



# 2018 ECONOMIC DEVELOPMENT ACTIVITIES AND PROPOSED 2019 BUDGET

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Presented to the South Dakota  
Public Utilities Commission

MidAmerican Energy Company  
March 2019

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# SECTION 1 - OVERVIEW

## Introduction

MidAmerican Energy Company (“MidAmerican Energy”) submits this report in accordance with the Decision and Order approving Settlement Stipulation issued in South Dakota Public Utilities Commission (“Commission”) Docket No. NG01-010 and addresses MidAmerican’s economic development expenditures.

This report presents MidAmerican Energy’s expenditures against its 2018 approved budget and provides its proposed 2019 spending plan. Also presented is an overview of economic activity in MidAmerican’s Energy’s service area. This activity is presented in narrative format regarding MidAmerican Energy’s accomplishments, as well as statistically, in selected key measurements of economic activity.

Overall economic growth in MidAmerican Energy’s service territory was positive, which is reflected in several key statistical measurements and economic development project activity. MidAmerican Energy was aggressive in supporting economic development activities throughout our service territory through financial contributions to local and regional economic development organizations, sponsorships of events and conferences, and deployment of the Local Partners program grant funding. MidAmerican Energy’s continued commitment to proactive local, regional, and state economic development activity included lending technical expertise and support for several industrial recruitment projects that will expand the industrial base and employment opportunities for communities throughout our service area.

MidAmerican Energy spent \$87,855 in 2018 to support economic development activities in South Dakota, which was below the Commission-approved budget of \$104,550. The lower than expected expenditures are the result of the following:

- The Governor’s Office of Economic Development cancelled its contract with HMC Global, which MidAmerican Energy was supporting with a \$5,000 budgeted contribution.
- An invoice for MidAmerican Energy’s \$1,500 sponsorship of the Governor’s Office of Economic Development 2018 conference was not received.
- MidAmerican Energy has achieved its commitment to reduce staff costs to less than 50% of the total budget. Staff time in 2018 accounted for 28% of total expenditures.
- The Flandreau Improvement Corporation reduced its annual dues from \$250 to \$100.

In an effort to identify additional support opportunities, MidAmerican Energy sponsored the WIN in Workforce Conference produced by the Sioux Falls Development Foundation and the Yankton Student Entrepreneurship Conference.

Looking ahead to 2019, MidAmerican Energy will continue to shift more resources into direct support of projects and activities, with 25% of the overall budget allocated to staff time. MidAmerican will also carry over \$12,145 in unspent funds from the 2018 budget into the 2019 spending plan, per the terms of MidAmerican's Settlement Stipulation. The plan submitted herein calls for spending \$112,145 in 2019.

## MidAmerican Energy Local Partner Program Funding

In 2018, MidAmerican Energy continued its commitment to economic assistance programs, and provided Local Partner (Local Partners discussed below in Section III) funding to communities and development partners for business retention and special projects.

MidAmerican Energy staff visited communities regularly to share MidAmerican Energy's energy efficiency programs, support projects, programs and initiatives, and to encourage the use of MidAmerican Energy's Local Partner Program. MidAmerican generated considerable interest in the program. Highlights include:

- The North Sioux City Economic Development Corporation was awarded \$885 for a staff member to attend the Heartland Economic Development Course.
- The North Sioux City Economic Development Corporation used \$500 in Local Partner funding for the creation of digital marketing pieces for North Sioux City and the Flynn Business Park.
- The North Sioux City Economic Development Corporation was awarded \$400 to support the North Sioux City Business of the Month program.
- The Brandon Development Foundation used \$900 in Local Partner funding to complete a geotechnical assessment in the Rovang Industrial Park.
- The City of Brandon was awarded \$5,000 for a community strategic plan.

MidAmerican Energy continued its strong support of business and economic development events with the State of South Dakota, as well as local and regional economic development organizations. In conjunction with the Governor's Office of Economic Development conference, MidAmerican again sponsored the South Dakota Chamber of Commerce and Industry's Giant Vision Competition by providing \$5,000 to support financial awards given to South Dakota entrepreneurs. MidAmerican Energy also provided a \$5,000 sponsorship of the Enterprise Institute's Innovation Expo.

MidAmerican Energy is proud to invest in programs to support South Dakota's cities and business attraction events and sponsorships and will continue to explore additional investment opportunities in 2019.

## 2017 Property Tax Payments

In 2018, MidAmerican Energy paid \$1,103,735.59 in property taxes associated with its South Dakota facilities assessed in 2017. Property taxes support county and city government, area schools, libraries, park districts and other taxing bodies.

Following is the county breakdown of property taxes paid in South Dakota:

Clay	\$ 26,830.70	McCook	\$ 5,907.76	Turner	\$ 4,289.22
Lake	\$ 939.33	Minnehaha	\$ 774,455.10	Union	\$ 162,999.08
Lincoln	\$ 57,213.04	Moody	\$ 7,417.36	Yankton	\$ 63,684.00

## SECTION II – EXPENDITURES & BUDGET

### 2018 Approved Budget

#### Large Development Group Support:

Forward Sioux Falls.....	\$ 22,500
Yankton Area Progressive Growth.....	5,000
Vermillion Development Co.....	3,000
Sioux Falls Development Foundation.....	850
Siouxland Initiative (South Dakota allocation).....	1,125
MCEDA.....	\$ 4,000
(includes community development support for: Baltic, Brandon, Colton, Del Rapids and Hartford)	
LCEDA.....	\$ 5,100
(includes community development support for: Beresford, Canton, Harrisburg, Lennox, Tea and Worthing)	
<b>Total Large Development Group Support.....</b>	<b>\$ 41,575</b>

#### Individual Community Development Support

Alcester Development Corporation.....	250
Centerville Development Corporation.....	250
Elk Point Development Corporation.....	250
Flandreau Improvement Corporation.....	250
North Sioux City Development Corporation.....	200
<b>Total Individual Community Support.....</b>	<b>\$ 1,200</b>

#### Economic Assistance Programs

Intended for economic development enhancements that help to create new jobs, capital investment and economic benefit to communities within our service territory (e.g., GOED programs, industrial site analysis, LOIS, etc.).....	\$ 10,000
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#### Business Attraction Incentives

Allocation of costs for business attractions on behalf of South Dakota communities within our service territory (e.g., trade shows/marketing assistance, etc.).....	\$ 16,500
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#### Staffing

Allocation of salaries and related expenses for MidAmerican developers working with and/or on behalf of communities in our South Dakota service territory.....	\$ 35,275
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<b>Total 2018 SDPUC Approved Budget</b>	<b>\$ 104,550</b>
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## 2018 Actual Expenditures

### Large Development Group Support:

Forward Sioux Falls.....	\$ 22,500
Yankton Area Progressive Growth.....	5,000
Vermillion Development Co.....	3,000
Sioux Falls Development Foundation.....	850
Siouxland Initiative (South Dakota allocation).....	1,125
MCEDA.....	\$ 4,000
(includes community development support for: Baltic, Brandon, Colton, Del Rapids and Hartford)	
LCEDA.....	\$ 5,100
(includes community development support for: Beresford, Canton, Harrisburg, Lennox, Tea and Worthing)	
<b>Total Large Development Group Support.....</b>	<b>\$ 41,575</b>

### Individual Community Development Support

Alcester Development Corporation.....	250
Centerville Development Corporation.....	250
Elk Point Development Corporation.....	250
Flandreau Improvement Corporation.....	100
North Sioux City Development Corporation.....	200
<b>Total Individual Community Support.....</b>	<b>\$ 1,050</b>

