

Partnership For Success



*Lincoln and Minnehaha County
Economic Development Associations*



Manufacturing, energy projects drive 2013 growth

Construction activity continued its upward momentum during 2013, a year marked by several major projects in addition to consistent development in housing, retail and infrastructure throughout our two-county area.

“Throughout the region, communities are experiencing a renewed level of growth,” said Nick Fosheim, executive director of the Minnehaha and Lincoln County Economic Development Associations. “Best of all, these communities are investing in the amenities and infrastructure projects that will keep them attractive to companies and families.”

Early in 2013, Central States Manufacturing, an Arkansas-based manufacturer and distributor of metal building products, began operations in Hartford at a newly constructed 40,000 square foot manufacturing facility on a ten acre plot in the community’s new development park. With up to 40 jobs to be created over the next three years, Central States Manufacturing is the largest private employer in Hartford. In addition to their wide range of steel building products, Central States is making a unique agricultural panel exclusively at the Hartford plant in response to regional demand.

Marmen, a world leader in high-precision machining, fabrication and mechanical assembly, is currently constructing its first plant in the United States, Marmen Energy, in Brandon. The new plant is fully dedicated to the fabrication of wind towers, which Marmen Energy has been producing for the U.S. market since 2002, making the company one of North America’s largest wind tower manufacturers. Upon completion of additional production space, the Brandon



Marmen Energy is completing the expansion to its Brandon production facility, bringing the manufacturing plant to 200,000 square feet.

facility will total 200,000 square feet. Hiring has already begun and production will begin soon at the Brandon plant, which expects to eventually employ 250.

“The addition of 250 new jobs to Minnehaha County significantly impacts the growth of our region,” Fosheim said. “When an energy company as experienced as Marmen chooses our area, that encourages similar companies to consider the business advantages of South Dakota and the communities surrounding Sioux Falls.”

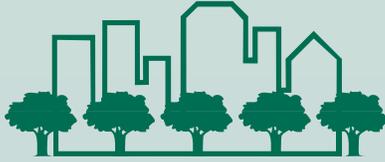
Dakota Power Community Wind, led by a local landowner association, has announced preliminary action on a community wind farm of up to 1,000 megawatts, the largest of its kind, to be potentially located in the Lincoln County area. The catalyst for this project is the Rock Island Clean Line, which will allow power captured in the Midwest to be connected to new markets in the Eastern United States. The Clean Line project will end in O’Brien County, Iowa, which opened up an opportunity for the Lincoln County project.

Estimates indicate that a project of up to 1,000 megawatts, as is planned for Lincoln County over several phases, will generate tax revenues to the state and county in excess of \$15 million annually over the 40 to 50 year easement. Over 1,500 construction jobs will be created, along with over 70 permanent, on-site jobs.

“These news-generating projects are exciting and help our counties grow,” Fosheim said. “But equally important to our long-term economic success are the grocery stores, new parks and dozens of single-family homes built this year. The expansion of existing businesses and investment of our communities in themselves are the real engine that drives our prosperity.”



Groundbreaking ceremonies were held October 24 near Worthing for Agile Manufacturing, makers of Miller Loaders and GrabTec products.



**Lincoln County
Economic Development Association
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LCEDA and MCEDA

in cooperation with the

**Sioux Falls Development
Foundation**

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LCEDA PRESIDENT'S MESSAGE

By Bob Lier

Economic success through powerful partnership

The communities of Lincoln County experienced another year of solid growth during 2013. Housing construction, which has always been a vital element in our county's development, was matched by retail and commercial projects. Our towns continue to grow, as more and more families see the advantages of making a home—and building a business—in Lincoln County, South Dakota.

Our consistent growth—nationally acknowledged as among the fastest in the country—is one of the most important reasons for the existence and hard work of the Lincoln County Economic Development Association. By discussing challenges, sharing solutions and working together for planned, professional economic development, we make the future brighter and the present more organized for everyone in our member communities. Through LCEDA, and with the help of the Sioux Falls Development Foundation, the Governor's Office of Economic Development and our colleagues in MCEDA, we work to ensure that growth is a positive phenomenon for everyone.

For that reason, we must thank the dedicated and committed members of our volunteer board and our executive director, Nick Fosheim. The communication we share makes us an effective and efficient group. Our investors also deserve our thanks for making our efforts possible. For the entire existence of LCEDA, partnership has been the key to our success.



MCEDA PRESIDENT'S MESSAGE

By Mike Wendland

Working together yields results for communities

The Minnehaha Country Economic Development Association is proud to be one of the first and most successful regional economic development groups in our area. Working in partnership with the Lincoln County Economic Development Association, we have built on our excellent relationships with the Governor's Office of Economic Development and the Sioux Falls Development Foundation.

