

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

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

December 18, 2007

The Missouri Development Finance Board met in regular session on Tuesday, December 18, 2007, beginning at 10:30 a.m. The meeting was conducted via telephone conference call.

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	Present
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	Present
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 and Valerie Haller

Board Counsel: David Queen

Others Present: Jerry Dowell and Ben Jones, Lieutenant Governor's Office; Rob Rose and Sam Fiorello, Donald Danforth Plant Science Center; Tony St. Romaine, City of Columbia; Missy Wilson, Kansas City Economic Development Council; Bob Langenkamp, City of Kansas City; Stacey Blomberg, Missouri Division of Tourism; and Sallie Hemenway, Missouri Department of Economic Development

I. Secretary's Report

Secretary Neff

Secretary Neff presented for approval the minutes from the November 20, 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. Director Childers seconded the motion. The following roll call vote was recorded:

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

Nay: None

Absent: None

Chairman Kinder declared the motion passed.

II. Treasurer's Report

Treasurer Grumney

Treasurer Grumney presented for approval the Treasurer's Report as of and for the four months ended October 31, 2007. The Treasurer's Report was included in the Board materials distributed in advance of the meeting. There being no questions, corrections or additions, Treasurer Grumney made a motion to approve the Treasurer's Report as submitted. Member Wilson seconded the motion. The following roll call vote was recorded:

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

Nay: None

Absent: None

Chairman Kinder declared the motion passed.

III. Department of Economic Development Report

Director Steinhoff

Director Steinhoff reported the Department continues to work on a large number of active projects and also the Department's legislative package.

Director Steinhoff stated there is continued great advancements in the DREAM communities. There are dramatic changes in project improvements for the communities with \$34 million in public investment resulting in \$174 million in private investments.

Director Steinhoff reported that Governor Blunt, Representative Richards, himself, and other economic developers throughout the State attended the Japanese Chamber of Commerce & Industry Annual Meeting in New York. They attended several days of meetings with executives from Japanese companies that are interested in placing investment in the Midwest.

IV. Department of Agriculture Report

Director Smith

Director Smith reported the Department is preparing for the upcoming Governor's Conference on Agriculture to be held January 6-7, 2008 in St. Louis. Director Smith stated agriculture is the cornerstone of the State's economy and that one in every 12 jobs is related to food, fiber and agriculture.

Director Smith reported the Missouri Renewable Fuel Standard will go into effect January 1, 2008 and the Department is working with both the ethanol and petroleum industries in the implementation of the E-10 standards. Approximately 80 to 85% of the fuel in Missouri is already an E-10 blend.

Director Smith stated the Department continues to work on their legislative package and is working to increase the cap on the MASBDA (Missouri Agricultural and Small Business Development Authority) tax credits.

V. Department of Natural Resources

Director Childers

Director Childers reported the settlement of the Johnson Shut Ins has been finalized, should the judge approve it, for an approximate amount of \$180 million total.

Director Childers stated approximately \$67 million in applications has been received for the \$50 million bonding issue for sewer and water in rural areas.

Director Childers commented the Department continues to progress on their efforts to streamline their electronic processing.

VI. Lieutenant Governor's Report

Lt. Governor Kinder

Chairman Kinder reported the economic data from the University of Missouri School of Business for the Tour of Missouri race has been completed and the report will be released early January 2008. The report indicates the race had an economic impact of \$26 million for Missouri and the out-of-state visitors stayed longer and spent more dollars at the race than the average tourists to the state.

VII. Old Business

A. City of Creve Coeur — Donald Danforth Plant Science Center Expansion — Tax Credit for Contribution Application Robert V. Miserez

Mr. Miserez presented the application from the City of Creve Coeur for the benefit of the Donald Danforth Plant Science Center (the “Center”) with a request of up to \$1 million in tax credits to leverage contributions of up to \$2 million to apply toward \$3 million in estimated site preparation costs on an 8-acre site for an expansion to the facility.

Mr. Miserez noted this expansion is a continuation of the original application and presentation that was brought before the Board in March 1998. At that time, it was stated the approval would include future expansion of additional wet lab/dry lab/office space on the site that would serve businesses created and developed from this entire endeavor and that the assistance was to the State in creating an entire industry and sector dealing with plant sciences and life sciences in Missouri.

Mr. Miserez stated the project consisted of a 105,000-square foot facility at an estimated cost of \$41.4 million and is the first of three facilities planned for the site. The Center will enter into a 65-year land lease to Wexford Science & Technology from Baltimore, Maryland, to construct and manage this facility.

Mr. Miserez introduced Sam Fiorello and Rob Rose with the Center. Mr. Fiorello thanked the Board for their generosity and support to the Center, and gave a brief presentation of the project. Mr. Fiorello and Mr. Rose were available for questions.

Secretary Neff asked how much funding, including the current request, had been given to the Center. Mr. Miserez stated the total amount was \$27,750,000 since the Center’s inception in 1998.

Secretary Neff made a motion to approve up to \$1 million in tax credits to leverage up to \$2 million in contributions. Member Hill seconded the motion.

Chairman Kinder called for discussion on the motion. Vice Chairman Starr stated he would like to see this project’s allocation moved to 2007, if there were tax credits available. Mr. Miserez stated the Board had committed unused tax credits to the CORTEX project, but should it be the Board’s desire, any unused credits after funding the approved CORTEX allocation could therefore be given to the Center’s project.