### Economic Assistance Programs

Intended for economic development enhancements that help to create new jobs, capital investment and economic benefit to communities within our service territory (e.g., GOED programs, industrial site analysis, LOIS, etc.).....	\$ 10,110
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### Business Attraction Incentives

Allocation of costs for business attractions on behalf of South Dakota communities within our service territory (e.g., trade shows/marketing assistance, etc.).....	\$ 11,150
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### Staffing

Allocation of salaries and related expenses for MidAmerican developers working with and/or on behalf of communities in our South Dakota service territory.....	\$ 24,935
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<b>Total 2018 SDPUC Actual Budget</b>	<b>\$ 87,855</b>
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## 2019 Proposed Budget

### Large Development Group Support:

Forward Sioux Falls .....	\$ 22,500
Yankton Area Progressive Growth .....	5,000
Vermillion Development Co. ....	3,000
Sioux Falls Development Foundation .....	850
Siouxland Initiative (South Dakota allocation) .....	1,125
MCEDA .....	\$ 4,000
(includes community development support for: Baltic, Brandon, Colton, Del Rapids and Hartford)	
LCEDA .....	\$ 5,100
(includes community development support for: Beresford, Canton, Harrisburg, Lennox, Tea and Worthing)	
Total Large Development Group Support .....	\$ 41,575

### Individual Community Development Support

Alcester Development Corporation .....	250
Centerville Development Corporation .....	250
Elk Point Development Corporation .....	250
Flandreau Improvement Corporation .....	100
North Sioux City Development Corporation .....	200
Total Individual Community Support .....	\$ 1,050

### Economic Assistance Programs

Intended for economic development enhancements that help to create new jobs, capital investment and economic benefit to communities within our service territory (e.g., GOED programs, industrial site analysis, LOIS, etc.) .....	\$ 17,000
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### Business Attraction Incentives

Allocation of costs for business attractions on behalf of South Dakota communities within our service territory (e.g., trade shows/marketing assistance, etc.) .....	\$ 15,500
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### Staffing

Allocation of salaries and related expenses for MidAmerican developers working with and/or on behalf of communities in our South Dakota service territory .....	\$ 24,875
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### Carryover

Unspent dollars carried over into the next budget year, per the Settlement Stipulation .....	\$ 12,145
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<b>Total 2019 SDPUC Proposed Budget</b>	<b>\$ 112,145</b>
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## SECTION III – 2018 ECONOMIC DEVELOPMENT HIGHLIGHTS

The following summaries were provided by each “Local Partner”

### Sioux Falls

*Source: The Sioux Falls Development Foundation*

#### Foundation Park Development

- **Dakota Carriers**, a growing transportation company, purchased eight acres in Foundation Park, constructing a 5,600 square foot office and a 17,500 square foot shop. The new facilities will allow the company to consolidate operations and provide room for expansion. The company has 63 employees and contracts with 21 independent owner-operators.
- **Nordica Warehouses Inc.** purchased a 16-acre rail site in Foundation Park for a new 200,000 square foot dry storage warehouse. The initial facility is expected to be operational in April of 2019, creating 10 new jobs, with the ability to expand operations at the site.
- **Win Chill LLC** acquired a 54-acre site from the Development Foundation becoming the anchor tenant in Foundation Park. Phase 1, a \$45 million, 205,000 square foot full-service refrigerated foods warehouse and distribution center opened May 23, 2018. Phase II, an \$18-20 million, 125,000 square foot addition is scheduled to wrap up next month. The company will have created a total of 75 jobs when Phase II is operational.

#### Industrial and Warehouse Developments

- **Agan Drywall** purchased the former I-29 Brick property at 2605 South Carolyn Avenue for expansion purposes.
- **Camping World** acquired the former Spader’s RV Center. Located at 1601 East Robur Drive, the Illinois-based company purchased six acres for display and wrapped up renovations this summer.
- **FastSigns** moved to a new facility at 700 North Western Avenue, providing the commercial sign company with twice the space it previously operated in.
- **G&D Viking Glass** constructed a new warehouse, office and shop on land near the southeast corner of Maple and Russell Streets in northwest Sioux Falls.

- **Gage Brothers'** production processes are being relocated to a new \$40 million state-of-the-art concrete plant on 45 acres near Interstate 229 and Benson Road. The highly automated, 220,000 square-foot plant is scheduled to be operational in early 2019, allowing 95 percent of their production process to be moved indoors. Construction on the company's two-story, \$2.7 million, 14,000 square-foot office is wrapping up.
- **Graco**, a Minneapolis-based company, is in the process of adding 56,000 square feet to their facility located in Sioux Empire Development Park III at 3501 North Fourth Avenue. The expansion is expected to create 40 new jobs over the next four years and be operational in April of 2019.
- **I-29 Brick, Stone & Tile** moved to a new building in the industrial area along I-29 and the Renner exit.
- **Jans Corp** moved into their new 30,000 square-foot building early this year. The facility, located in the JansMick development in northwest Sioux Falls, provided room to consolidate office, shop and equipment yard facilities at one site.
- **JDS Industries**, completed an addition in July. The \$1+ million expansion links the two warehouse facilities at their 1800 East 57th Street North campus together, providing more storage and enhanced operations for staff members.
- **MidAmerican Energy Company** is constructing a storage facility at 1200 South Blauvelt Avenue, representing a \$1.9 million investment.
- **Midco Technical Operations Center**, constructed a warehouse and technical operations office facility at 1305 North Terry Avenue. The 30,500 square-foot facility represents an investment of over \$4.2 million.
- **Panther**, a commercial printing company, doubled its space for their 22 employees with a new location at 600 East 52nd Street North.
- **Sioux Falls Tower and Communications** moved into their new \$4 million building earlier this year. The 25,000 square-foot facility, located near Northview Avenue and West 54th Street North, provides room for training facilities and an additional 30 employees for the growing company.
- **Smithfield Foods** started construction on its campus at 1425 North Weber. The new holding barn represents a \$15+ million investment in facilities.
- **Stan Houston Equipment** purchased the former Kmart property on West 12th Street in 2018 to relocate in spring of 2019. The 75,000 square-foot facility will more than double the capacity for the company and provide additional space for outdoor equipment.
- **United Rentals** is wrapping up construction on a new facility at 5010 North Ninth Avenue, near Cliff Avenue and 60th Street North. The \$1.4 million project provides more shop and outdoor space for equipment.

- **Weisser Distributing** purchased the 40,000 square-foot former Compass Health warehouse at 921 East Amidon Street in Sioux Empire Development Park III East, creating 8 to 12 new positions. The facility and three-acre site will soon provide future expansion opportunities for the Tea-based company.
- A 60,000 square-foot spec warehouse is under construction in the **JansMick** development. Located at 2410 West 54th Street North, the estimated \$4 million facility will be available for occupancy in spring of 2019.

