

County Perspectives

Economic development in Lincoln and Minnehaha Counties, South Dakota

Building for tomorrow: construction strong throughout region

From Dell Rapids to Lennox, 2016 has been an active construction season in Lincoln and Minnehaha Counties. As important as the amount of construction is the variety of community-building projects that LCEDA and MCEDA communities have experienced this summer.

"We typically see a wide range of housing under construction throughout the two counties, but that's only part of the story this year," said Nick Fosheim, MCEDA and LCEDA executive director. "Build-outs in new industrial parks, a grocery store and infrastructure upgrades are making this a solid year for construction."

The first buildings are going up in industrial parks in Dell Rapids and in Worthing, justifying those communities' investment in available sites. In Worthing, Acreage Fence has acquired a site for showroom sales and materials storage and the new facility is currently under construction. Another commercial building is also under construction on an adjoining lot. The Worthing Economic Development Corporation bought the land nearly a decade ago, with utilities completed to the site in 2013. Prior to that, extensive dirt work had to be completed. Other community projects created fill dirt added to the industrial park and in 2009, an infrastructure improvement grant provided funding to help kick start progress on the Worthing park.

"Getting the utilities to the site was our biggest hurdle," said Worthing mayor Eric Saugstad. "Now we have the road being improved and are in conversations with BNSF on the possibility of a rail connection to our park, which will be unique and is in demand. We now can more aggressively pursue offers on the 36 remaining acres in our park."

In Dell Rapids, Midwest Fresh Logistics broke ground last fall for a new distribution facility on 10 acres in the city's Fiegen Development Park. Progress there began in 2014 with the extension of water and sewer to the site, made difficult by the intervening river and the layer of Sioux quartzite close to the surface which has made Dell Rapids a quarry town since its early days.



In Dell Rapids, a new concrete street provides access to Midwest Fresh, shown above, the local industrial park's first building.



The Sunshine Food Store building now under construction in Lennox will also house an Ace Hardware and a Lewis Drug Store.

"In 2015, we acquired 42 acres and landed the deal with Midwest Fresh," said Justin Wieland, Dell Rapids city administrator. "Now we have four lots developed in the park. We're completing the new road to the park with a state grant and tax increment financing and the first building there is well underway."

Housing construction throughout our region is a perennial summer story, but this year is seeing exciting new development in Crooks, where 25 acres in the heart of town are ready for homes. Mayor Jamison Rounds said the community has built a new street through the Sunset Addition and three to five new houses are planned for this year.

"People have been asking for lots here and the local athletic fields are also in the Sunset Addition," Rounds said. "Our municipally-owned gas company gives us the ability to grow Crooks in innovative ways. We're planning for a new heart of the community, with up to 37 housing lots and a public space with unlimited potential."

Among the first planned projects to revitalize Crooks is the construction of a walking path and sidewalks to link sections of town split by Western Avenue and provide ADA accessible, safe routes to bring pedestrians to the sports fields and the new neighborhood. Rounds said the community also plans monthly activities to attract visitors to Crooks and provide events that bring local residents together.

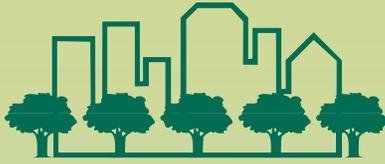
Baltic, recently a Minnehaha County leader in home construction, has issued its first multi-family permit this year, for a new four-unit apartment building. Eight single-family homes are planned or under construction, and houses in Baltic are rarely on the market for more than two days, according to city administrator Ryan Fods.

"We're seeing growth from people with a Baltic heritage moving back to town, or building new houses to replace a home

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Third Quarter Report, 2016

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

www.siouxfallsdevelopment.com



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Construction

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they've outgrown," Fods said. "With the residential construction activity in our Baltic Heights and Valley View neighborhoods, we're beginning to be pinched for space. We still have lots open, and potential land for development near the city."

In every community, new rooftops drive commercial and retail construction, and Lennox is no exception. The local Sunshine Food Store is building a new retail space on three acres at the city's main intersection to accommodate the growth of this Lincoln County community. Both Lewis Drug, also currently located on Main Street, and an Ace Hardware will occupy the 34,000 square foot space, according to Amanda Anglin, Lennox public relations director.

