

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

SEPTEMBER 18, 2007

The Missouri Development Finance Board met in regular session on Tuesday, September 18, 2007, beginning at 10:00 a.m. The meeting was held 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	Absent
Doyle Childers	Director, Dept. of Natural Resources and Member	Absent
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, Krystal Davis and Valerie Haller

Board Counsel: David Queen, James Caldwell and Mark Grimm

Others Present: Jerry Dowell, Lieutenant Governor's Office; Jeff Staake, Department of Natural Resources; Matthew Unrein, City of Arnold; and Carl Ramey, Stifel Nicolaus & Company

I. Secretary's Report

Secretary Neff

Secretary Neff presented for approval the minutes from the August 21, 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 Eckelkamp seconded the motion. The following roll call vote was recorded:

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

Nay: None

Absent: Lindsey, Smith and Childers

Chairman Kinder declared the motion passed.

Member Lindsey joined the call.

II. Treasurer's Report

Treasurer Grumney

Treasurer Grumney presented for approval the Treasurer's Report as of and for the year ended June 30, 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 and Kinder

Nay: None

Absent: Smith and Childers

Chairman Kinder declared the motion passed.

III. Department of Economic Development Report

Director Steinhoff

Director Steinhoff thanked Chairman Kinder for his leadership with the Tour of Missouri and commented on the great success of the event.

Director Steinhoff reported on the Governor's Conference on Economic Development and the great number in attendance of approximately 1,500 people. The Governor announced the ten 2007 DREAM communities at the conference, bringing the total of DREAM communities to 20.

Director Steinhoff announced the Missouri Partnership Board has been meeting to hire a CEO and hope to have announcements shortly. The Missouri Partnership Board is an economic development recruitment organization that will put Missouri into a much better competitive position in terms of recruiting, investments and jobs to the State.

Director Steinhoff reported the MOHELA transfer of funds had occurred and the funds will aid in new construction and improvements to buildings throughout the State.

Director Steinhoff stated House Bill 1 passed and thanked everyone for their support of the bill.

IV. Department of Agriculture Report Director Smith

No report was given.

V. Department of Natural Resources Director Childers

No report was given.

VI. Lieutenant Governor's Report Lt. Governor Kinder

Chairman Kinder reported on the great success of the Tour of Missouri. The Missouri Highway Patrol had estimated between 110,000 and 130,000 spectators for the first four stages of the race. Volunteers from other states assisted with the Tour of Missouri. The Web site generated hits from approximately 40 countries around the world.

Chairman Kinder stated an economic study was commissioned through the economics department and business school at the University of Missouri and the economic impact studies should be available in the next three weeks.

Chairman Kinder noted every location that was involved in the Tour of Missouri would like to have the race back and there have been several other locations that would like to host the event next year.

Member Wilson was in attendance at the Jefferson City event and commented on the number of visitors from other states.

Chairman Kinder noted the St. Charles event gathered approximately 20,000 to 30,000 spectators for the finish of the race. Member Hill attended this event and commented it was a great race.

Member Lindsey commented he had a great time at the race and the Lebanon event was highly attended.

Vice Chairman Starr commented the race seemed to be a priceless event for the State given the turnout and excitement generated worldwide.

Chairman Kinder thanked everyone that assisted with the event.

VII. Old Business

- A. Modern Litho-Print Co. IRB Kathleen Barney
Final Authorizing Resolution

Ms. Barney reported on the request of the Final Authorizing Resolution for the Modern Litho-Print Co. for Bonds not to exceed \$2,750,000. The Board adopted the Resolution of Intent for the company in August 2007.

Ms. Barney stated the bonds will purchase a new Heidelberg 105XL five-color press and ancillary equipment with a total project cost of \$3,040,000. The bonds will be directly placed with Clayton Holdings, LLC, a subsidiary of Commerce Bank.

Ms. Barney stated the Board has no repayment obligation and it is only a conduit issuer. Staff recommended the adoption of the Final Authorizing Resolution.

