

CHAIRMAN:
PETER D. KINDER
LIEUTENANT GOVERNOR

MEMBERS:
JOHN D. STARR
LARRY NEFF
NELSON C. GRUMNEY, JR.
PAUL S. LINDSEY
RICHARD J. WILSON
JAMES D. HILL
L. B. ECKELKAMP, JR.
DANETTE D. PROCTOR



EX-OFFICIO MEMBERS:
GREGORY A. STEINHOFF
DIRECTOR,
ECONOMIC DEVELOPMENT

KATIE SMITH
DIRECTOR, AGRICULTURE

DOYLE CHILDERS
DIRECTOR,
NATURAL RESOURCES

EXECUTIVE DIRECTOR:
ROBERT V. MISEREZ

MISSOURI DEVELOPMENT FINANCE BOARD

MINUTES

MISSOURI DEVELOPMENT FINANCE BOARD

Hilton Promenade on Branson Landing
Old Glory Meeting Room
3 Branson Landing
Branson, Missouri

OCTOBER 16, 2007

The Missouri Development Finance Board met in regular session on Tuesday, October 16, 2007, beginning at 9:00 a.m.

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

Peter D. Kinder	Lieutenant Governor and Chairman	Present
John D. Starr	Vice Chairman and Member	Present
Larry D. Neff	Secretary and Member	Present
Nelson C. Grumney, Jr.	Treasurer and Member	Absent
James D. Hill	Member	Present
Paul S. Lindsey	Member	Present
Richard J. Wilson	Member	Present
L. B. Eckelkamp, Jr.	Member	Present
Danette D. Proctor	Member	Present
Gregory A. Steinhoff	Director, Dept. of Econ. Dev. and Member	Absent
Katie Smith	Director, Dept. of Agriculture and Member	Present
Doyle Childers	Director, Dept. of Natural Resources and Member	Present
Robert V. Miserez	Executive Director and Assistant Secretary	Present

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

Board Staff: Kathleen Barney, Mike Golden, Krystal Davis, Dawn Holt, Valerie Haller and Jeff Ownbey

Board Counsel: David Queen

Others Present: Ben Jones, Lieutenant Governor's Office; Karen Massey, Environmental Improvement and Energy Resources Authority; Denise Gibson, Mike McPherson and Bart Brown, City of Springfield, MO; and Bob Edwards, Missouri Department of Transportation

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I. Secretary's Report

Secretary Neff

Secretary Neff presented for approval the minutes from the September 18, 2007 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. Member Hill seconded the motion. The following vote was recorded:

Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder

Nay: None

Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

II. Treasurer's Report

Treasurer Grumney

In Treasurer Grumney's absence, Krystal Davis presented for approval the Treasurer's Reports as of and for the month ended July 31, 2007 and as of and for the two months ended August 31, 2007. The Treasurer's Reports were included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Director Childers made a motion to approve the Treasurer's Report as submitted. Member Eckelkamp seconded the motion. The following vote was recorded:

Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder

Nay: None

Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

III. Department of Economic Development Report

Director Steinhoff

No report was given.

IV. Department of Agriculture Report

Director Smith

Director Smith reported the Department continues to concentrate on their budget.

Director Smith commented she believed the Missouri State Fair Foundation would qualify for the MDFB Tax Credit for Contribution program. The financing would be used to upgrade certain facilities at the State Fair fairgrounds.

V. Department of Natural Resources

Director Childers

Director Childers reported the Department continues to focus on its bond issue for sewer and water in small communities. Letters have been sent to the communities and applications are being received by the Department.

Director Childers also commented the Department continues to concentrate on their budget.

VI. Lieutenant Governor's Report

Lt. Governor Kinder

Chairman Kinder reported the Tour of Missouri economic data from the University of Missouri School of Business is scheduled to be released at the end of the month.

Chairman Kinder commented he attended the groundbreaking in St. Louis of a Fortune 500 company, Centene Corporation. With this new \$250 million office development, the company will bring 1,200 corporate headquarter jobs into the City of St. Louis. This development is encompassed within Phase II of the Ballpark Village project.

VII. Old Business

**A. City of Arnold Public Infrastructure Bond
Final Authorizing Resolution**

Kathleen Barney

Ms. Barney reported on the request of the Final Authorizing Resolution for the City of Arnold for Bonds not to exceed \$10,000,000. The Board adopted the Resolution of Intent at its September 2007 meeting. Since that time, a decision was made to use two separate series of bond issues.

Ms. Barney reported the Series 2007A Bonds are for the Sewer Project to cover cost overruns to bore under the Meramec River to connect to the Metropolitan St. Louis Sewer District. The Series 2007B Bonds are for the Church Road Project consisting of construction of two miles of roadway.

Ms. Barney stated the Bonds received an A Rating from Standard & Poors. The Board is a conduit issuer with no repayment obligation. Staff recommended adoption of the Final Authorizing Resolution.