### Office, Commercial and Medical Developments

- **Aldi** opened its third Sioux Falls grocery store in July. The \$2.6 million retail facility is located at 600 West 85th Street.
- **All American Gymnastics Academy** is building a 40,000 square-foot new building. The facility on Cliff Avenue south of 77th Street, will provide nearly double the current space when operational.
- **AmericInn** will open a second hotel in Sioux Falls at 3300 West Russell Street near I-29. The construction of the four-story, \$4.0 million hotel is nearing completion.
- **Autos on the Mall** and **Better Auctions**, a vehicle consignment and used car dealership, opened for business in October in the former Sioux Falls Ford site on the Empire Mall campus.
- **Avera Health** continues construction on its new 82-acre campus on the southeast corner of 69th Street and Louise Avenue. Facilities scheduled to open late in 2019 at the **Avera on Louise Health Campus** include a 24-bed free-standing orthopedic hospital, an \$8 million Addiction Care Center with 35 new employees, and a 60,000 square-foot, \$14 million Human Performance Center. Additional facilities encompassing more than 200,000 square feet of space are slated to open in 2020. Avera is also undertaking nearly \$40 million in major renovations on their main campus to expand surgical suites and clinic space over the next few years; including the \$5+ million build-out of the Prairie Center's fifth floor. Completed in 2018, the 25,000 square foot project houses a 24-bed inpatient rehabilitation unit. In total, Avera is investing \$174 million in projects across their Sioux Falls campuses.
- **The Cascade**, a 2.5-acre mixed-use Lloyd development in Uptown, will include 20,000 square feet of commercial and office space, outdoor common space, underground parking and 200 residential units. The two building, \$43.5 million project is located between Phillips and Main Avenues, north of 3rd Street along the Phillips to the Falls route. Completion is scheduled for spring of 2019. Commercial tenants will include **Severance Brewing Co.**
- **Casey's General Store** started construction March 2018 on its ninth Sioux Falls location. Located at 26th and Ellis Road, the 4,300 square-foot store represents a \$1.2+ million investment.

- **Citi** started construction this spring on a 150,000 square-foot, four-story facility on 19 acres in the Interstate Crossing Business Park at the junction of I-29 and I-229. Construction is scheduled to wrap up at the end of 2019.
- **Cornerstone Bank**, a North Dakota-based company, is nearing completion on a two-story, 16,000 square-foot office building/branch on the northwest corner of 69<sup>th</sup> Street and Louise Avenue.
- **Galaxy Gaming** will move to a new 9,000 square-foot facility under construction near 41st Street and I-29. With plans to be operational in March of 2019, the new center represents a \$1.2 million investment.
- An eight-acre development along East 10th Street includes a 6,200 square-foot retail center in addition to a new \$4 million facility for **George Boom Funeral Home & Cremation Services** that opened earlier this year. Retail tenants include **Starbucks** and **Oh My Cupcakes**.
- **Goosmann Law Firm** will be the first tenant in the new **Prairie Hills Galleria** mixed-use development at 69<sup>th</sup> Street and Western Avenue. The two-story, 25,000 square-foot facility is scheduled to open in late spring of 2019.
- **Great Shots**, a three-story, interactive golf entertainment facility is scheduled to open in late 2019 in the Sanford Sports Complex near Benson Road and Westport Avenue. It will offer 60 bays in addition to a full-service restaurant and the **Sanford POWER Golf Academy**.
- **Harr-Lemme** built a new facility to house their real estate and development businesses. The \$1.3 million building is located on the southwest corner of South Dakota 100 and East 41st Street, adjacent to Harmodon Park.
- **Hegg Realtors** moved into their new office facility that houses the majority of their 185 brokers and support staff. The two-story, 25,000 square-foot building is located south of 69th Street along Minnesota Avenue.
- **Holiday Inn Hotel & Suites**, the four-story, 116-room, conference center opened in March 2018. The \$12 million complex, which also includes the **Crooked Pint Ale House** restaurant that opened in late 2018, encompasses 93,200 square feet, employing 50. The development is located at 2040 West Russell Street, adjacent to Elmwood Golf Course.
- **Hotel Phillips**, located in the historic former bank building at the corner of 9<sup>th</sup> Street and Phillips Avenue is being refurbished into an upscale boutique hotel. The 92-room, independent hotel is scheduled to open in early 2019.

- A 10,000 square-foot building is the new home of **JJ's Wine, Spirits & Cigars**. The facility, located between Western and Louise Avenues along 57th Street, includes event space, a bar, bakery and outdoor seating. Their former store on South Western Avenue houses **JJ's Axes & Ales**.
- The former 6,000 square-foot Egge Transmission building at 104 West 12th Street was completely remodeled to house an expanded **Josiah's Coffeehouse Café & Bakery**. Josiah's made the move to the new facility in February of 2018.
- A new corporate home for **Keller Williams** was completed earlier this year. The two-story, 23,000 square-foot office building is located at 6300 South Connie Avenue, near the intersection of 69th Street and Louise Avenue. The facility represents more than a \$3.0 million investment for the growing real estate firm.
- **Kinder Academy** is the first commercial tenant in the University Hills Village development at West 54th Street North and Marion Road. The childcare center occupies 6,500 square feet of a 9,500 square-foot facility with 22 employees serving 112 children.
- **Lake Lorraine**, a 130-acre development, is home to shoe retailer **DSW, Inc**, a 10,000 square-foot **Kirkland's**, and the new corporate headquarters of **Total Card Inc**. The two-story, 40,000 square-foot building can accommodate up to 400 employees. Including land, the facility is valued at \$10 million. 32,000 square feet of retail space is being built next to Hobby Lobby, as well as another building along Marion Road that will include **Capriotti's Sandwich Shop**. Other new tenants within the development include **Love Marlow** women's clothing boutique, **Van Buskirk Companies, Advanced Inc.**, a growing medical staffing firm, and an **Edward Jones** office.
- **Lewis Drug** anchors a 12,000 square-foot building at 10th Street and Phillips Avenue in downtown Sioux Falls. Joining them in the development is **Sanford Health** with an acute care clinic and **Pave** with a 2,800 square foot second story addition and 3,200 square-foot rooftop patio. Construction wrapped up in August of 2018. Additionally, a new 25,000 square-foot Lewis Drug, attached to the new Sanford Clinic near 41st Street and Ellis Road, opened in September.
- **Max Muscle**, national retailer of nutrition and supplement products, relocated operations from California to South Dakota, choosing Sioux Falls as the company's corporate headquarters. A new \$1.5 million, 8,000 square-foot headquarters facility is under construction at 2320 West 54th Street North.
- **Mills Fleet Farm** will be one of the newest additions to the Sanford Sports Complex with a 180,000 square-foot store on 24 acres. The multi-million-dollar project is scheduled to open in summer of 2019.
- **Minnehaha Country Club** underwent a \$7.9 million renovation and expansion including a two-story, 3,600 square-foot addition to house an exercise room and expanded dining space.

- **Northstar Grill & Pub**, a 4,000 square-foot, \$1.1 million restaurant opened in July 2018. The restaurant is located along 60<sup>th</sup> Street North and Career Avenue in the Development Foundation's Campus Crossing retail area.
- **Obscure Brewing Company's** 4,400 square-foot building is under construction at 5200 East Garfield Street.
- **Paws Pet Resort** opened a 10,000 square-foot facility earlier this year at 7121 South Cliff Avenue. The pet resort includes a 12,000 square-foot outdoor area with special canine turf and features a bone-shaped pool.
- Iowa-based commercial furniture company **Pigott** opened a 3,100 square-foot showroom on Minnesota Avenue. The company has eight employees.
- **Pilot Flying J Travel Center** is undergoing \$1.4 million in improvements to their facility at 5211 North Granite Lane near the intersection of I-90 and I-29.
- **Power and Grace Gymnastics** is another new addition to the Sanford Sports Complex. The 16,000 square-foot, two-story building represents a \$1.5 million investment.
- **Reliabank Dakota** purchased land near 85th Street and Minnesota Avenue constructing a two-story, 14,960 square-foot office building housing retail banking operations, a Raymond James investment office, insurance and mortgage departments. The \$4.5 million facility opened in September of 2018.
- **Residence Inn and AC Hotel by Marriott** are part of the 15-story, \$50 million, mixed-use **Village on the River** development under construction in downtown Sioux Falls. With 220 rooms between the brands and shared amenities, the development will also feature retail facilities and a city-owned parking ramp.
- **Roosevelt Marketplace**, a retail development near 41<sup>st</sup> Street and Sertoma Avenue, will sport a new 10,000 square-foot **GreatLIFE** facility, and a 4,000 square-foot **Year Round Brown**. An additional 10,000 square feet will include **Gilberto's Mexican Taco Shop** and **Nail World**.
- **Sanford Health's** new west-side clinic is wrapping up construction at 32nd Street and Ellis Road. The \$21 million, 42,000 square-foot facility will start seeing patients in December of 2018.
- **Security Savings Bank** razed the former Godfather's Pizza on East 10th Street to make way for expanded services to Sioux Falls. The \$1.9 million, two-story, 9,300 square-foot Larchwood-based branch bank opened mid-2018.
- The **Shoppes at Dawley Farm Village** development, located near Arrowhead Parkway and Highway 11, features a **Bath & Body Works** store and a \$2.2 million, 7,300 square-foot

**Buffalo Wild Wings. GLo Hotel**, is under construction in the expanding development and scheduled to open in summer of 2019.

