

**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

MATT BOATRIGHT  
INTERIM 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

FEBRUARY 20, 2007

The Missouri Development Finance Board met in regular session on Tuesday, February 20, 2007, beginning at 10:30 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	Absent
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	Absent
Gregory A. Steinhoff	Director, Dept. of Econ. Dev. and Member	Absent
Fred Ferrell	Director, Dept. of Agriculture and Member	Absent
Doyle Childers	Director, Dept. of Natural Resources and Member	Present
Robert V. Miserez	Executive Director and Assistant Secretary	Present

\*Participated via telephone conference call.

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

Board Staff: Pamela Hill, Kathleen Barney\*, Tony Loucks, and Valerie Haller

Board Counsel: James Caldwell\*

Others Present: Jerry Dowell, Lieutenant Governor's Office; Tony Stafford, Missouri Department of Agriculture; Mike Mills, Missouri Department of Economic Development; Rob Monsees, Missouri Technology Corporation; Rob Rose and Sam Fiorello, Donald Danforth Plant Science Center; Harry Antrainer, Kerry Inc.; Dustin Allison, Missouri Attorney General's Office; Katie Watts,

**I. Secretary's Report**

Secretary Neff

Secretary Neff presented for approval the minutes from the January 9, 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. Treasurer Grumney seconded the motion. The following vote was recorded:

Aye: Neff, Grumney, Lindsey, Wilson, Hill, Childers and Kinder

Nay: None

Absent: Starr, Eckelkamp, Steinhoff and Ferrell

Chairman Kinder declared the motion passed.

**II. Treasurer's Report**

Treasurer Grumney

Pamela Hill announced the Board had received a Certificate of Achievement for Excellence in Financial Reporting for the 2006 Comprehensive Annual Financial Report. Chairman Kinder congratulated staff for their work well done. Treasurer Grumney presented for approval the Treasurer's Report as of and for the six months ended December 31, 2006. 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 vote was recorded:

Aye: Neff, Grumney, Lindsey, Wilson, Hill, Childers and Kinder

Nay: None

Absent: Starr, Eckelkamp, Steinhoff and Ferrell

Chairman Kinder declared the motion passed.

**III. Department of Economic Development Report**

Deputy Director Mills

In Director Steinhoff's absence, Deputy Director Mike Mills reported the legislative session is heavily underway and the Department has several items being addressed, including raising the cap on the Quality Jobs Act and Enhanced Enterprise Zone Program. Mr. Mills commented the Department is fully engaged in the Lewis & Clark

Discovery Initiative which currently is being discussed in the legislature. Mr. Mills reported the Department's budget is being considered and an important part of the budget is the Life Science Trust Fund. The legislature has set aside 25% of the fund to increase life science research and development capacity.

Mr. Mills reported statewide unemployment is down to 4.9%; a key point being that from January 2005 to January 2007, Missouri had the 10th greatest reduction in unemployment in the country.

**IV. Department of Agriculture Report**

Deputy Director Stafford

In Director Ferrell's absence, Deputy Director Tony Stafford reported the Department also has many items being considered in the legislature; one being the State Preservation Act that has been repeatedly discussed.

Mr. Stafford commented Director Ferrell had recently returned from a trip to Washington, D.C. where he attended the National Association of State Departments of Agriculture Forum.

Mr. Stafford reported that Senator Bond, Director Steinhoff and others were visiting Japan and China to showcase Missouri's products and that Missouri beef had cleared customs for the visit.

Mr. Stafford invited the Board to attend the Department's legislative event on March 5.

**V. Department of Natural Resources**

Director Childers

Director Childers reported one of the Department's key budget items is that the Governor allocated \$50 million in bonding for smaller communities throughout the state. This funding will be used for loans and planning purposes.

**VI. Lieutenant Governor's Report**

Lt. Governor Kinder

Chairman Kinder reported he has been very supportive and actively involved in the Lewis & Clark Discovery Initiative and remains hopeful it will be a success in legislation this year.

Chairman Kinder reported on the Tour of Missouri Bike Race to be held September 11-16, 2007. The route for the race has been announced and will begin at The Plaza in Kansas City and will continue to Clinton, Springfield, Branson, Lebanon, Columbia, Jefferson City, St. Charles and will finish at the Arch in St. Louis. Chairman Kinder commented the Lieutenant Governor's Office continues to work diligently on the logistics for the race.