Secretary Neff made a motion to approve the following Final Authorizing Resolution:

RESOLUTION AUTHORIZING THE ISSUANCE OF INFRASTRUCTURE FACILITIES REVENUE BONDS (CITY OF ARNOLD, MISSOURI – SEWER INFRASTRUCTURE PROJECT), SERIES 2007A AND INFRASTRUCTURE FACILITIES REVENUE BONDS (CITY OF ARNOLD, MISSOURI – ROAD INFRASTRUCTURE PROJECT), SERIES 2007B, IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$10,000,000, TO PROVIDE FUNDS TO BE LOANED TO THE CITY OF ARNOLD, MISSOURI; AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.

Member Wilson seconded the motion. The following vote was recorded:

- Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder
- Nay: None
- Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

**B. Jewish Community Center Tax-Exempt Revenue Bond Kathleen Barney
Final Authorizing Resolution**

Ms. Barney reported on the request of the Final Authorizing Resolution for the Jewish Community Center for Bonds not to exceed \$45,000,000. The Board adopted the Resolution of Intent at its July 2007 meeting.

Ms. Barney reported the Bonds would be used to construct a new fitness facility and wellness center, renovation of a cultural and social facility, renovation of a fitness facility in Chesterfield, and renovation at a camp at the Lake of the Ozarks.

Ms. Barney stated project costs total \$46.2 million with direct placement with Bank of America. The Board is a conduit issuer with no repayment obligation. Staff recommended adoption of the Final Authorizing Resolution.

Director Childers made a motion to approve the following Final Authorizing Resolution:

RESOLUTION AUTHORIZING THE MISSOURI DEVELOPMENT FINANCE BOARD TO ISSUE ITS VARIABLE RATE REVENUE BONDS (JEWISH COMMUNITY CENTER PROJECT) SERIES 2007 IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$45,000,000 FOR THE PURPOSE OF MAKING A LOAN TO THE JEWISH COMMUNITY CENTER TO PROVIDE FUNDS TO FINANCE, REFINANCE AND REIMBURSE THE COSTS OF CERTAIN RECREATIONAL AND

CULTURAL FACILITIES; AND 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 vote was recorded:

Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder

Nay: None

Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

C. MoDOT Safe & Sound Bridge Project
Increase in Revenue Bond Amount

Robert V. Miserez

Mr. Miserez reported on the request from the Missouri Department of Transportation to increase the \$600 million inducement resolution that was adopted at its March 2007 meeting up to \$700 million for the Safe & Sound Bridge Improvement Project. The project consists of the renovation and rehabilitation of 802 bridges throughout the State of Missouri.

Staff recommended the increase of inducement resolution up to \$700 million. Mr. Miserez stated these are private activity bonds and the borrower will be the contractor selected by MoDOT to rehab the bridges. Mr. Miserez noted the issuance is contingent upon the US DOT approving their special private allocation for these bonds and that this issue is outside the state private activity cap.

Chairman Kinder questioned the timeframe for the rehabilitation of the bridges. Mr. Miserez responded that MoDOT's process is a 5-year construction period for the bridges. No bond payments would be made during this process and the contractor would be obligated to maintain each bridge for another 25 years after the completion. Mr. Miserez stated work on the bridges is anticipated to begin in 2008.

Secretary Neff made a motion to approve the following amended Resolution of Intent:

RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD AMENDING A PRIOR RESOLUTION FOR THE PURPOSE OF INCREASING THE MAXIMUM PRINCIPAL AMOUNT OF TAX-EXEMPT REVENUE BONDS PRELIMINARILY APPROVED TO \$700,000,000 TO FINANCE THE COSTS OF REPLACING, IMPROVING OR REHABILITATING BRIDGES IN THE STATE OF MISSOURI.

Member Lindsey seconded the motion. The following vote was recorded:

Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder

Nay: None

Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

VIII. New Business

- A. Ozarks Food Harvest, Springfield, MO Kathleen Barney
Tax Credit for Contribution Application

Ms. Barney presented the tax credit for contribution application from the City of Springfield for the benefit of the Ozarks Food Harvest. Ms. Barney reported the Ozarks Food Harvest serves 29 counties in southwest Missouri and plans to construct a new 45,000 square-foot facility as they have inadequate space and refrigeration. They expect to add three new employees to the existing 13 employees in this larger facility.

Ms. Barney stated the Ozarks Food Bank has raised \$3.2 million and was awarded \$250,000 of Neighborhood Assistance Program tax credits. The organization requested \$125,000 in tax credits for CY2007 and \$375,000 in tax credits for CY2008. Ms. Barney introduced Mike McPherson with the City of Springfield. Mr. McPherson gave a brief presentation on the project and was available for questions.

Due to time constraints and the need to fundraise before the end of the year, Secretary Neff made a motion to approve the request and authorize \$125,000 in tax credits for CY2007 and \$375,000 in tax credits for CY2008. Director Childers seconded the motion. The following vote was recorded:

Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder

Nay: None

Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

B. Griesedieck Brothers, LLC Industrial Revenue Bond
Resolution of Intent

Kathleen Barney

Ms. Barney presented the industrial development revenue bond application from Griesedieck Brothers, LLC, with a request of an issuance not to exceed \$11,200,000 in bonds to construct a new facility and purchase equipment to be used by Springfield Iron & Metal. The Griesedieck family also owns American Pulverizer in St. Louis which manufactures equipment that crushes and shreds a wide array of materials.