- Eleven new operating suites are online at **Sioux Falls Specialty Hospital** as renovations to transform the second floor into additional patient rooms and support services wrap up. The projects represent a \$7+ million investment in expanded health care capacity at their 910 East 20th Street facility.
- **Sports Games**, a 22,000 square-foot, \$2 million indoor/outdoor athletic practice facility opened at 3400 South Center Field Place adjacent to Harmodon Park. The center includes a **Truks & Trykes** daycare program able to accommodate 100+ children.
- **Stone Group Architects** is restoring the historic building at 600 East 7th Street. The former firehouse is undergoing a \$1 million renovation.
- The **Washington Square** project, that broke ground in summer of 2016, completed construction in 2018. The \$30 million, eight-story, retail and mixed-use building includes office, condominium and parking facilities. Commercial tenants include the boutique ice cream shop **Parlour**, **Wine Time on Main** and the offices of **L.G. Everist**, **Maroon Private Trust Company**, **Vanguard Hospitality** and **Electric Pulp**.

## Other Developments

22 Ten Kitchen & Cocktails (69th & Western)

605 Ninja Academy (Western Mall)

A League of Your Own relocation/expansion  
(Downtown)

Active Faith Chiropractic (East 57th Street)

Austad's Golf renovation (East 10th Street)

Bella Rosa Floral (Downtown)

Big Time Storage (I-29 & 41st Street)

Black Hills Federal Credit Union (Historic Loop  
Center)

Boki European Street Food / Boki Gelato  
(Downtown)

Burn Boot Camp (85th & Louise)

Cambria Gallery (57th Street)

Chef Lance's Café (Airport)

Cowboy Chicken (41st Street)

D-Bat Sioux Falls (East Benson Road)

Define Body & Mind (69th & Western)

3 Degrees (Sycamore Avenue)

605 Thrift (North Kiwanis Avenue)

Abra Auto Body & Glass relocation/expansion  
(South Carolyn Avenue)

All City Fitness (41st & Sycamore)

Baker Audiology (69th & Minnesota)

Best Western Ramkota remodel (I-29 & Maple)

Bite Squad

Bloom (Park Ridge Galleria)

Breadsmith (26th & Sycamore, 57th & Cliff)

Butterfly Boutique (Minnesota Avenue)

Car Swap (East 10th Street)

Compass Tax & Accounting (West 12th Street)

CuffLinks.com (57th & Cliff)

Daily Clean Food & Drink (69th & Western)

Discount Tire (East 10th Street)



Earthwise Pet Supply (69th & Western)	Escape 605 Axe Throwing & Escape Rooms (Downtown)
Firehouse Subs (Empire Mall)	Flyboy Donuts (10th & Bahnson)
Forever 21 (Empire Mall)	FourFive (Technology Drive)
Full Circle Book Co-op (Downtown)	Game Chest (Downtown)
Garage Living & Fireplace Gallery & Design (41st Street)	Gas Stop Holiday Stationstore (85th & Minnesota, 12th & Marion)
Gnosh (Downtown)	Great Plains Pawn (West 41st Street)
GreatLIFE expansion (26th & Marion)	Halberstadt's new larger store (Empire Mall)
Hibir Ethiopia Restaurant & Bar (6th & West)	Himalayan Indian Cuisine (Arrowhead Parkway)
Holiday Inn City Centre renovations (Downtown)	Houston Engineering Inc.
Instacart	ISG (Downtown)
J-Super Wax (Minnesota Avenue)	Jacky's Restaurant (North Cliff Avenue)
Jacky's Tropical Delights & Juices (10th & Cliff)	Juice Stop (57th & Cliff)
Julz Woodworking, Antiques & Thrift Store (West 12th Street)	Juniper Bath & Body (Empire Mall)
Kai's Kustoms expanded location (Cliff Avenue)	Kids2College expansion (Western Mall)
Lavender Skies (Downtown)	Marie & Marie Bridal (Downtown)
McDonald's remodels (East 10th, South Minnesota, North Cliff)	Miner Brewing Co. & Prairie Berry Winery Taproom (Western Mall)
MK Threads Boutique (Downtown)	Move Boutique (Louise Avenue)
Mustard Seed Catholic Store (Grange Avenue)	Myers Deli & More (two locations Downtown)
NexGen Gynecology & Aesthetics (Minnesota Avenue)	Nothing Bundt Cakes (Western Mall)
Party America expansion (41st Street)	Perkins (Arrowhead Parkway)
R Wine Bar (Downtown East Bank)	Relieve Studios (South Minnesota Avenue)
Riff City Guitar (41st Street)	Roam Kitchen & Bar (The District)
Rudy M. Navarrete's Tex-Mexican Food (Bridges at 57th)	Rust & Co. (Bridges at 57th)
SafeSplash (85th & Minnesota)	Scooter's Coffee kiosk (41st & Sycamore)
See the Trainer (Minnesota Avenue)	Sharing the Dream (Downtown)
Shipt	Shop 'N Cart (West Avenue)
Silverstar Car Wash (West 26th Street)	Sioux Falls Audiology Associates (57th & Sycamore)
Slim Chickens (Louise Avenue)	Swamp Daddy's Cajun Kitchen (Downtown)
Taco Johns (East 10th Street)	Tawooki Mediterranean Chop Chop (41st Street)
Thaw (Lakeside Drive)	The Auto Group expansion (Minnesota Avenue)

The First National Bank in Sioux Falls (South Louise Avenue)

Tires Tires Tires (West 26th Street)

Turks & Caicos Cabana Grille (The Bridges)

Urban Chislic (85th & Minnesota)

Wave Nutrition (26th & Sycamore)

The Source Roaster & Taproom (Downtown)

Tre Ministries (33rd Street)

Twetten's Interior Design expansion (Three Fountains)

Vanessen's Hair Design (Bridges at 57th)

Will's Training Table expansion (Sanford Sports Complex)

