

OPPORTUNITY CAPTURE FUND

October 20, 2015

Minutes

An Opportunity Capture Fund meeting was held on October 20, 2015. Committee chair Mayor Steve Allender called the meeting to order at 10:15 a.m.

The following Committee members were present: Mayor Allender, David Hillard, Brad Estes and Chad Lewis (arrived late). Others in attendance: Pauline Sumption (Finance Officer) and Ben Snow (Rapid City Economic Development - RCED).

Motion by Estes, second by Hillard and carried to approve the minutes of the last meetings, held on May 11, 2015 and June 24, 2015.

Motion by Estes, second by Hillard and carried to approve the financials as of June 24, 2015.

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of Lost Cabin Beer Co. in the amount of \$15,000 from the Opportunity Capture Fund for job training, fixed assets, equipment and/or building/leasehold improvements. Total project costs of their current relocation are estimated at \$710k. Motion by Hillard, second by Lewis & carried, with Estes abstaining, to approve said grant.

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of Black Hills Corp. in the amount of \$500,000 from the Opportunity Capture Fund for job training, fixed assets, equipment and/or building/leasehold improvements. Total project costs of their current expansion are estimated at \$70 million. After much discussion, it was moved by Estes, seconded by Lewis & carried to approve said grant.

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of Rushmore Media (now Gray Communications) in the amount of \$100,000 from the Opportunity Capture Fund for job training, fixed assets, equipment and/or building/leasehold improvements. Total project costs of their current expansion are estimated at \$21 million. After much discussion, it was moved by Estes, seconded by Lewis & carried to approve a \$50k grant contingent upon securing a building permit.

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of Lehigh Defense, LLC in the amount of \$20,000 from the Opportunity Capture Fund for job training, equipment relocation costs, fixed assets, equipment and/or building/leasehold improvements. Total project costs of their current relocation are estimated at \$2.82 million. Motion by Lewis, second by Estes and carried to approve said grant.

Sumption advised that the Rapid City Economic Development Foundation had certified costs for TID 64 – Cabela's for the land reassembly portion of the project plan. Total certified was approximately \$5 million. Payment will be processed to the Foundation in the amount of \$500k as part of the Developer's Agreement. Another payment of approximately \$225k will be processed to the City of Rapid City Vision Fund, which is to fund additional Opportunity

Capture grants. Total to be paid to the Vision Fund for this purpose is \$1.5 million. The remaining \$3 million will be paid to the City's Capital Improvement Fund.

Discussion was held on the vacant seat on the committee. Mayor Allender's office will prepare press release advising the public of the opening as well as the requirements that the individual be a business person (per City Ordinance).

Motion by Estes, second by Hillard & carried to adjourn the meeting at 11:10 a.m.

Respectfully Submitted,

Pauline Sumption
Finance Officer