"This project should help spur both residential and commercial growth on a very visible corner of the community," Anglin said. "In addition to the three well-known retail names going into the new building, there will be space for additional small businesses."

From industrial construction to retail to housing, it's been an exciting construction season in Lincoln and Minnehaha Counties.



Eastern Farmers Co-op is building a new agriculture center north of Colton, one of this year's big projects.



The new Acreage Fence facility is the first building in the Worthing Development Park.

"The best thing about this building boom is that new development parks, new retail spaces and new homes lead to other construction, continuing our momentum of growth," Fosheim said. "We can look forward to a strong 2017 as more businesses and families discover the advantages of a location in our two counties."

Gold shovels are first prize in Golf Classic

Central Valley Golf Course in Hartford hosted the second annual LCEDA-MCEDA Gold Shovel Golf Classic on August 17, with the weather once again smiling on the event. Over 100 golfers in 27 teams competed for prizes and the tourney's ceremonial first place gold shovels. The team of Pat Booth, Todd Lubenow, Ryan Karst and Casey Prostrollo took the day's team honors.

The Golf Classic could not have been held without an enthusiastic team of sponsors, including food sponsors DGR Engineering, SDN Communications, Tea Economic Development Corporation and Xcel Energy. Pin prize sponsors included American Bank and Trust, Dakota Resources, DGR Engineering, Harrisburg Economic Development Corporation and Chamber of Commerce, Hartford Area Chamber of Commerce, Infrastructure Design Group, Stewart Title and Xcel Energy. Hole sponsors for this year's event were Dacotah Bank; Dakota Business Finance; DGR Engineering; First Bank and Trust; The First National Bank in Sioux Falls; Hagen, Wilka, Archer, LLP; Hartford Area Chamber of Commerce; Infrastructure Design Group; Mark Luke Companies; Sayre Associates; Sioux Valley Energy; Stewart Title, and Xcel Energy.

Thanks to all our sponsors for their support of the LCEDA-MCEDA economic development goals and to all the golf teams that turned out to make it a great day for our second annual event.



2016 Gold Shovel Golf Classic winners Pat Booth, Todd Lubenow, Ryan Karst and Casey Prostrollo.

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Agile Manufacturing contracts with international firm CLAAS

Agile Manufacturing of Worthing has entered into an agreement with CLAAS of America to provide tractor preparation services for North America. Agile will manufacture and prepare machines for shipment from the company's new Worthing plant.

CLAAS is a global leader in tractor sales with much of their manufacturing centered in France and Germany. Their XERION 4 x 4 tractor was recently modified to handle the demands of large-scale production in the North American market. CLAAS is best known in North America for forage harvesters and combines. The expansion of tractors into the North American market helps round out their offering as a long-line manufacturer.

"We are honored and excited to be part of CLAAS's expanding activities in North America," said Michael Feilmeier, president of Agile Manufacturing. "Being able to earn the business of a global industry leader like CLAAS is a testament to our employees and the work they are doing."

Agile Manufacturing designs, manufactures and markets material handling equipment for agricultural and industrial use. These products range from front end loaders, grapples, buckets and other material handling attachments sold under the product names Miller Loaders (www.MillerLoader.com) and GrabTec (www.GrabTec.com) through dealers across North America.



Showplace Wood Products hosted a ribboncutting event on July 19 for the recently constructed ShowplaceEVO 60,000 square foot production space on the company's Harrisburg campus. The new ShowplaceEVO plant manufactures the increasingly popular full-access or frameless cabinet style.

Pictured above are Tony Bour, Showplace CEO; Tom Hackl, Dougherty & Company, Ambassador Committee; Amy Hoback, Kleenrite Co., MC; Tammy Beintema, JDRF, Diplomat Committee; Paul Sova, Showplace president; Steve Van Buskirk, Van Buskirk Companies; Bill Allen, Showplace director of manufacturing; Codi Ninceheler, Harrisburg Chamber board member; Derick Wenck, Harrisburg Chamber board member; Adrienne McKeown, Harrisburg Economic Development Corp. president, and Jeremy Seykora, ShowplaceEVO plant manager.

Grow Garretson brings new voices to community development

Following a successful local opt out vote to benefit the schools, Garretson community activists have banded together to create a new organization. Grow Garretson, a nonprofit group created to build community and empower growth in Garretson, was formed in June and already has energized local residents and businesses.