## VII. New Business

### A. Donald Danforth Plant Science Center Tax Credit for Contribution

Robert V. Miserez

Mr. Miserez presented the application from the City of Creve Coeur for \$1,750,000 in tax credits to raise \$3,500,000 in contributions on behalf of the Donald Danforth Plant Science Center (the “Center”), a 501(c)(3) corporation. Mr. Miserez commented that the contributions, net of Board fees, will be combined with proceeds from the sale of the credits to apply toward expansion of the Center’s greenhouse and transforming certain dry lab space into wet labs to further the mission of the Center with the development of a new renewable fuels institute.

Total estimated capital cost of the project is approximately \$5.2 million. Mr. Miserez reported the Center also had received commitments of \$23.5 million beyond the tax credit contributions to fund establishment, staffing and start-up of this initiative. Mr. Miserez introduced Mr. Sam Fiorello from the Center.

Mr. Fiorello thanked the Board for their past support to the Center and gave a brief presentation on the project and history of the Center. Mr. Fiorello was available for questions.

Secretary Neff questioned if the project was primarily for alternative energy research. Mr. Fiorello replied that the project is a biofuel research institute focusing on alternative energies.

Secretary Neff made a motion to approve the application as submitted for \$1,750,000 in tax credits to raise \$3,500,000 in contributions. Member Wilson seconded the motion. The following vote was recorded:

Aye: Neff, Grumney, Lindsey, Wilson, Hill, Childers and Kinder

Nay: None

Absent: Starr, Eckelkamp, Steinhoff and Ferrell

Chairman Kinder declared the motion passed.

### B. Plattsburg Quick Loan Program Loan Amendment

Pamela Hill

Ms. Hill presented the City of Plattsburg’s request to extend the maturity date of the MDFB Quick Loan from February 1, 2007 to July 16, 2007. The City made a partial payment of approximately half of the outstanding balance. Ms. Hill explained the reason the City wanted to extend the maturity date was due to the

City wanting to maintain the water storage fund balance and provide flexibility in the event the City would need to install water disinfection methods during the third quarter of 2007.

Staff recommended adoption of the Authorizing Resolution to extend the loan maturity date to July 16, 2007.

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

**RESOLUTION AUTHORIZING THE MISSOURI DEVELOPMENT FINANCE BOARD TO ENTER INTO AN AMENDMENT TO A PURCHASE AGREEMENT WITH THE CITY OF PLATTSBURG, MISSOURI EXTENDING THE MATURITY DATE OF AN OBLIGATION DELIVERED IN CONNECTION WITH A LOAN TO THE CITY FOR WATER SYSTEM IMPROVEMENTS.**

Director Childers seconded the motion. The following vote was recorded:

Aye: Neff, Grumney, Lindsey, Wilson, Hill, Childers and Kinder

Nay: None

Absent: Starr, Eckelkamp, Steinhoff and Ferrell

Chairman Kinder declared the motion passed.

C. Kopytek, Inc. Tonya Loucks  
Revenue Bond Application

Ms. Loucks presented for approval the application from Kopytek, Inc. of their request for tax-exempt revenue bonds in an amount not to exceed \$4 million.

Kopytek, Inc. is a commercial offset printing organization based in St. Louis. Ms. Loucks explained Kopytek, Inc. is expanding their operations with construction of a new facility. The project will add approximately 16-30 new full-time jobs to the facility.

Ms. Loucks reported Kopytek, Inc. is responsible for the repayment of the bonds and the Board is a conduit issuer only with no liability. Staff recommended adoption of the Resolution of Intent to issue bonds not to exceed \$4 million.

Member Hill made a motion to approve the following Resolution of Intent:

**RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD APPROVING A PROJECT FOR KOPYTEK, INC., A MISSOURI CORPORATION, AND AN AFFILIATE OF SUCH CORPORATION, AND DETERMINING THE OFFICIAL INTENT OF THE BOARD TO ISSUE**

**ITS REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$4,000,000 TO FINANCE THE COSTS OF SUCH PROJECT.**

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

Aye: Neff, Grumney, Lindsey, Wilson, Hill, Childers and Kinder

Nay: None

Absent: Starr, Eckelkamp, Steinhoff and Ferrell

Chairman Kinder declared the motion passed.

D. Kerry, Inc. Tonya Loucks  
BUILD Application

Ms. Loucks presented for approval the application from Kerry Inc. for Missouri BUILD Bonds of approximately \$1,036,000.

Ms. Loucks explained Kerry Inc. supplies food ingredients and products to customers in more than 140 countries worldwide. The project would involve the renovation and construction to include upgrades to two existing facilities in Affton, Mo.; allowing the company to consolidate operations of three of their sweets facilities currently outside of Missouri bringing them all to a centralized location.

Ms. Loucks reported the bond proceeds would finance machinery and equipment with an approximate investment of \$19 million. The project would add 150 new jobs to the facility.