## Quality of Life Developments

- **Arc of Dreams/Metli Plaza** - \$1.6M stainless steel sculpture that will span the Big Sioux River
- **Augustana University** - \$3M upgrade to the Humanities Center
- **City of Sioux Falls** - \$21.8M Administration Building; Water Reclamation Plant/sewer upgrades; \$2.4M Rotary Park relocation/redevelopment; Bike Trail & Park improvements; numerous road improvement projects
- **Dow Rummel Village** - \$30M, 88,500 square-foot memory care and assisted living addition; expanded Main Street amenities and fellowship hall
- **Great Plains Zoo** - \$2.5M brown bear exhibit renovation and expansion
- **Irene Hall Museum Resource Center** - \$3.6M, 29,000 square-foot archive facility by the City of Sioux Falls and Minnehaha County
- **Levitt Shell** - \$4.6M outdoor performance venue at Falls Park West
- **LifeScape** - Rehabilitation center expansion
- **Minnehaha County** - \$40M Jail expansion
- **Sanford Sports Complex** - Rugby field in partnership with Sioux Falls Parks & Rec; Summit League Conference headquarters
- **SculptureWalk 2018** - 57 new outdoor sculptures exhibited throughout downtown Sioux Falls
- **Sioux Falls Christian School** - \$1.5M, nine-classroom high school addition
- **Sioux Falls Lutheran School** - 72,000 square-foot facility for PreK-8
- **Sioux Falls Regional Airport** - \$10M runway reconstruction; \$5.5M baggage claim expansion
- **South Dakota South Dakota DOT** - \$55M I-90 & SD 100 Interchange
- **South Dakota Public Broadcasting** - New studio/office in Downtown Sioux Falls
- **Stockyards Ag Exhibit** - 3.63-acre, \$4.1M development
- **The Banquet** - 7,000 square-foot facility serving western Sioux Falls

- **University of Northwestern-St. Paul/Life 96.5 KNWC** - 6,000 square feet, combined distance and continuing education facility and studio for radio ministry
- **Washington Pavilion** - Kirby Science Discovery Center renovation
- **Willow Run Golf Course** - Revamp four holes

## Regional Developments

- **Ace Hardware** opened a 15,000 square-foot store in Harrisburg in May.
- **Alliance Plaza** is a five-acre development in Brandon at the corner of Aspen and Splitrock Boulevards. **Alliance Communications** and the **U.S. Post Office** will anchor the first building that will include 2,000 square feet of incubator space.
- Former Legacy Electronics space in Canton has transformed into a new venture called **BitMOR**, a special purpose data center.
- Dell Rapids-based prepaid debit card issuer, **Central Payments**, is expanding their footprint and employment base to 40 with the creation of 15 new jobs during the next two years.
- **DeGeest Steel Works** completed construction on a 48,000 square-foot addition to their facility in Tea.
- **Filly Flair**, an expanding on-line clothing boutique retailer with a store attached to the warehouse nearly doubled its space at a new facility in Renner.
- **BJM's** new 17,280 square-foot diesel mechanic shop on five acres in the Valley Springs industrial park was completed earlier this year.
- **Buffalo Ridge Brewing** completed construction of a new 4,000 square foot brewery and is the newest addition to the Hartford business community.
- **Canton School District** is completing construction of its new \$12 million, 42,000-square foot Performing Arts Center, which includes a new 1,000 seat performing arts theatre, stage with fly gallery, lobby, restrooms, scene shop, storage and dressing rooms.
- **Gate City Events** added an 11-room hotel and campground with 20 RV sites to their 15-acre venue along Highway 18 in Canton. Facilities include a 1920s farmhouse that sleeps 24, an indoor pool and hot tub, and a converted building with event space for 400.
- **Harvard Integrations** of Tea invested \$1.5 million in laser cutting equipment and expanded their footprint by 21,000 square feet to house new equipment and make room for the 10 new employees they plan to hire.

- **Laurie Belle's Boutique** built a larger store in Tea. The new building, located next to the GrandStay Hotel & Suites, is 6,000 square feet. The company is adding a separate warehouse that will open in 2019.
- **Nordstrom Automotive**, finished construction on the 2.0 Next Generation facility in rural Garretson. The company celebrated the opening of the 60,000 square-foot facility in September.
- The first phase of grading and utility infrastructure has been completed at the **Rovang Industrial Park**. This 80-acre development represents the sixth industrial park in Brandon.
- **Tea Area School District** is constructing the new Venture Elementary School as well as adding 10 classrooms and a gymnasium to Frontier Elementary.

# Sioux Falls Area Communities

## Lincoln & Minnehaha Counties

*(Source: 2018 Annual Report for the Lincoln and Minnehaha County Economic Development Associations)*

*Please note: LCEDA/MCEDA budgets run from October - September*

*Source: City Administrators/Economic Development Directors from each of the communities or LCEDA/MCEDA.*

### LINCOLN COUNTY ECONOMIC DEVELOPMENT ASSOCIATION (LCEDA)

#### CANTON

- Canton issued 91 building permits for 2018, with a total valuation of \$706,100, including the construction of five new single-family homes.

#### HARRISBURG

- Harrisburg saw 42 single-family homes built in 2018 and approved 293 building permits with a valuation of \$19.2 million in residential construction and another \$4.3 million in commercial construction.

#### LENNOX

- Lennox issued 137 building permits in 2018, with nearly \$2 million in residential construction and \$215,000 in commercial construction. Six new homes were built this year, along with an additional seven mobile homes added to the community.

#### TEA

- Tea saw the construction of 40 new single-family homes in 2018. Building permits totaled 191, with a valuation of nearly \$8 million in residential and nearly \$14 million in commercial permits.

#### WORTHING

- Worthing has taken several steps to ensure that plans are in place to promote commercial and industrial growth as well as continued residential expansion.

## MINNEHAHA COUNTY ECONOMIC DEVELOPMENT ASSOCIATION (MCEDA)

### BALTIC

- Baltic added four new single-family homes in its growing developments, with a variety of lots still available for construction of new houses. This year, 48 building permits were issued, with \$1.2 million in total construction activity approved.

### BRANDON

- Brandon issued 445 building permits with a commercial valuation of \$3.8 million. A total of 57 new single-family homes were built, with \$9.6 million spent in residential construction.

### COLTON

- Colton has made investments to enhance community amenities and maintain essential infrastructure for growth and new residential construction.

### DELL RAPIDS

- Dell Rapids issued 147 building permits during 2018, with \$1.74 million in commercial construction and \$4.33 million in residential construction, adding 17 new single-family homes.

### HARTFORD

- Hartford issued 107 permits, with a valuation of \$3.6 million in residential construction and \$946,100 in commercial construction in 2018. Hartford neighborhoods added 13 single-family homes during the year.

# Vermillion

Source: *The Vermillion Area Chamber and Development Company and the South Dakota Department of Labor and Regulation*

## Economy and Workforce

- Unemployment rate: **2.9%**.
- Vermillion is the 9<sup>th</sup> fastest growing city in Siouxland.
- Vermillion has seen job market increase by 2.0% over the last year and is on par to meet the national average over the next ten years.

## Business Growth

- **Vermillion Area Chamber and Development Company** - Increased to 7 full time staff, 1 part-time, and 10 interns.
- **Masaba**- Added 24 positions; now adding a second shift with 7 new staff.
- **Polaris** - Transitioned 21 employees from temporary to full-time positions.
- **Sanford Coyote Sports Center** - New basketball arena, to include the classrooms and other amenities.
- **City of Vermillion**
  - New Veteran's Field Park and complex at VHS
  - New lift station (2018 completion)
  - New Rotary Park (2018-2019)
- **Old Lumber Company** - Expanding, adding rooftop lounge.
- **The Heights** - New student housing under construction.
- **The Quarters** - New student housing under construction.
- **Community Connection Center**- New larger facility under construction.
- **The Bean Coffee Shop** - Expanded to new facility.
- **INKTOMI** - 3 new staff.
- **Edward Jones** - 2 new full-time staff.
- **THiNK Thread & Ink** - 2 new full-time staff.



- **Starbucks** - 2 new full-time and 8 part-time staff.
- **Pizza Ranch**- New business to Vermillion, opening in April 2019.
- **Vermillion Beauty Shop** - New business.
- **Redwood Mediation Services** - New business.
- **Maiden605** - New business.

### Building Permits

- Vermillion issued **186** building permits in 2018 at a permit cost of **\$109,477.61**. Valuations totaled **\$40,074,195** for residential and non-residential construction and major additions.

