

OPPORTUNITY CAPTURE FUND
September 27, 2018
Minutes

An Opportunity Capture Fund meeting was held on September 27, 2018. Committee chair Mayor Steve Allender called the meeting to order at 2:40 p.m.

The following Committee members were present: Mayor Allender, Dick Johnson, Bob DeMersseman, Amanda Scott & Becky Drury (arrived late). Members Absent: Pete Cappa. Others in attendance: Pauline Sumption (Finance Officer), Dale Tech (Public Works Director) and Ben Snow (Rapid City Economic Development - RCED).

Motion by Johnson, second by DeMersseman and carried to approve the minutes of the last meeting, held on April 2, 2018.

Financials as of April 2, 2018 were presented. Motion by Johnson, second by DeMersseman and carried to approve the financials as presented.

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of Lost Cabin Beer in the amount of \$15,000 from the Opportunity Capture Fund for job training, fixed assets, equipment and/or building/leasehold improvements. Total projected payroll increase is \$780k per year when fully staffed, with a weighted average wage for the new positions at \$33,000. Motion by Johnson, second by Scott and carried to approve a \$15k grant contingent on the acquisition of 1402 W Rapid Street. The standard clawback provisions would also apply. The committee also approved a \$15k grant in 2015, which was previously contingent upon meeting projected employee numbers by 2020. If Lost Cabin fails to meet both of these contingencies, the two \$15k grants (\$30k total) would be converted to a loan. Drury arrived during the discussion of this grant.

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of B9Creations in the amount of \$58,250 from the Opportunity Capture Fund for job training, fixed assets, equipment and/or building/leasehold improvements. Total projected payroll is \$1.67 million per year when fully staffed, with a weighted average wage of \$63,000+. Motion by Scott, second by DeMersseman & carried to approve a \$58,250 grant contingent upon the acquisition of 2828 Plant St (bottom floor). The standard clawback provisions would also apply, however, if they did not meet the employee projection, the \$38,750 grant allocated for new jobs would be converted to a loan.

The committee reviewed the request from Rapid City Economic Development Partnership (RCEDP) on behalf of Advanced Services, Inc (ASI) in the amount of \$133,000 from the Opportunity Capture Fund for job training, fixed assets, equipment and/or building/leasehold improvements. Motion by Scott, second by Drury & carried to approve a \$56,800 grant, with ½ being released upon meeting maximum staff capacity at their current facility and the second ½ being released upon the lease of a larger facility. The standard clawback provisions would also apply.

There being no further business to come before the committee, Mayor Allender adjourned the meeting at 3:22 p.m. after a motion by Scott and a second by Drury.

Respectfully Submitted,

Pauline Sumption
Finance Officer