

County Perspectives

Economic development in Lincoln and Minnehaha Counties, South Dakota

Lincoln County dairy project offers major economic impact

A new dairy being constructed in Lincoln County is bringing a significant economic boost to our region and local agricultural producers. The \$35 million Dakota Plains Dairy is projecting 35 new jobs paying between \$35,000 and \$100,000 annually, in addition to the capital investment in the operation and an annual economic impact of \$14,042 per cow. With a total herd size projected at 4,250, that's a total annual economic impact estimated at \$59.86 million, with \$8-\$10 million in annual spending on feed and other products to support the dairy. Those numbers explain why South Dakota has been working hard to attract dairies to our state.

Governor Dugaard and South Dakota's Department of Agriculture have been working hard to promote growth of the dairy industry in South Dakota both locally and nationally. Our state has what dairymen are looking for—locally grown feed stocks, ample fresh water, a fair permitting process, and strong demand for milk up and down the I-29 corridor from growing cheese factories.

"We are fortunate in South Dakota to already have the demand for the milk," said South Dakota Director of Ag Development Paul Kostboth. "We have the opportunity based on that demand to double the state's dairy herd of 98,000 cows just to meet current processing capacity, not to mention ongoing growth well in to the future."

Dakota Plains Dairy owner Tim den Dulk brought his dairy operations from California to the Midwest in 1995 at a time when his family was already one of the major milk producers in the United States.



Silage purchased from local farmers is already being stored on the site in preparation for the opening of Dakota Plains Dairy later this year.

"Tim is one of the country's premier dairymen and highly respected across the industry," Kostboth said. "We are excited for Lincoln County to see this significant investment by someone of Tim's caliber and equally excited for Tim and his family to have the good fortune of being welcomed in to such a forward-thinking county as Lincoln."

Den Dulk met multiple times prior to the Conditional Use Permit hearing with the farmers and neighbors living nearby his new dairy, discussing his plans for the state-of-the-art operation in Lincoln County. He worked closely with county planning and zoning officials, as well as South Dakota Department of Agriculture representatives, in outlining plans for Dakota Plains Dairy.

"We worked with Lincoln County to get Tim introduced to neighbors and county leaders," Kostboth said. "Everybody learned about it months in advance, which is important for both local leaders and residents to have an opportunity to truly understand such a large project. I think people generally understood the plans for the dairy in advance and went into the permitting process with a level of comfort that they could not have had without Tim's proactive approach to working with all interested parties."

In addition to the locally-sourced silage, haylage, corn and supplements being purchased by Dakota Plains Dairy, local ag producers will have access to organic nutrients from the operation, resulting in significant savings over commercial fertilizer.

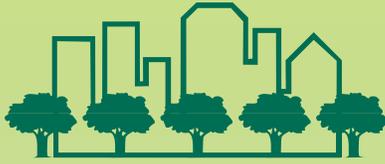
Continued on page 3...



Concrete walls go up during the construction of the new dairy as workers prepare a facility that will house a herd of over 4,000 cows and have an annual economic impact estimated at nearly \$60 million.

Third Quarter Report, 2014

www.siouxfallsdevelopment.com/regional



*Lincoln County
Economic Development Association
Board of Directors 2014*

- Jenni White, President, Tea
- Todd Nelson, Secretary-Treasurer, At-Large
- Bob Lier, Canton
- Andrew Pietrus, Harrisburg
- Brad Howard, At-Large
- Eric Pauli, At-Large
- David Gillespie, Lincoln County Commission

County Perspectives

Volume 15, Issue 3

*The newsletter of economic development in
Lincoln & Minnehaha Counties, South Dakota
is published three times yearly by
LCEDA and MCEDA*

PO Box 907, Sioux Falls, SD 57101-0907
Phone 605-339-0103, Fax 605-339-0055
Toll Free 800-658-3373

www.siouxfallsdevelopment.com



*Minnehaha
County
Economic
Development Association
Board of Directors 2014*

- Mike Wendland, President, Rural Mayors
- Terry Ebright, Vice-President, At-Large
- Dennis Olson, Secretary-Treasurer, Brandon
- Jason Pittmann, Baltic
- Ryan Fods, Colton
- Marv Wieman, Crooks
- Mike Geraets, Dell Rapids
- Dwayne "Jake" Jacobsen, Garretson
- Gary Sandholm, Hartford
- Adam Lund, Humboldt
- Gerry Karpen, Sherman
- Don Johnson, Valley Springs
- Joe Anderson, At-Large
- Eric Krouse, At-Large
- Cindy Heiberger, Minnehaha County Commission