### Vermillion NOW! II/III

- Ongoing capital campaign.
- Vermillion NOW!2: Plans are in place to announce a \$1.72 million capital campaign.

### Investment Priorities

- National Music Museum Renovation and expansion.
- National Music Museum- Preservation Center construction.
- VCDC New building with Chamber offices, Charlie's retail, collaborative workspaces, meeting areas.

### Housing

- Bliss Pointe Housing Development sold 13 more lots in 2018.
- The Heights: High-end student housing with extensive amenities; 210 beds.
- The Quarters: High-end student housing with extensive amenities; 500 beds.

# Yankton

Source: Yankton Area Progressive Growth.

## 2018 Highlights

- **Nancy Wenande** joined YAPG's staff as **CEO** in March. Nancy came to YAPG after serving as Director of Public Relations and Tournament Manager at the NFAA.
- The last lot in **Westbrook Estates Phase 1** was sold in October. Phase 2 is currently being developed by K N Construction.
- **Dakota Protein** announced plans to locate a pelleting plant at Napa Junction. They broke ground in July and operations are expected to begin in spring 2019. The \$12 million project is projected to add 10-12 jobs.

## People

### YAPG's Workforce Focus

- YAPG teamed up with the South Dakota Department of Labor to bring together regional employers for spring and fall **Community Job Fairs** as well as a **Yankton Day** at the University of South Dakota. **These job fairs were well attended by 30+ employers and 300+ job seekers.** The 2019 Spring Community Job Fair is scheduled for May.
- With the new career advisors working on the High School Internship Program, it continues to prove its success going into its third year. **Students and employers find the connections the program provides to be beneficial.** This program continues to grow with the support of regional high schools, commitment of employers, and expansion of workforce collaborative partners.
- To grow our workforce, YAPG continues to build relationships with **Northwest Iowa Community College, Northeast Community College, Southeast Technical Institute, and Mitchell Technical Institute.** YAPG has coordinated multiple tours for their students to explore Yankton employers.
- In July, the **GOED** asked YAPG to create a new program to train **CNAs.** YAPG gathered together industry representatives from Avera, HSC, and other regional healthcare providers to design a free training scholarship. In December, **Governor Daugaard officially awarded a \$205,000 Community Development Block Grant to Yankton to fund the program.** YAPG will be diving into coordinating the program, now called Chart Your Career, in the new year.

### Connecting Cultures Forum

- YAPG formed a new committee called **Connecting Cultures** with representation from community nonprofits and service organizations. In October, the 2018 Chamber Leadership Class joined the group. They meet monthly to work together to create a more welcoming, stronger and inclusive community.

### Upcoming Initiatives:

- Making multilingual welcome signs for area businesses
- Creating diverse resource guides
- Hosting multicultural events in the Yankton area

### Youth Entrepreneurship Conference

- In October, YAPG partnered with **Onward Yankton, Mount Marty College, and United Way & Volunteer Services of Greater Yankton** to host the first ever regional youth entrepreneurship conference. An array of speakers shared their insights on creativity, leadership and community engagement to help encourage **450 students from 16 regional high schools to embrace their entrepreneurship dreams.**

### Greater Yankton Living Market

- **2018** marked the first year that YAPG conducted 34,807 digital marketing sessions in-house for Greater Yankton Living.
- **Greater Yankton Living was marketed** through digital channels, including **website** and social media accounts on **Facebook, Instagram, Twitter, YouTube, and LinkedIn.** Additionally, paid ad campaigns targeting specific audiences through **Facebook ads** and **Google ads.** Also, **radio ads** and a **Yankton Transit ad** were used to promote Greater Yankton Living in 2018.

On the Greater Yankton Living **website** in 2018, we added

- Rental Directory
- Relocation FAQs to assist individuals interested in moving to Yankton
- 3 growing stories and an all-new 31 under 31 feature in March 2018
- In summer 2018, **MidAmerican Energy provided a grant** to partially fund a **marketing intern** position. Austin Walker produced videos from June - October and worked part-time for the City of Yankton as well.
- In fall 2018, a **high school intern**, Jacob Reynolds, joined the team through a **program with the Department of Labor.**

### Partnering with the Regional Technical Education Center

- YAPG has been instrumental in forming **RTEC's Skilled Trades Association**, which allows local employers to share their training and workforce needs directly with RTEC so that RTEC can adapt its course offerings to meet local needs.
- In spring 2018, RTEC was provided assistance in creating a **new and up-to-date website.** Interested prospective students can apply for RTEC's courses on their website. Additionally, staff helped RTEC prepare flyers and manage their social media accounts while they were in the process of hiring a new Office Administrator.

### Place

## Westbrook Estates Phase 1 is Complete

- **Westbrook Estates** has been in the local and statewide news multiple times since its inception in 2015. **In October 2018, the last lot in Phase 1 was purchased by Johanneson Contracting.** The success of Phase One created an opportunity for Kelly Nielson of **K N Construction** to initiate the development of Phase 2, which will include townhomes, single-family, and duplex lots.

Dan Specht, chair of the YAPG Housing Committee, said, "It's been a great little project for us. **We knew early on in 2014 that there was a shortage of workforce development type housing – the apartments and the mid-range homes.** We're excited that it came on fast and it's developed fast."

- The housing market is still strong in Yankton. Partners celebrated the culmination of our efforts at Westbrook with a gathering at The Brewery in late October that including the City of Yankton, District III, Yankton County, local contractors and real estate representatives.

## Diving Into Yankton's Future

- At the June 2018 board meeting, YAPG committed **\$250,000** to the Dive In Yankton group, including **\$50,000** earmarked for their marketing needs. Thanks to the DIY team, the **Huether Family Aquatics Center will become a reality for our community,** providing another factor for families considering where they want to live.

## If You Build It...

- **Mount Marty College** has long imagined the positive impact that a **state-of-the-art fieldhouse** would have on student recruitment, particularly to appeal to student athletes. In April, the YAPG board joined their vision by pledging **\$1,000,000** to Mount Marty College.

Mount Marty College is continuing to raise funds to build the fieldhouse, but they are optimistic that they will begin construction in 2019.

## Continuing the Conversation About Port Yankton

- In the 2018 Legislative Session, the Port Yankton committee worked diligently to find support which would have eliminated the necessity for a state-wide petition drive. **The legislature put the project back in the hands of the Port Yankton committee to drive the project forward.**

Port Yankton would have a tremendous economic impact on our region. This entertainment complex would provide a variety of amenities such as **convention meeting space, concert venue, hotel, restaurant, retail space, and casino gaming.** To acquire the necessary license for gaming, a constitutional change is necessary.

In December, **the Port Yankton committee contracted a state-wide poll to gauge voter's interest in the project.** While this project would inject significant revenue into the local economy, a constitutional change must be approved by the voters of South Dakota to allow one gaming license to be issued to a nonprofit in Yankton.

Conversations on the Port Yankton project continue to evolve, with the project slowly moving forward in 2019.

## Jobs

### Retention and Expansion

- Following approval for a REDI Fund loan in 2017 to purchase new CNC machinery, **Applied Engineering** completed construction of their **\$4.0 million, 60,000 square-foot expansion** in 2018. In November 2018, the South Dakota Department of Labor and Regulation approved **\$26,000 for Applied Engineering for a registered apprenticeship program** in Advanced Manufacturing. In 2019, the Freeman Company will be moving operations into the expanded facility (both Freeman Company and Applied Engineering are owned by the Loar Group).
- **Parker Hannifin**, maker of Baldwin Filters, **relocated five lines to Yankton in 2018**. The company was assisted by putting together several relocation packages to entice some Parker Hannifin employees to move to Yankton with the relocation of the lines. Parker Hannifin's expansion added approximately **50% more jobs** to their Yankton plant.