"The community dialog begun during the opt out campaign identified some local concerns and challenges," said Richelle Hofer, one of the organizers of Grow Garretson and current chair of the Business Improvement committee. "We are still in the process of digging for answers, but we've organized to actively search for solutions to our community challenges."

One of the first steps taken by Grow Garretson was to create five committees, all with a single purpose—to grow the local community. In addition to Hofer's Business Improvement committee, the group has an Economic Development committee led by Chad Hanisch, a Promotion committee headed by Jenny Braun, Design committee chaired by Nicole Higgins and the Organization committee, composed of president Mary Tilberg, treasurer Angela Olson, secretary Carrie Moritz and the four committee chairs.

Higgins' designs have been a large part of the early success of Grow Garretson, with the organizational logo and the designs for Second Saturdays, a business development concept to bring customers and local residents to Main Street on Saturday nights. The events have been a big hit, with some businesses reporting better sales on Second Saturdays than



Nicole Higgins and Richelle Hofer

during the town's iconic Jesse James Days. Banners, new signs and a Grow Garretson t-shirt bring a unified look and lots of attention to the organization's activities.

"There's a renewed energy, new ideas and some real momentum in Garretson since the opt out vote," Higgins said. "There are a lot of people with the same interests, but sometimes a lack of focus. We just needed someone to make things happen—and Grow Garretson is committed to making things happen."

According to Higgins and Hofer, 100,000 visitors travel to Palisades State Park each year and Grow Garretson would like to get those visitors into Garretson. In

addition, the group plans activities that could make Garretson a destination for residents throughout the two-county area.

"Our Second Saturday wine walk brought people from Sioux Falls who were looking for a new experience," Hofer said. "Raising awareness for the attractions of Garretson is one of our goals."

Other priorities for the new group are completing a housing study, energizing construction of a bike path, creating promotional materials including a visitor guide and a video, and enhancing the aesthetic appearance of Garretson. With the enthusiasm and well-organized beginning already underway in the Minnehaha community, anything is possible.

"People quickly realize that when it comes to community development, you get out of it what you put in," said Nick Fosheim, MCEDA executive director. "In Garretson, local residents are determined to invest in the future of their community—and good things are happening as a result."

Community input prepares the way for strategic plan

Throughout the summer, LCEDA and MCEDA have held community listening sessions in both counties to gather input for our strategic planning process. Nearly 100 people attended those meetings and discussed a central question: What is the economic development story that we want our communities to build together?

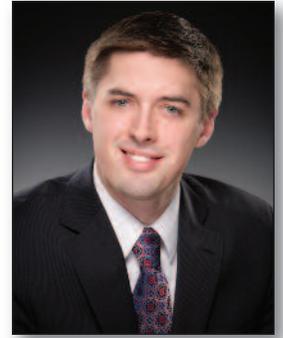
Now is a great time to consider this question and plan for the future. We live in one of the fastest growing regions in our nation. Our communities are building, growing and adding new neighborhoods. MCEDA is 25 years old this year and LCEDA

will be 20 next year. Working together as partners for prosperity, we have achieved some of the economic development goals first outlined decades ago. You told us this summer that it's time to take the next step.

Among the themes that emerged from the community conversations were regional planning, infrastructure development, housing, collaboration, leadership development and workforce development. You placed an emphasis on the importance of maintaining the unique identity of our local communities and keeping lines of communication open within our region.

With your feedback as a guide, LCEDA and MCEDA board members will develop a strategic plan. That plan will evaluate how we as an organization can define our role in the development of our regional economy and explore the ways we can support businesses and communities at the local level.

This process is about partnership. We are in this together, and the success of our region is dependent on all of us working toward the same goals. We look forward to collaborating with you for many more years to come.



MARK YOUR CALENDAR for NOVEMBER 3

The combined annual meeting of the Lincoln and Minnehaha Economic Development Associations will be held on **Thursday, November 3** in the Starlite Room of the Holiday Inn City Centre in downtown Sioux Falls. The meeting is FREE and open to the public, with a short program highlighting the economic development achievements of the past year. Please mark your calendar today and plan to join us on November 3!

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Economic Development Associations
P.O. Box 907
Sioux Falls, SD 57101