For over two decades, the goal of this effective economic development partnership has been to keep our communities strong. We have received awards, been quoted in publications and turned to for advice in coalition building and cooperation. Most importantly, we have succeeded in growing opportunity, adding jobs and raising the standard of living in our member communities and throughout this region.

We owe this achievement to planning, participation and persistence. By linking our efforts with similar goals in Sioux Falls and in Lincoln County, we have achieved more than we could have on our own—and more than doubled our effectiveness in marketing, hosting and placement of companies and jobs.

Our success is based on the hard work of individuals, the people who volunteer and the people who understand the importance of economic development. From our executive director Nick Fosheim to the mayors, council members and city finance officers and citizens who join our efforts and applaud our accomplishments, we share a common goal: to build better communities to ensure a brighter future for all of us.



BERESFORD

In 2013, 73 building permits were issued in Beresford, with a population of 2,200. Included in those building permits, valued at more than \$2.3 million, were six new single family homes. The creation of Forward Downtown Beresford, Inc. is working to attract businesses and shoppers, with four new companies locating this year in formerly empty downtown buildings. Dakota Power Community Wind announced plans to create a 1,000 megawatt windfarm beginning just outside the city limits. The city removed three dilapidated structures in 2013 and has three more scheduled for removal in the near future.



Rob Johnson of Dakota Plains Energy shows favorable wind levels in Lincoln County for the Dakota Power Community Wind project.

CANTON

Canton, with a population of 3,110, is home to the Canton Industrial Park, South Dakota's first Certified Ready Site. Housing was a big story in Canton during 2013, with over a dozen homes planned by Nielsen Construction. In addition, Canton's planning and zoning board gave unanimous approval to 172 town homes, known as The Meadows, as a planned development. Building permits in Canton for 2013 totaled 47 at a value of over \$1.8 million, and three new single family homes were built this year.

HARRISBURG

This year, 66 single family homes were built in Harrisburg, now with a population of 4,800. The community approved 231 building permits with



Steel goes up at the construction site for Perfect Practice, a 55,000 square foot sports complex now being built in Harrisburg to provide year round access for baseball, softball, basketball, football and volleyball.

a total value of over \$16 million, nearly \$10 million of which was for residential construction. This year 120 acres were annexed in planning for a retirement community, and space was acquired for a new City Hall. The community completed a Safe Routes to School project and received funding through the Transportation Alternatives Program for a trail running through the heart of town.

LENNOX

During 2013, Lennox, with a population of 2,111, issued 97 building permits with a valuation of nearly \$1 million. Three new single family homes were constructed, including a Governor's House. Northern Cabinet Door is currently in the process of expanding its manufacturing operation with a new facility in the Lennox Industrial Park Complex. Other expanding businesses in Lennox during 2013 were Sunnyside LLC, Casey's and The Dog House.

TEA

Tea issued 132 building permits for a total valuation of nearly \$8 million, \$3.36 million of which was for 26 new single family homes. The City of Tea completed Phase 2 of its Athletic Complex that included a concession stand, restrooms and picnic shelters. The Tea Area School District in the final steps of completing its Athletic Complex furnished with a concession stand, restrooms, turf football field and track.

A new park was also constructed in the Howling Ridge Addition on the north side of Tea that includes playground equipment and a picnic shelter. Tea welcomed new businesses Oggie's Grille & Bar, Porters Flooring & More and PORT Second Hand Store.

WORTHING

Worthing has completed infrastructure work on the first five acres of a 38.5 acre development park site. The first phase of the city's new park has been completed, with a picnic shelter and recreational equipment in place. The community park will offer ball fields and a nine-hole Frisbee golf course, walking trails and sand volleyball courts. Worthing has also completed water, sewer, utilities and sanitary sewer improvements on three blocks around the elementary school, and a developer is working on an 83 acre step-up housing plan. The community, home to 1,000 people, experienced nearly \$36,000 worth of construction in 2013, spread over 30 new projects.



Oggie's Grille & Bar recently opened in Tea, expanding the community's dining options.

BALTIC

This year's big news in Baltic was the opening of the new bridge on County Highway 114, closed since 2012. This community of 1,130 added four new single family homes, with attractive lots still available for the construction of additional houses. Baltic also paved a heavily traveled portion of 5th Street north of Lovely Avenue and completed a \$1.2 million dollar street/water/sewer/curb and gutter project on Elm Avenue. At Murphy Pond Park, the city upgraded the Avenue of Flags, a project that includes 21 solar-lighted flagpoles on which the flags can be easily raised and lowered as a salute to veterans. In 2013, 54 building permits were issued, with \$672,154 in total construction activity approved.