Ms. Loucks reported it was brought to our attention that Kerry, Inc. was not a registered corporation within the State of Missouri. The company was apparently using another name in Missouri, which was withdrawn and the new name Kerry, Inc. was not properly registered. The company is taking immediate steps to complete the appropriate paperwork for Kerry Inc. to be authorized to conduct business in Missouri as a foreign corporation.

Staff recommended adoption of the Preliminary Resolution in an amount not to exceed \$1,036,000; contingent upon Kerry Inc. being properly registered to conduct business in Missouri as a foreign corporation. Ms. Loucks introduced Mr. Harry Antrainer with Kerry Inc.

Mr. Antrainer gave an overview of the project and a brief history of the company. Mr. Antrainer was available for questions.

Secretary Neff made a motion to approve the following Preliminary Resolution:

**RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD  
PRELIMINARILY APPROVING A PROJECT FOR KERRY INC., AND  
DETERMINING THE INTENT OF THE BOARD TO ISSUE ITS BUILD  
MISSOURI REVENUE BONDS IN A PRINCIPAL AMOUNT OF  
APPROXIMATELY \$1,036,000 TO FINANCE A PORTION OF THE  
COSTS OF THE PROJECT.**

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

Aye: Neff, Grumney, Lindsey, Wilson, Hill, Childers and Kinder

Nay: None

Absent: Starr, Eckelkamp, Steinhoff and Ferrell

Chairman Kinder declared the motion passed.

D. City of Windsor Pamela Hill  
MIDOC Loan Application

Ms. Hill presented for approval the City of Windsor's request for funds to fill the financing gap to construct a new water treatment plant and storage tower. The City has needed to alleviate the poor water quality for some time and in April 2003 approved a \$2 million bond issue to secure USDA/Rural Development financing for the project.

Ms. Hill reported a project cost of approximately \$2.2 million and the request for a \$100,000, 3%, 20-year MIDOC loan. Staff recommended approval of the application as submitted and presented.

Member Wilson made a motion to approve the application as submitted. Secretary Neff seconded the motion. The following vote was recorded:

Aye: Neff, Grumney, Lindsey, Wilson, Hill, Childers and Kinder

Nay: None

Absent: Starr, Eckelkamp, Steinhoff and Ferrell

Chairman Kinder declared the motion passed.

**VIII. Miscellaneous** Robert V. Miserez

Mr. Miserez reported the following items:

- DREAM Initiative — Meetings to finalize the scope of services for each of the DREAM communities are 50% completed; the remaining meetings have been scheduled.
- New Market Tax Credits — David Queen, Kathleen Barney and staff are working diligently on the program application which is due February 28, 2007. The focus of the Board's application to this federal program is to provide support to plant and life science initiatives in the state and for rural manufacturing. The application is a partnership effort with the Missouri Department of Economic Development.
- Gasconade County Courthouse — A request from the City of Hermann for \$25,000 in contribution tax credits is anticipated to fund a detailed analysis of the condition of the courthouse. This request is a result of the DREAM Program.
- University of Missouri – Columbia — A draft request has been submitted for the Research Animal Diagnostic Institute Laboratory for an approximate \$15.5 million expansion. The request would be that the Board fund \$2.5 million as an equity partner with the University. Review of the request and discussions are ongoing between staff and the Missouri Department of Economic Development.
- Kauffman Performing Arts Center — Discussions have been ongoing with the Center regarding a \$160 million bond issue for a possible request at the March and/or April Board meetings.
- Missouri Department of Transportation — Meetings are ongoing with MoDOT staff regarding the possibility of an application to the Board for the issuance of approximately \$400 to \$600 million in revenue bonds for a 5-year bridge rebuilding/replacement plan. MoDOT has identified 1,080 bridges that would qualify for the plan; targeting at least 1,000 bridges that are in critical need of repair and/or renovation.
- City of St. Louis — A MODESA application has been submitted to the Missouri Department of Economic Development. Ms. Hill has been working with the Department on this joint application and gave a brief explanation of the project.
- City of Jefferson City — Discussions are ongoing regarding the City's efforts to construct a conference center/parking garage.
- City of Raytown — Information has been received from the City for a redevelopment project on Highway 350 consisting of an approximate cost of \$37.5 million.
- DaimlerChrysler Corporation — The Board had approved a BUILD preliminary resolution for the company. The Missouri Department of Economic Development is reassessing the entire incentive package and will continue to work on the project.

**IX. Adjournment**

Secretary Neff made a motion to adjourn the meeting. Treasurer Grumney seconded the motion. There being no further business before the Board, the meeting was adjourned.

[Secretary Neff's Signature]