Mr. Miserez asked Mr. Fiorello if the Center would have contributors willing to contribute for 2007 credits. Mr. Fiorello stated he had contributors available to donate in 2007.

Secretary Neff amended his motion to approve any unused 2007 tax credits to the Center and the remaining to be used in 2008. Member Hill seconded the amended motion.

Treasurer Grumney asked how much of Building I was pre-leased. Mr. Fiorello responded that approximately half of the building was pre-leased.

There being no further questions or comments, the following roll call vote was recorded:

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

Nay: None

Absent: None

Chairman Kinder declared the motion passed.

B. City of Kansas City — KCEDC Incubator Facility Kathleen Barney
Tax Credit for Contribution Application

Ms. Barney presented the application from the City of Kansas City for the benefit of the Economic Development Corporation Charitable Fund for \$64,750 in tax credits for \$129,500 in contributions for CY2008. Ms. Barney reported this project was a Phase II request for a micro-incubator at 4420 Madison Street in Kansas City, MO. The EDC Charitable Fund leases the space to Dysart Law Firm and then subleases space to Proteon Therapeutics.

Ms. Barney stated that in May 2006, the Board approved \$175,000 in tax credits for Phase I of the project. Phase II project costs are approximately \$196,721 and the company expects to add 13 new jobs with an average wage of \$65,000.

Staff recommended approval of the tax credits contingent upon adoption of a resolution by the Kansas City Council. Ms. Barney introduced Bob Langenkamp from the City of Kansas City. Mr. Langenkamp thanked the Board for their support and efforts given to the City and introduced Missy Wilson with the EDC Corporation. Ms. Wilson gave a brief overview of the project and was available for questions.

Chairman Kinder questioned if it was additional venture capital they were seeking. Ms. Wilson responded they were seeking venture capital.

Secretary Neff made a motion to approve \$64,750 in tax credits to leverage \$129,500 in contributions in CY 2008. Director Steinhoff seconded the motion. The following roll call vote was recorded:

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

Nay: None

Absent: None

Chairman Kinder declared the motion passed.

C. Tour of Missouri

Robert Miserez

Mr. Miserez presented the request of \$350,000 of Board funds to cover remaining costs associated with sponsoring the 2007 Tour of Missouri bike race. Mr. Miserez stated the Board at its August 2007 meeting approved \$100,000 for the race. Mr. Miserez commented costs came in under budget, but revenues also came in under budget. Total revenue shortfall costs were approximately \$330,000.

Mr. Ben Jones gave an economic impact overview of the 2007 race and was available for questions. Chairman Kinder commented that not as much money was raised from sponsorships as they had hoped for, but he expected this would improve for next year's event.

Vice Chairman Starr commented it is not unusual for an event to take several years to gain enough momentum and seed capital to have a self-sustaining event. Vice Chairman Starr asked what the Board could do to help support the 2008 event.

Mr. Jones commented that the Division of Tourism plays a heavy role in the event and that part of the Governor's Reserve was allocated for the event. Chairman Kinder stated the Governor's Reserve funding would not be available until July 2008.

Director Childers asked if Board staff could present a budget and plan for the 2008 Tour of Missouri race at the next Board meeting.

Secretary Neff made a motion to approve \$350,000 to offset costs associated with the 2007 Tour of Missouri Race. Vice Chairman Starr seconded the motion.

There being no further discussion, the following roll call vote was recorded:

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

Nay: None

Absent: None

Chairman Kinder declared the motion passed.

Member Eckelkamp disconnected from the conference call to attend to other commitments.

VIII. New Business

- A. City of Columbia — City Hall Plaza & Streetscape Robert Miserez
Tax Credit for Contribution Application

Mr. Miserez presented the preliminary request from the City of Columbia for up to \$225,000 in CY 2008 tax credits to raise up to \$450,000 in contributions to the Board to fund an addition and renovation to the City Plaza Hall. The Plaza and Streetscape Phase is the first of a much larger multi-block plan to construct coordinated streetscape improvements throughout downtown from the Columbia College campus anchoring the northeast to the University of Missouri on the south. Mr. Miserez introduced Tony St. Romaine with the City of Columbia.

Mr. Romaine gave a presentation on the project and was available for questions. Chairman Kinder thanked Mr. Romaine for the very informative presentation.

This was a preliminary presentation and therefore no recommendation was made.

IX. Miscellaneous Robert V. Miserez

Mr. Miserez commented on the letter from the United States Department of the Interior National Park Service that was included in the Board materials distributed in advance of the meeting. The letter acknowledged receipt of the Board's Biennial Report on the Old Post Office. Mr. Miserez stated the letter commends the Board and its partners for making the Old Post Office a better facility and an important asset for downtown St. Louis.

Mr. Miserez stated that work on the 2006 DREAM communities was accelerating in developing the various plans and components of the redevelopment efforts. Mr. Miserez reported the draft Scope of Services had been completed for the 2007 DREAM communities and that meetings were being scheduled to meet with the ten 2007 communities to finalize these plans.

X. Adjournment

There being no further business before the Board, Vice Chairman Starr made a motion to adjourn the meeting. Director Childers seconded the motion. The following roll call vote was recorded:

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

Nay: None

Absent: Eckelkamp and Smith

The meeting was adjourned.

[Secretary Neff's Signature]