### Napa Junction Continues Developing

- **Dakota Protein** announced plans to locate a pelleting plant at Napa Junction. They broke ground in July. Operations are expected to begin in spring 2019. **The \$12 million project is projected to add 10-12 jobs.**

Although the Napa Junction Rail Development Park is still lacking some basic infrastructure, community partners and business leaders are exploring options to bring natural gas to the park and develop water/wastewater solutions.

Staff is supporting its YAPG board member, Matt Winsand, to stay in contact with other prospects interested in locating at the rail park.

### Leads and Prospects

- In 2018, **GOED** sent YAPG four requests for information. Two responses were provided for projects that included:
  - Vehicle manufacturing
  - Food product manufacturing

Additionally, staff continued assisting several prospects from previous years.

- **Three additional prospects** in various industries connected directly with YAPG to learn more about locating in Yankton. Staff is continuing conversations with these prospects currently.

# Centerville

*Source: The Centerville Economic Development Corporation*

## Business Development

- Total Stop owner Jeff Nielsen and his wife Janine won the 2018 South Dakota Retailer of the year award from the South Dakota Retailers Association. The Niensens own 9 convenience & grocery store locations across the state. The small-town grocery business can be challenging, but I was happy to hear Jeff inform us that numbers in the Centerville location are up from a year ago.
- A variety of Shop Local Campaigns continue to stress the importance of shopping local and the impact that it can make in your community. Work continues with the Centerville Chamber of Commerce to promote this in 2019.
- After a lot of hard work and perseverance the Development Corporation was able to purchase two dilapidated properties on Broadway Street in 2018. These properties are scheduled to come down in 2019 to make way for new opportunities in our downtown.
- No doubt one of the biggest things in which the Development Corporation was involved in 2018 was the sale of the nursing home. After five years of ownership under the Centerville Development Corporation, Centerville Care & Rehab Center was officially sold to the management group Caring Professionals, that had helped to turn the facility around. This was the culmination of a challenging, yet rewarding, experience that allowed for the largest employer to stay in the community, while securing a home for many of our local seniors. Over the course of the five-year ownership, the Development Corporation, along with the Nursing Home board of Directors, invested more than \$250,000 back into the facility in capital improvements. The sale has ultimately ensured the long-term sustainability of the Centerville Development Corporation as the board has decided an endowment will be established to fund economic development for the foreseeable future.
- Maria's Mexican Restaurant celebrated its first anniversary this year in Centerville. Maria's is a great example of the positive spin off economic impact value-added, ag projects can have for communities. This restaurant is a direct result of Dakota Plains Dairy setting up outside of Centerville in recent years.
- Another Innovation Team that was formed out of the Empower Centerville program has been working hard and is simply known as the Mechanic Shop Team. Along with assistance from the Development Corporation the group has been working hard to bring a mechanic shop to town. At last year's Community Gathering, the business surveys indicated a Mechanic Shop to be the number one business Centerville is currently lacking. Today, Mr. G's tires, an established Freeman, SD-based business, has committed to opening a second location in Centerville.
- Goodness To Go, a new business, opened its doors in the downtown and offers a variety of take-and-bake items along with some pastry items and coffee.

- The Centerville Development Corporation has been committed to being a partner in Junior Achievement at the school for the past several years. An entrepreneurship course, JA It's My Business, was completed with the 8<sup>th</sup> graders, and assisted with teaching JA Titan, a management and economic simulation exercise for seniors.
- The Development Corporation has had conversations with at least two other entrepreneurs with business ideas that are anticipated to open their doors in Centerville in 2019.
- Centerville's Sales tax numbers have increased over the states last fiscal year. In the 2016-2017 fiscal year sales tax in Centerville was about \$155,500. In the 2017-2018 fiscal year we jumped to about \$172,500. An increase of approximately \$17,000 or 11% from last fiscal year.

## Housing

- The Development Corporation completed the sale of their 507 Nebraska Street Spec Home in 2018 which brought a new couple to the community.
- The Development Corporation was able to purchase four in-fill lots in 2018 and acquire another two from the City. Two properties will be cleared of aging, unusable and dilapidated homes in 2019 to make way for new future homes.
- The Development Corporation started on another housing project in 2018. Construction of the spec home on the State Street lot already has an identified buyer.
- The Development Corporation purchased a housing rehab project in 2018. This craftsman style home on Broadway will hopefully be refurbished and be available for purchase sometime in 2019.
- The Development Corporation has started conversations and the preliminary planning for a potential new subdivision housing development. In 2017, the Development Corporation was able to purchase approximately 14 acres of land on the south side of town that are earmarked for future housing development in 2018.
- Centerville's property tax evaluations have grown during the last two years. In the 2017-2018's evaluation, almost \$726,000 was added to assessable property tax value. And in 2018-2019, Centerville added approximately \$682,500 in assessed value.

## Community Development

- In early 2018, the Centerville Development Corporation updated its strategic plan with short-term and long-term goals for the future. The board determined some of the priorities where to make an immediate splash in the community, while also setting up the organization for long term sustainability.
- The Empower Program, through Dakota Resources, continues through meetings with the groups that became the six innovation teams, which were formed at the large community gathering at the end of 2017.

- The journey with the South Dakota Change Network Cohort continued in 2018. Its purpose is to help Centerville find ways to create a more welcoming and inviting community for new residents. The work is ongoing, but with this opportunity and the grant dollars we were able to:
  - Help host Community Connections events, sponsoring a Cinco De Mayo Celebration and a Day of the Child event in hopes of bringing people of all ethnic backgrounds together in Centerville.
  - Fund an intercultural collaboration project to bring a new mural to the downtown to welcome people to the community.
  - Update welcome packages for new community members.
- In March, with the help of several different organizations and various volunteers from the community, the Development Corporation and the Centerville Community Foundation hosted a large fundraising event for the park and pool. The community raised more than \$30,000, the Development Corporation contributed another \$25,000 and the city provided the remaining \$27,000.
- The Tornado Days Planning Committee held another successful Tornado Days 4<sup>th</sup> of July Celebration. Centerville's largest event was well attended and was probably the biggest in the history of the celebration.
- Centerville hosted the State FFA Leadership Retreat with 59 students participating for a half day of various service projects around Centerville.

## Recruiting New Residents and Alumni

- According to the City's records, 24 new residents moved into Centerville in 2018.
- The Centerville school district's k-12 enrollment is the highest it's been since the 1999-2000 school year.
- The community's Facebook page has 1635 followers.
- There are two new billboards located along the Interstate on either side of the Centerville Exit.

## Quality of Life

- The Memorial Park Bench Project was completed along the bike path and recreational trail in early 2018.
- The Rotary Club was helped as it created the Rotary Park at the North end of Broadway. They continued with their efforts to help make improvements to the Boulevard.



- The Downtown Innovation Team was one of the teams that was formed out of the Empower Centerville process. During the annual Arts in the Garden Event, a mini mock version of Building a Better Block occurred and included the creation of temporary marked off parking spots, landscaping, an old fashion streetlight, sitting area bump outs, flowers, and a mid-block cross walk. The group hopes to spearhead some of these projects in 2019 and make them a reality in our downtown.
- The Peder Larsen Park Renovations the past couple years have been a huge undertaking and great thing to see in the community. During the past two years, the group has raised nearly \$100,000 towards the park and pool improvements. Some of the updates included renovation of one of the picnic shelters, new woodchips in the playground area, volleyball court improvements and the addition of a second volleyball court, a kids sandbox area, new basketball hoops, and two new batting cages.
- Another big project this year was the Main Street Improvements Project in Centerville. The organization helped the City receive a \$240,000 low-interest loan from the state's SRF fund and paired it with a \$240,000 DOT Community Access Grant. The project replaced four blocks of undersized storm sewer pipe under the street followed by resurfacing that improved this stretch of Main Street.
- Starting in 2018, and coming together in 2019, is the Welcome Sign Updates Project. Part of the Development Corporation's planning was to make an immediate impact by placing several new welcome signs at entrances into town. A Welcome Sign subcommittee was formed and they have been working on several concepts that will begin to take shape in 2019.