BRANDON

Brandon, with a 2013 population of 9,074, issued 359 building permits at a valuation over \$18 million. Two major projects this year included the \$3.8 million expansion of the Marmen Energy facility and a \$2.95 million, 32-unit apartment complex under construction by Costello Companies. A total of 61 new single family homes were built, with nearly \$14 million being spent in home construction, renovation and remodeling in 2013.

COLTON

Colton, population 687, made significant improvements in community amenities during 2013, including new park equipment to enhance family attraction, and radio read water meters for resident convenience. Activity for 2013 shows 18 building permits, 16 of which were for single family homes, with a total valuation over \$440,000.

CROOKS

Crooks, with a population of 1,269, issued 104 building permits in 2013 at a valuation of \$1.7 million. Three new single-family homes were built, and Crooks Municipal Gas, serving Crooks, Renner and rural Sioux Falls, added both commercial and residential customers this year. The

Crooks Park Board is planning park improvements and examining spray park designs, with an eye to moving forward on the project during 2014.

DELL RAPIDS

Dell Rapids, with a population of 3,689, issued 117 building permits at a total valuation over \$9 million. Dell Rapids residential construction added 14 new single family homes in 2013, along with a new County Fair grocery store, a Casey's convenience store and a Family Dollar store. The city completed a \$1.9 million curb, gutter and sidewalk street reconstruction project and is focusing on efforts to open 80 acres to industrial development. A state grant from Game Fish and Parks helped to fund new playground equipment in the city park.



County Fair nears completion in Dell Rapids.

GARRETSON

Garretson, with a current population of 1,159, issued 44 building permits during 2013, totaling over \$300,000. The city was hard-hit by the April ice storm, but pulled together for a community-wide clean up effort. The residents, city council, mayor and city staff are all working to beautify Garretson in preparation for the community's 125th anniversary celebration, slated for the July 4 weekend next year.

HARTFORD

In Hartford, 109 permits were issued, with a valuation of over \$5 million during 2013, including 29 new single family homes. The city annexed 200 acres for commercial and residential development and Kelly Point Partners opened 34 housing lots. This community of 2,534 is constructing an amphitheater in the city park and expansions to the bike trail



Hartford breaks ground for a new access road.

system. Phase I of the sports complex has been completed and construction is underway on a new access road just off I-90 exit 387. In commercial news Central States Manufacturing began operations, the Hartford Elevator is expanding to include a new feed mill, bin and scalehouse, and the Hartford BP is being remodeled.

HUMBOLDT

In Humboldt, building lots for new homes are still available in this Minnehaha County community of 589. Humboldt had 25 building permits with a total value of nearly \$400,000 in 2013. A new four-unit residential apartment complex was constructed during the past year, increasing Humboldt's housing options. The city plans continued infrastructure work to facilitate an industrial park and Main Street improvements to create space for future development.

SHERMAN

Sherman remains a stable community with homes and businesses being updated as needed. In 2013, three building permits were issued, with a valuation of \$20,000. With nearly 100 residents, commercial activity in neighboring communities, along with another successful year in the agribusiness sector, provide the city with a solid employment base.

VALLEY SPRINGS

Valley Springs, in addition to the community's ongoing street maintenance program, has begun Phase I of the Safe Routes to School project, which is expected to be completed by Spring of 2014. In 2013, 29 building permits were issued, with a valuation of \$162,004 in this Minnehaha County community of 750.

By Nick Fosheim

Dynamic partnership is the secret of our success



This is a time of prosperity for our region. Achieving accolades almost weekly as a top place for business confirms what we've always known about doing business in Lincoln and Minnehaha Counties. Together, the commitment of the Lincoln and Minnehaha County Economic Development Associations to regional development has brought investment and economic success into our communities—the result of years of planning and partnerships.

It's no secret that successful economic development takes planning. It can start from something as simple as sketching out an idea for a new street on a napkin or be a sophisticated, comprehensive process, involving a wide range of community participation, regional resource providers and local and state economic development professionals. Either way, these plans give us the framework for successful development to happen and help us identify the partners that need to be involved to make a project work.

Each of our communities is unique and has a different story to tell. One of the biggest advantages of our organizations is that everyone has a seat at the table. There is something incredible about watching the collaboration and learning that takes place when community leaders and partners listen and learn from each other about their successes and challenges. This regional approach to economic development, this dynamic partnership, is the key to the longevity and successes of our organizations.

We are committed to being your partner for progress. Responding to business inquiries, hosting groundbreaking and ribbon cutting ceremonies, and connecting local projects to county and state resources remain a strong focus of our work. But behind the scenes LCEDA and MCEDA are evolving to adapt to the changing needs of our growing communities and businesses. Currently, our marketing materials are being updated so we can be better prepared to respond to business inquiries. We have increased our communication efforts to keep our communities better informed of county-wide activities. Our network of partners is expanding as we connect more resources to our economic development work. What all of this means for you, is that we will continue to be strong organizations working on your behalf.

