

OPPORTUNITY CAPTURE FUND
October 17, 2013
Minutes

An Opportunity Capture Fund meeting was held on October 17, 2013. Committee chair, Mayor Sam Kooiker, called the meeting to order at 10:15 a.m.

The following Committee members were present: Mayor Kooiker, Jim Mirehouse, Jim Lampy, David Hillard and Jerry Wright. Others in attendance: Pauline Sumption (City Finance), and Ben Snow (Rapid City Economic Development - RCED).

Motion by Lampy, second by Mirehouse & carried to approve the minutes of the August 5, 2013 committee meeting.

Motion by Hillard, second by Lampy & carried to acknowledge the financials as of October 17, 2013.

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of Amcon Distributing Company in the amount of \$33,750 from the Opportunity Capture Fund for job training, fixed assets, equipment and/or building/leasehold improvements. Total project costs are estimated at \$2.1 million. Motion by Lampy, second by Hillard & carried to approve the request with a two-stage phase-in; 1st phase – ½ of the grant (\$16,875) when Amcon pulls the building permit for a 30,000 ft² expansion; 2nd phase – ½ of the grant (\$16,875) based on the threshold of 90 employees and contingent upon the average wage projected being gross wages only (not including benefits).

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of Pergroup in the amount of \$25,000 from the Opportunity Capture Fund for job training, fixed assets, equipment and/or building/leasehold improvements. Total project costs are estimated at \$990K. Motion by Kooiker, second by Wright & carried to approve the request with a two-stage phase-in; 1st phase – ½ of the grant (\$12,500) when Pergroup signs a minimum 3-year facility lease; 2nd phase – ½ of the grant (\$12,500) based on the threshold of 15 employees.

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of HF Webster in the amount of \$100,000 from the Opportunity Capture Fund for job training, fixed assets, equipment, equipment relocation and/or building/leasehold improvements. Total project costs are estimated at \$5.5 million. After much discussion it was moved by Hillard, seconded by Wright & carried to approve the request to grant up to \$100,000 on a reimbursement basis for the relocation and establishment of the friction stir welding equipment, contingent upon receiving primary bank financing and material participation of the SD Governor's Office of Economic Development and the Rapid Fund.

Discussion was held on repurposing the money established for additional IDPF loans within the Vision Fund.

Motion by Lampy, second by Hillard & carried to adjourn the meeting at 11:18 a.m.

Pauline Sumption
Finance Officer