is that the Board would remain the primary funding entity for the upfront, ongoing costs associated with the program.

Mr. Miserez reported that the review and selection process and anticipated timeline for a 2010 DREAM Initiative application cycle is very similar to previous years and would occur from July to late August with an application deadline of August 2. After applications have been received, staff would review and process the applications with final selection and announcement by the Department of Economic Development in September.

Secretary Neff mentioned that five communities were selected in 2009 as opposed to 10 communities in previous years. Secretary Neff questioned if fewer communities were submitting applications for the program. Mr. Miserez responded that part of the reason only five communities were selected in 2009

was due to the State's budget situation and the State's budget uncertainty going forward. Mr. Miserez also noted that the application numbers have steadily dropped year by year. Chair Carmichael commented that with the downturn in the economy there is a financial commitment on the part of the community when they participate in the program and as the economy turns, there may be more interest from the communities that have the economic wherewithal to make a commitment to the program.

Secretary Neff made a motion to authorize a 2010 DREAM round with the selection of up to five communities, and commensurate funding for the approximately three-year program cycle for these 2010 selectees as set forth in the budget materials. Member Eckelkamp seconded the motion.

Member Martin questioned if a population of approximately 5,000 was the minimum to be considered as a designated community. Mr. Miserez responded that some designated communities had a lower population, but the majority of the communities have been larger, multi-county regional trade centers. Mr. Miserez commented that the three partnering agencies have met to discuss what could be done to improve the competitiveness of smaller communities in the application stage.

With no further discussion and with a motion and seconded motion on the floor, the following roll call vote was recorded:

Aye: Starr, Neff, Mehner, Eckelkamp, Proctor, May, Martin, Kinder, Kerr, Hagler, Templeton and Carmichael

Nay: None

Absent: None

Chair Carmichael declared the motion passed.

C. Election of MDFB Officers Chair Carmichael

Chair Carmichael commented that the Board's Bylaws state that the Board shall nominate and elect its officers at the first meeting after June 1 or shortly thereafter as feasible. Chair Carmichael noted that the current officers indicated a willingness to continue to serve in their current capacity — John Starr, Vice Chairman; John Mehner, Treasurer; and Larry Neff, Secretary.

Chair Carmichael asked for nominations, or if there were none, a motion to elect the current slate by acclamation. There being no nominations from the floor, Member Martin made a motion to elect the current slate of officers. Member May seconded the motion. The following vote was recorded:

Aye: Starr, Neff, Mehner, Eckelkamp, Proctor, May, Martin, Kinder, Kerr, Hagler, Templeton and Carmichael

Nay: None

Absent: None

Chair Carmichael declared the motion passed.

IX. Executive Director's Report

Mr. Miserez reported the August Board meeting is scheduled to be held at the Missouri State Fair in Sedalia, and the Board Retreat will be held October 17-19, 2010 in Springfield, Missouri.

Mr. Miserez reported that the financial closing has been completed on the Seventh Street Garage, 600 Washington, and the Laurel, with the retail portion of the Seventh Street Garage near closing.

X. Adjournment

There being no further business before the Board, Secretary Neff made a motion to adjourn the meeting. Treasurer Mehner seconded the motion. The following roll call vote was recorded:

Aye: Starr, Neff, Mehner, Eckelkamp, Proctor, May, Martin and Carmichael

Nay: None

Absent: Kinder, Kerr, Hagler and Templeton

Chair Carmichael declared the motion passed and the meeting was adjourned.

[Secretary Neff's Signature]