

County Perspectives

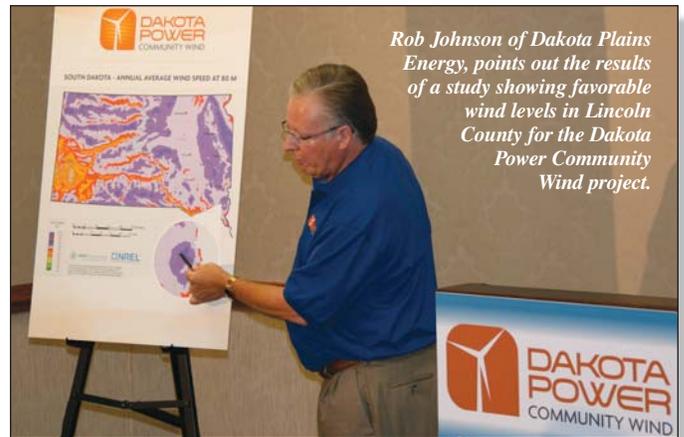
Economic development in Lincoln and Minnehaha Counties, South Dakota

Wind project announced for southern Lincoln County

Dakota Power Community Wind 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 Dakota Power project is being led by a local landowner association.

The catalyst for this project was the Rock Island Clean Line, a transmission project slated to cross the state of Iowa. This transmission line 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. Preliminary data shows a favorable wind regime in southern Lincoln County.

Paul Shubeck, Dakota Power Community Wind board chairman said that conversations with landowners about the energy opportunity have been going well and the



Rob Johnson of Dakota Plains Energy, points out the results of a study showing favorable wind levels in Lincoln County for the Dakota Power Community Wind project.

group plans to announce the next phase of the project in the near future.

If South Dakota could capture only 25% of its wind potential, the economic impact would be enormous, Shubeck said. The final scope of this project has yet to be determined as Dakota Power Community Wind waits for data to be collected over the next two to three years.

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 could be created, along with over 70 permanent, on-site jobs.

"This wind energy plan is unique in being a truly community-based project," said Beresford Mayor Jim Feddersen. "The economic potential for our area is tremendous, in addition to using South Dakota renewable resources to help solve our country's energy needs."

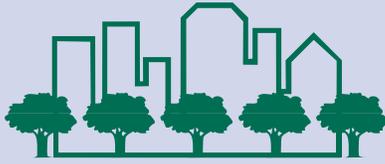
A wind farm with up to 1,000 megawatts of wind generation could take several years in the pre-construction phase. The total project investment in today's dollars would be \$2 billion, requiring several equity raises over multiple years to reach that level. Based on a study done for a similar project, Dakota Power believes the potential revenue from turbines to landowners could run \$6 million to \$7 million annually. State gross production annual tax receipts should reach over \$4.5 million and the county nameplate tax revenues should be near \$3 million per year. Statewide direct economic impacts should be in excess of \$200 million, according to officials with the wind energy partnership.

MARK YOUR CALENDAR

Joint annual meeting scheduled

The vital communication among all the partners working for economic strength in our region will be the focus of this year's Minnehaha and Lincoln County Economic Development Associations' combined annual meeting. The event is scheduled for Thursday, November 7, 2013 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 a combined annual report for 2013 to be distributed at the meeting.

In addition to a guest speaker, the annual meeting will also feature a year-end report from executive director Nick Fosheim. A social hour will begin at 6:00 p.m., with the program scheduled to commence at 6:30 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. **Please join us on November 7!**



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Hartford plans for expansion with construction of industrial park road

To service a growing commercial area in southern Hartford, a new street will open 26.8 acres for industrial development along Interstate 90. Hartford's Diamond Trail, which has given access to Western Avenue at the I-90 Exit 387, will be extended westward between the Hartford BP operation and Tammen Auto and Tire. The new roadway will connect with Ruud Lane and extend into the industrial park area.

Construction on Diamond Trail will begin this fall, with completion of the project in 2013, if the weather is favorable.

Hartford is experiencing rapid growth as demonstrated by the opening of Central States Manufacturing earlier this year and increased residential construction. Frontage on I-90 is desirable to many businesses for visibility and increased customer traffic. With nearly a mile of development land fronting on the contiguous interstate, Hartford has been working on ways to expand the community in that direction.

The extension of Diamond Trail is just the first step for local development, along with sites on the east side of Western Avenue that are also available.

The expansion of the Hartford BP by Harms Oil opened possibilities to better utilize the frontage area. Cooperation between Harms Oil Co., Tammen Auto and Tire, Tammen Oil Company and Costello Companies made land for the street right of way available. Stockwell Engineers then designed the street, prepared the specifications and bid documents.

"The benefits Hartford will see from the new street include highly desirable industrial land," said Gary Sandholm, director of economic development in the community. "The first steps to improve traffic flow and safety will be implemented, and the commercial and retail potential for the city will be enhanced."



Gary Sandholm, right, shows Nick Fosheim Hartford's expansion plans.



Board Profile: Mike Geraets, Dell Rapids

"Iron Mike" Geraets has spent his entire life getting to know Dell Rapids and its people. Beginning as a successful farmer, working the land with his brother and their growing families, Geraets understands the economic factors that drive the community.

He built a successful trucking company, adding to his farming operation. Although Geraets moved off the farm and into Dell Rapids in 1998, he still hauls cattle in his company's trucks and is active in the farming business. Always clad in his signature bib overalls, Geraets has been outspoken about his dreams for his hometown.

"I believe we can diversify our economy," Geraets said. "We can grow beyond being a bedroom community here in Dell Rapids."