Ms. Barney reported the request was for tax-exempt bonds not to exceed \$10 million and taxable bonds not to exceed \$1.2 million. Clayton Holdings, LLC, a subsidiary of Commerce Bank, will purchase the bonds and the Board has no repayment obligation.

Ms. Barney stated the company was aware they are unlikely to receive allocation of tax-exempt bonds this year. Staff recommended the adoption of the Resolution of Intent.

Director Childers commented it was exciting to see the project happening due to landfill issues and the project will enhance the recycling efforts.

Vice Chairman Starr made a motion to approve the following Resolution of Intent:

RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD APPROVING A PROJECT FOR GRIESEDIECK BROTHERS, LLC, A MISSOURI LIMITED LIABILITY COMPANY, AND DETERMINING THE OFFICIAL INTENT OF THE BOARD TO ISSUE ITS REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$11,200,000 TO FINANCE THE COSTS OF SUCH PROJECT.

Member Hill seconded the motion. The following vote was recorded:

Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder

Nay: None

Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

C. Hermann DREAM Program
Tax Credit for Contribution Request

Robert V. Miserez

Mr. Miserez presented the request from the City of Hermann for tax credits in an amount not to exceed \$250,000 to raise \$500,000 in contributions to the Board in

calendar year 2007. Mr. Miserez explained this request was an attempt to create an investment fund for the City of Hermann to support their DREAM Initiative.

Mr. Miserez stated the moneys would be held by the Board, with the Board maintaining the interest earnings. The moneys would be used for DREAM-related and otherwise Board-eligible projects. These could include a variety of basic public infrastructure improvements such as street and sidewalk improvements, streetscape design, public lighting, public facilities as defined by Board statute, and other improvements, all similar to those already funded in a relatively small number of non-metro communities under the Board's Downtown Revitalization program. Additional uses also could include funding downtown façade improvement programs and other activities that would support Hermann's DREAM Initiative.

Mr. Miserez reported the City has a contributor that has pledged to contribute up to \$400,000; and should other's contributions fall short of the \$500,000, this contributor has agreed to make up the shortfall.

Secretary Neff made a motion to approve the request of \$250,000 in tax credits to raise \$500,000 in contributions to the Board in calendar year 2007. Member Eckelkamp seconded the motion. The following vote was recorded:

Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder

Nay: None

Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

D. CORTEX Redevelopment District Robert V. Miserez
Tax Credit for Contribution Request

Mr. Miserez presented the request for reauthorization of previously expired credits for the CORTEX Redevelopment District. In 2003, the Board approved a multi-year authorization of \$12 million in tax credits to raise \$24 million in contributions for this project. The credits were to be used in \$2.5 million increments in each of years 2003 through 2006, and \$2 million in 2007. During the first four years, \$1,241,899 in credits expired due to a lack of contributions.

Mr. Miserez stated the Board had received a written commitment from a contributor pledging to contribute up to \$3 million if 50% credits are authorized by November 1.

Mr. Miserez reported that CORTEX is requesting the Board authorize calendar year 2007 credits equal to those not used in previous years. Based upon the

amount of contribution tax credits remaining available for CY2007, and other known project contribution commitments, staff recommended the Board approve \$884,250 in credits to leverage \$1,768,500 in pledged contributions to this project.

Vice Chairman Starr made a motion to approve the request of up to \$1,325,000 in contribution tax credits in calendar year 2007, based upon availability. Member Hill seconded the motion. The following vote was recorded:

Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder

Nay: None

Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

IX. Miscellaneous

Robert V. Miserez

Mr. Miserez reported on discussions he has had with prospective projects.

- Stages St. Louis — a performing arts venue involving a \$32 million expansion/renovation. A draft application is in process requesting up to \$5 million in Board tax credits in calendar year 2008. They have begun their fundraising efforts.
- Donald Danforth Plant Science Center — the Board awarded \$25 million in tax credits in 1999 to construct the facility. There is the possibility that a contribution tax credit request will be submitted next year in an approximate amount of \$3 million.

David Queen reported the Board was not selected to receive new market tax credits for calendar year 2008. Ms. Barney stated it was a very tough competition and only 24% of those that applied received allocation.

CLOSED SESSION

Vice Chairman Starr made a motion to go into closed session pursuant to Section 610.021 (1) and Section 610.021 (13) of the Missouri Statutes. Secretary Neff seconded the motion. The following roll call vote was recorded to go into closed session:

Aye: Starr, Neff, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Smith, Childers and Kinder

Nay: None

Absent: Grumney and Steinhoff

Chairman Kinder declared the motion passed.

OPEN SESSION

Upon completion of discussion, Secretary Neff made a motion to return to open session. Director Childers seconded the motion. The following vote was recorded:

Aye: Starr, Neff, Grumney, Lindsey, Wilson, Hill, Eckelkamp, Proctor, Steinhoff, and Kinder

Nay: None

Absent: Smith and Childers

Chairman Kinder declared the motion passed.

X. Adjournment

There being no further business before the Board, the meeting was adjourned by consensus.

[Secretary Neff's Signature]