Vice Chairman Starr made a motion to approve the following Final Authorizing Resolution:

RESOLUTION AUTHORIZING THE MISSOURI DEVELOPMENT FINANCE BOARD TO ISSUE NOT TO EXCEED \$2,750,000 PRINCIPAL AMOUNT OF INDUSTRIAL DEVELOPMENT REVENUE BONDS (MODERN LITHO-PRINT PROJECT) SERIES 2007 FOR THE PURPOSE OF PROVIDING FUNDS TO MAKE A LOAN TO MODERN LITHO-PRINT CO. TO PROVIDE FUNDS TO FINANCE, REFINANCE AND REIMBURSE THE COSTS OF EQUIPMENT AND RELATED IMPROVEMENTS FOR A PRINTING FACILITY; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS.

Member Wilson seconded the motion.

Director Steinhoff noted the Department had not approved the tax-exempt bond allocation to date. James Caldwell, Gilmore & Bell, stated the intent is that the resolution is contingent on receiving the Bond allocation.

With the motion made and seconded, the following roll call 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.

VIII. New Business

A. City of Arnold
Public Infrastructure Bond Application

Kathleen Barney

Ms. Barney presented the public infrastructure bond application from the City of Arnold with a request of an issuance of up to \$9.5 million in public infrastructure bonds to fund the Sewer and Church Road projects.

Ms. Barney reported the Sewer bond amount of \$2,140,000 was to fund cost overruns the City incurred when they bored under the Meramec River to connect their sewer system to the Metropolitan St. Louis Sewer District's system. Previously, the City issued \$9 million in bonds, with voter approval, to fund the Sewer project.

Ms. Barney stated the Church Road project amount of \$6,240,000 was to fund the cost of realignment and construction of two miles of roadway for a TIF redevelopment named the Arnold Triangle.

Ms. Barney reported the bond amount for this project will retire \$4 million in Commerce Bank debt that matures in December and also will fund the next phase of the project. The repayment source for the bonds is City annual appropriation pledge and the Board has no repayment obligation. The City will seek a rating and does expect investment grade.

Staff recommended the adoption of the Resolution of Intent. Ms. Barney announced that Matthew Unrein, Arnold City Administrator, and Carl Ramsey with Stifel Nicolaus, were available for questions.

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

RESOLUTION OF THE MISSOURI DEVELOPMENT FINANCE BOARD APPROVING A PROJECT FOR THE CITY OF ARNOILD, MISSOURI, AND DETERMINING THE OFFICIAL INTENT OF THE BOARD TO ISSUE ITS INFRASTRUCTURE FACILITIES REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT OF APPROXIMATELY \$9,500,000 TO FINANCE THE COSTS OF SUCH PROJECT.

Member Lindsey seconded the motion. The following roll call 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.

IX. Miscellaneous

Robert V. Miserez

Mr. Miserez announced the hiring of Dawn Holt as the new MDFB Accountant. She will begin employment with the Board on September 24. Mr. Miserez thanked Secretary Neff, Member Lindsey and Jerry Dowell for assisting with the interviews that he and Krystal conducted. Mr. Miserez also announced they were preparing to fill the Finance Officer position.

Mr. Miserez stated a corrected Tax Credit for Contribution report would be distributed due to an error in the Downtown Contribution amounts.

Mr. Miserez reported he met with Director Smith, Matt Boatright and Dan Engemann from the Department of Agriculture on September 14. Director Smith called the meeting to ask how the Department could be more involved with and supportive of the DREAM Initiative. During the meeting, Director Smith indicated there could be some Department programs that could assist with this initiative.

Mr. Miserez met with Sallie Hemenway from the Department of Economic Development and Patrick Hanlon and Brian Pratt from PGAV to discuss a number of issues with the 2007 DREAM Initiative.

Mr. Miserez noted the DREAM Initiative has been a huge success and Sponsors continue to research ways to expand its impact. There has been an interest by philanthropic persons in the DREAM-designated communities to do more for their ongoing DREAM activities and projects. The Sponsors are considering using contribution tax credits to leverage investments or contributions to the Board to create funds similar in concept to endowment funds for the DREAM communities. Mr. Miserez stated this would be similar in concept to what the Board did for the CORTEX project.

Director Steinhoff commented this would be a great way to enhance private participation on some of the DREAM projects.

Member Eckelkamp also agreed this would be a great enhancement to the program.

Chairman Kinder also thanked Secretary Neff and Member Lindsey for their assistance with the interview process.

X. Adjournment

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

[Secretary Neff's Signature]