After serving for over twenty years on the township board, including a stint as township supervisor, Geraets ran unopposed for the city council. He says that people stop him in the grocery store parking lot and phone him at home to express their concerns and let him know what they think about the direction in which their community is headed.

Citing his business background, Dell Rapids Mayor Scott Fiegen named Geraets to the Minnehaha County Economic Development Association Board of Directors.

"Our problem in Dell Rapids is that we've never had a site-ready location," Geraets said. "We are trying hard to generate some businesses to locate in Dell Rapids—that's our top priority now."



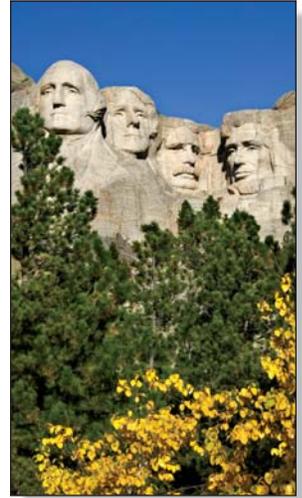
Mike Geraets

South Dakota named Top State for Business

South Dakota has always been a top contender in CNBC's annual study of America's Top States for Business, rarely finishing outside the Top 10. But, in addition to being chosen number one in this year's ranking, South Dakota's point total—1,639 out of a possible 2,500—is the highest logged by any state since CNBC began keeping score in 2007.

Each year, the publication rates all 50 states on more than 50 metrics in 10 categories of competitiveness. CNBC weights the categories based on how frequently they appear as selling points in state economic development marketing materials, thus holding the states to their own standards. In many ways, the competitive landscape—and the CNBC study—shifted in South Dakota's direction this year, as business leaders consulted for this year's study consistently put cost at the top of their criteria.

"When you combine the affordability of doing business in South Dakota with the productivity of our workforce and our high quality of life, there's no doubt our state—and especially our region—is number one for business," said Nick Fosheim, executive director of LCEDA and MCEDA.



PARTNERSHIP SPOTLIGHT:

Worthing moves forward with parks, streets, housing sites

It's hard to put your finger on the biggest economic development story coming out of Worthing these days. It's logical to assume that the completion of the first five acres of build-ready sites in the new Worthing commercial-industrial park is the major accomplishment. The community has identified a 38.5-acre site for the new development park near Louise Avenue, with water and sewer lines run to the leveled property to spur construction.

Equally important to this Lincoln County town of nearly 1,100 residents is the cleanup campaign that improved the appearance of the community for the 60,000 to 80,000 vehicles that pass through the main intersection on their way to the annual LifeLight music festival just outside of Worthing.

Those casual visitors to Worthing may be interested to know more about the first phase completion of the city's park. 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. According to Mayor Eric Saugstad, the park is a strong indication of the progressive viewpoint of the community and its commitment to quality of life.

Still another economic development story coming out of Worthing is the community's hard work on infrastructure enhancement. City Administrator Jeff Tanner said that Worthing has just completed water, sewer, utilities and sanitary sewer improvements on three blocks around the Worthing Elementary School.

The project, in the core of the city, feeds into Main Street and includes curb and gutter and will be completed with sidewalks and historical streetlamps.

The good news from Worthing doesn't stop there, however. A major roadblock to population growth, Saugstad said, has been the limited availability of step-up housing.

"During the 1990s and early 2000s, the emphasis in home construction here in Worthing was on starter homes," the mayor said. "The houses were filled, the land was used and Worthing grew. Now those families are growing, and people want to move up into larger homes—and they are not available."

Now a developer has plans for an 83-acre housing development on the west side of Louise Avenue with step-up housing fronted by commercial sites along the major thoroughfare. The community is also looking at two additional blocks on the west side of Worthing for additional residential development.

"From our interviews with people selling their

homes in Worthing, we believe our population could be 1,400 to 1,500 if we had those step-up houses," Tanner said. "The demand is really that great."

No matter which story you look at, the conclusion is the same: things are happening in Worthing, as the community pulls together to grow its economy and its population.

"It's all about community involvement," Saugstad said. "We have a lot of people in Worthing who are really excited about everything that's going on!"



City Administrator Jeff Tanner, left, and Mayor Eric Saugstad, right, discuss the features of the new Worthing park.

We're working hard to keep you informed

Communication is a critical element of an organization like ours. Things are happening every day in our counties—some of it confidential, but all of it interesting to people who care about the economic future of our region. To maximize our communications with you, we've added some new features and are planning others.

First and foremost is a new organizational brochure which has recently been printed. The brochure explains the purpose of LCEDA and MCEDA and provides information for new members or others in our counties who want to find out more about our regional economic development goals.

We are also keeping board members and interested local leaders updated on the headlines coming out of our member communities with our emailed "Community Connections" weekly update. A collection of news from around our area, it illustrates, on a weekly basis, that things really are moving in our counties.

In the planning stages is our new information packet, designed to be used in response to requests for data from

companies looking to relocate or expand into our region. We are planning to collect and have community information available for this packet, which will take the form of a folder with inserts relevant to the inquiry being made.

Another needed upgrade in the works is our regional economic development website. Since a majority of expanding companies are now obtaining their information on available sites and data on potential locations from their internet searches, our website needs to be informative, accessible, completely up-to-date and easy to use. We are working to determine the best way to upgrade and improve the function of our website.

We want to stay in touch with you. If you are not currently receiving our newsletter *County Perspectives*, please email me at nickf@siouxfalls.com and provide your mailing address. We want to keep you in the loop.



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