New hotel to be constructed in Hartford

Hartford is seeing another element of the community's long-range growth plan achieve reality with the construction of a new hotel near I-90 at exit 387. The three-story, 47-room AmericInn is being built using the hotel corporation's latest prototype, featuring a stucco exterior. Investors, including several local business people, expect the new hotel to open as early as next February with construction already underway.



The Hartford AmericInn will be similar to the above design.

Investor David Harchanko, a builder from Minneapolis, said that the site has room to add an additional 24 rooms. Hartford Inns, the investment company building the hotel, also has control of a former bowling alley and will add banquet facilities, meeting space, a restaurant and a lounge, collectively to be called the Fireside Event Center.

The Hartford community's market study showed the need for a hotel, said Gary Sandholm, director of the Hartford Area Development Corporation. Hartford businessman Milford Tammen was instrumental in keeping the hotel project on track, according to Sandholm and Harchanko.

Tammen owned the land where the hotel is being built, and the rest of the investors in the project are involved community members. The hotel will be a convenience for local residents who have out-of-town guests at graduations, weddings and other events. The facility could also be used by businesses at the nearby industrial park if regional or national people visit, and will add significantly to the local economy, Sandholm said.

"In addition to bringing new attention to Hartford, this project also adds jobs and new tax revenue to our community," he said.

Marmen acquires more land for tower storage

Marmen Energy in Brandon is already growing and purchasing additional land for its manufactured products. The Canada-based manufacturer of wind towers has acquired an additional 20 acres in the Brandon Development Park next to its existing 40-acre site in the Corson Development Park to store wind towers until they're shipped to the company's national customers.

"You need to be able to store a certain amount, and that's not negotiable, so you end up with a big, big storage facility," President Patrick Pellerin said. A new access road to the Marmen storage site is being planned by the Brandon Development Foundation. Joel Jorgensen, president of the Brandon Development Foundation, said the project will create a new level of activity in the park.

"When that new access road is completed, it will allow other businesses to

view the site better and allow us to show the remaining 30 acres of available sites differently," he said. "With dozens of large white towers visible at Marmen, it's going to attract interest because it shows that things are happening there."



GOED approves development sites as *Certified Ready*

A new growth area in Tea and industrial parks in Brandon and Corson have recently been named South Dakota Certified Ready Sites. The Brandon Development Park, Corson Development Park and the Carl W. Soukup Addition in Tea have been recognized by the Governor's Office of Economic Development (GOED) as excellent sites for new and expanding businesses.

"Each time we approve sites as 'certified ready,' it means our communities are taking critical steps towards further economic development," said Pat Costello, GOED Commissioner. "We've had a successful year so far with this program and I am confident we'll continue to see more and more industrial parks apply for the South Dakota Certified Ready Sites program."

Established in 1999, the Corson Development Association represents a partnership between local and regional development organizations including the Brandon Development Foundation, Minnehaha County Economic Development Association (MCEDA) and the Sioux Falls Development Foundation. Combined with the neighboring Brandon Development Park, eight businesses occupy nearly 100 acres and currently employ more than 240 people. Approximately 60 acres of land remain available for development between these two parks.

The newly developed Soukup Addition in Tea is one of just 15 Certified Ready Sites in South Dakota and already



Front row, left to right are David Anderson, GOED Community Development Representative, and Alex Smith, GOED Business Development Representative. Back row are Jim Engeseth and Kevin Kane, both of the Brandon Development Foundation; Nick Fosheim, Minnehaha County Economic Development Association, and Dennis Olson, Finance Office, City of Brandon.

has a business ready to construct a new facility there.

"Having this property declared Certified Ready is key for the economic growth of Tea," said Jenni White, economic development director for the city of Tea. "We understand the importance of this GOED program as it allows us to provide the proper information to site selectors. We are eager to work with potential businesses to make Tea their home."