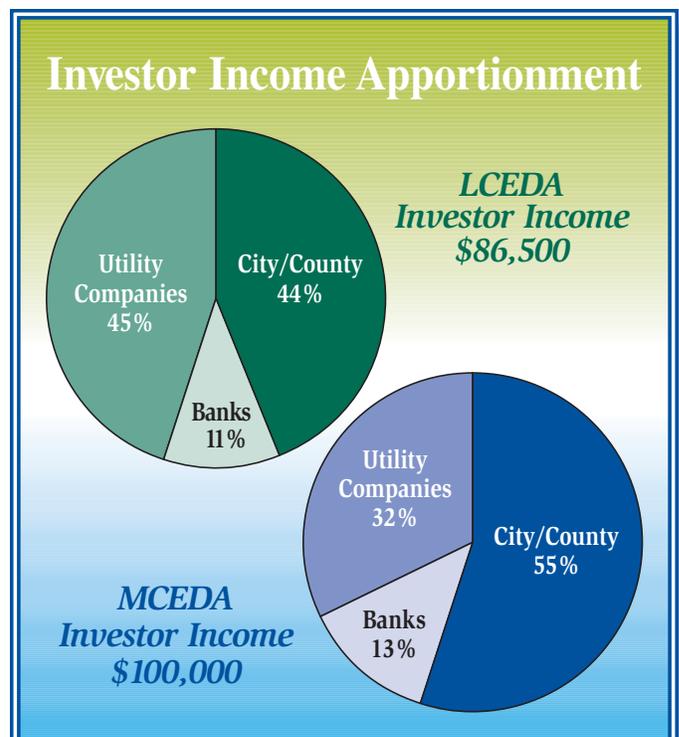
Our work is real and authentic. It doesn't need to be dressed up in a board room to be effective. Our meetings can—and often do—happen on a sidewalk outside city hall or in the back of a local restaurant. What we do is grassroots and purposeful. At the heart, our efforts are driven by local volunteers, who play a large part in our continued economic development achievements and are an essential element in our partnership for success.



2013 sales tax numbers are strong in both counties

Businesses in Minnehaha and Lincoln Counties posted solid numbers in sales tax collections during 2013, illustrating both economic strength and consumer confidence. According to the South Dakota Department of Revenue, Business Tax Division, both counties posted over \$200 million in taxable sales during the past fiscal year. For the year, the state has posted FY2013 sales tax collections against 2012 showing **\$215.6 million** in Lincoln County and **\$252.3 million** in Minnehaha County.

Leading Lincoln County was Harrisburg, with a 5.25% increase in 2013, while in Minnehaha County, Brandon led in increased sales tax collections with a 14.88% upturn in taxable sales. Other communities with solid increases were Hartford, up 8.96% and Lennox, with a taxable sales increase of 3%. These numbers illustrate that our region's retail, commercial and residential growth is continuing to trend upward on an annual basis.



Partnership For Success



Lincoln County *Economic Development Association* **INVESTORS**

Beresford Economic Development Corporation
City of Canton
Canton Economic Development Corporation
City of Harrisburg
City of Lennox
Lennox Area Development Corporation
City of Tea
City of Worthing
Lincoln County

Farmers State Bank, Canton
First Bank & Trust, Canton

The First National Bank in Sioux Falls, Harrisburg
First Savings Bank, Beresford
Home Federal Bank, Canton & Lennox
Valley Exchange Bank, Lennox & Tea
Wells Fargo Bank, Beresford

Beresford Electric Department
Beresford Municipal Telephone Company
East River Electric Cooperative
Lincoln County Rural Water System, Inc.
MidAmerican Energy Company
Midcontinent Communications
Knology
Southeastern Electric Cooperative
Xcel Energy



Minnehaha County *Economic Development Association* **INVESTORS**

City of Baltic
City of Brandon
City of Colton
City of Crooks
City of Dell Rapids
City of Garretson
City of Hartford
Hartford Area Development Corporation
City of Humboldt
City of Sherman
City of Valley Springs
Minnehaha County

First Bank & Trust, Garretson
The First National Bank in Sioux Falls,
Baltic, Brandon & Dell Rapids
Home Federal Bank in Brandon, Crooks,
Dell Rapids & Hartford
US Bank, Colton & Hartford
Wells Fargo Bank, Brandon & Dell Rapids

Alliance Communications
East River Electric Cooperative
Golden West Telecommunications, Dell Rapids & Hartford
MidAmerican Energy Company
Midcontinent Communications
SDN Communications
Sioux Valley Energy
Xcel Energy

Thank You!

*The Boards of Directors wish to recognize the generous support of our investors
who make our economic development efforts in Lincoln and Minnehaha Counties possible.*