Communities work hard to have land declared a Certified Ready Site because they understand the impact that designation can make to prospective new companies who are looking for sites in our area.

"We're pleased the GOED approved sites in both communities as 'South Dakota Certified Ready' because that opens the door to more opportunities," said Nick Fosheim, executive director of Lincoln and Minnehaha County Economic Development Associations. "Having Certified Ready Sites shows the commitment of our communities to planning for their futures."

The South Dakota Certified Ready Sites program is operated under the supervision of the GOED for the purpose of providing consistent information on sites available throughout the state. For more information on the South Dakota Certified Ready Sites program, visit www.sdreadytopartner.com.



Jenni White, Tea Economic Development Director; Joe Weis, Tea Economic Development Corporation President; David Anderson, GOED Community Development Representative; Wayne Larsen, Tea Economic Development Corporation Vice President and Carl Soukup, property owner.

Lincoln County dairy project offers major economic impact

Continued from page 1...

"It is not uncommon for local farmers' demand for the nutrients generated from a facility such as this, to far exceed the supply," Kostboth said. "The farmers understand that these organic nutrients not only promote long term soil health but also provide significant savings per acre."

Lincoln County is a natural fit for the new large-scale dairy, according to LCEDA executive director Nick Fosheim. The county partnered with the

Department of Ag in a site analysis which helps identify sites conducive to potential ag related development opportunities, including for operations such as Dakota Plains Dairy.

"Lincoln County wanted to be a leader in preparing the way for value-added ag development," Fosheim said. "By identifying sites with proximity to paved roads and existing infrastructure, the county has shown itself to be proactive and a good steward of resources."

You are part of the team—come to YOUR annual meeting

As you will see in this issue of *County Perspectives*, the combined annual meeting of the Lincoln and Minnehaha County Economic Development Associations is slated for Thursday, November 6 in the Starlite Room of the Holiday Inn City Centre in downtown Sioux Falls. No tickets are needed and the event is open to all interested business people, residents and officials from LCEDA and MCEDA member communities.

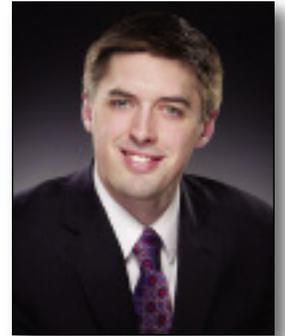
That means that YOU are invited—and we hope you will attend, because you are a vital part of what is driving the growth of our two counties. Our meeting will review the exciting economic development events of 2014—it's already been a very active year for growth throughout the area—and will give you a chance to exchange news, ideas and congratulations with people from other communities who share your interest in the future of our region.

I believe that our two county area is one of the fastest growing regions in the country because we have **people who care**. That means local citizens who get involved, volunteer to serve and vote for progress. It includes elected officials who take their responsibilities

seriously and weigh their actions and their votes for the future prosperity of their school districts, their towns and their county. It means business owners who plan for growth and expand conscientiously to help build our communities and our state.

It's a great combination, a partnership for progress that is reflected in our two organizations, which share a commitment for sustained, progressive economic development and a willingness to work together to make good things happen in Lincoln and Minnehaha Counties. YOU are an essential element of that partnership and we'd like to recognize your participation at our annual meeting November 6.

Please mark your calendar and plan to attend. I look forward to seeing you there.



www.siouxfallsdevelopment.com/regional

County Perspectives
Lincoln & Minnehaha County
Economic Development Associations
P.O. Box 907
Sioux Falls, SD 57101

Mark your calendar
LCEDA and MCEDA
annual meeting scheduled for
November 6

The two regional organizations working together for progress in our two counties will again celebrate the past year's growth at the 2014 Lincoln and Minnehaha County Economic Development Associations combined annual meeting. The event is scheduled for Thursday, November 6, 2014 in the Starlite Room at the Holiday Inn City Centre in downtown Sioux Falls. The agenda will include a report on development achievements of the past year in both counties, with this year's annual report distributed at the meeting. A social hour will begin at 5:30 p.m., with the program slated to commence at 6:15 p.m. The meeting is free and open to the public. Community and county officials are encouraged to attend, along with interested business people from both counties.