## Grant Opportunities

- A Community Access Grant from the DOT that the City accepted this year. The \$240,000 grant to help with the costs of the Main Street improvements project.
- South Dakota Change Network Cohort Grant - \$5,000
- The fire department received two grants:
  - Volunteer Fire Assistance Grant - \$4,000
  - Homeland Security Grant - \$11,930.50
- The Centerville Police Department received a Homeland Security grant - \$13,600.12
- Rooster Rush Grant - \$416 in merchandise
- South Dakota Tourism Grant - \$4,650 for new marketing used for the new interstate billboards
- Xcel Energy - \$5,500
- MidAmerican Energy - \$3,500

- EDPP - \$3,902
- A Community Creativity Cohort Grant from the Bush Foundation for - \$100,000 during the next three years.
- Sanford Legends Grant - \$2,000
- The Centerville Area Foundation gave the Development Corporation more than \$3,500 to go toward various community projects such as Peder Larsen Park and the swimming pool.
- The Dakota Resources Innovative Community of the Year Grant - \$5,000.
- The school received a \$20,000 matching grant toward the establishment of a new endowment for the school.
- A Wells Fargo Volunteer Service Grant Award of \$10,000 toward the Peder Larsen Park.
- Almost \$433,000 in grant dollars were received in 2018.

# Elk Point

*Source: The City of Elk Point.*

2018 has been an incredible year for the City of Elk Point and its economic development. The City has been hard at work completing its business park, and promoting small business growth throughout the City.

Rose Street is an integral part of the City's business and agricultural transportation. A bid for the construction of the project has been approved and it will be completed in 2019.

The City of Elk Point has seen revitalization in its small business on Main Street. In 2018, Main Street acquired new businesses such as Elk Point Auto Sales, Elk Point Dental Clinic, Bump N' Sam's, and a brand new Ace Hardware.

The City of Elk Point and Elk Point Economic Development Corporation (EDC) spent most of 2018 using the funding from South Dakota Economic Development to construct the business park, which has a projected completion date of May 2019. Balcon Enterprises, Inc. has constructed a 25,000 square-foot warehouse and distribution center, becoming the first business within the park.

The City began work in 2017 with Dave's Construction on the construction of new transformers and underground electrical placement to the north side of Elk Point. This project was completed in the summer of 2018.

# Dakota Dunes

(Also served by MEC electric.)

*Source: Dakota Dunes Development Corporation.*

- In Dakota Dunes, 32 new homes were built, and 17 new residential lots were sold during 2018.
- A total of 1,304 home sites have been sold since Dakota Dunes started and 1,186 homes built.

# North Sioux City

(Also served by MEC electric.)

Source: The North Sioux City Economic Development Corporation.

## Commercial Development

- **Royal Canin**
  - Royal Canin continues work on their new manufacturing facility. The capital investment is estimated at \$140 million. The grand opening will be held June 27<sup>th</sup>, 2019.
- **Consumers Supply**
  - Consumers Supply built an addition to their warehouse. Cost was \$300,000.
- **Weston Foods (Interbake)**
  - Added a \$100,000 wastewater treatment building at their plant.
- **FIMCO**
  - FIMCO relocated their headquarters to North Sioux City. The purchase of their new headquarters was for \$1,550,000.
- **Flynn Business Park**
  - The North Sioux City Economic Development Corporation was awarded \$685,586 from the Economic Development Administration and \$250,000 from the South Dakota Governor's Office of Economic Development for infrastructure improvements in the Flynn Business Park. The project is estimated at \$1,300,000. 3 companies have signed letters of intent to locate along the new road.
- **TK3**
  - Two toy boxes additions in the Flynn Business Park at a total cost of \$378,000.
- **Gateway Business Park**
  - The former Gateway Computer campus consisting of 5 buildings on 77 acres sold for \$5,750,000. The individual who purchased the campus then sold four of the five buildings and all but one parcel of land.
  - The Main building was purchased by Nelson Industrial for \$1,900,000. The building is now home to D2, Four Seasons Health Club, Big Frig, Rubber Dockies, and a cryptocurrency company.
  - The Pacific and Peru buildings were purchased by Sterling Computers for \$4,680,000. The Pacific building will be Sterling's new headquarters. A \$6,000,000 remodel is currently underway.
  - The Argentina building was purchased by a local developer for \$2,100,000. The building is now home to an athletic facility, Pella Windows and Doors, Government Acquisitions, and Connolly Development.

- The Mexico building is now home Compute North and South Dakota Storage.
- On the south end of the campus, the owner announced a \$7,500,000 and 171,000 square-foot distribution center that will be built once tenants are found for 50% of the building.

## Residential Housing

- The City of North Sioux City had another successful year in home construction.
  - Total cost for new homes: \$3,341,000.
- The Lakeshore Estates housing development continues to move forward. The development will add 70 lots during four phases in the coming years.

## SECTION IV – ECONOMIC INDICATORS

The following tables describe key economic indicators in South Dakota cities, towns, and counties in which MidAmerican Energy provides service:

- The Building Permit Valuations in MidAmerican Energy Communities Report (Page 40) describes the annual value of commercial and residential developments as described in building permits. The source for data is the local city administrators and building inspectors in each of the communities listed. Please note that Corson is an unincorporated community and Brandon does not issue building permits.
- The Municipal Sales Tax Report (Page 41) is a comparison between city tax due for fiscal years 2016 and 2017. The dollar amounts in this report are a result of municipal tax due reported on the South Dakota tax returns until January 2018 (amounts paid through audits will not be included). The source for data is the South Dakota Department of Revenue (this bullet added in the revised filed on May 17, 2018).
- The Population Estimates for Counties Served by MidAmerican Energy in South Dakota Report (Page 42) describes the change in population in counties served by MidAmerican Energy between the 2010 Census and the most current 2017 estimates available. The data source is the U.S. Census Bureau 2017 population estimates published in March 2018.

## Building Permit Valuations in MidAmerican Energy Communities: 2015-2018

<b>Community</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Total</b>
<b>Lincoln County</b>					
Canton	2,568,454	1,956,413	14,687,306	1,309,687	20,521,860
Harrisburg	24,763,595	20,012,120	30,062,510	16,080,830	90,919,055
Lennox	2,550,313	6,628,103	2,151,119	816,040	12,145,575
Tea	13,423,983	15,096,696	7,118,759	26,120,501	61,759,939
Worthing	398,500	767,475	310,000	242,148	1,718,123
<b>Minnehaha County</b>					
Baltic	1,950,292	2,449,057	2,688,619	646,146	7,734,114
Brandon	18,548,158	20,971,986	18,266,412	13,159,065	70,945,621
Colton	389,948	462,024	935,674	756,536	2,544,182
Corson					
Dell Rapids	11,816,021	11,031,410	2,908,614	4,462,760	30,218,805
Hartford	8,297,859	7,928,426	459,000	4,120,466	20,805,751
<b>Union County</b>					
Alcester	317,879	325,040	1,581,950	8,421,351	10,646,220
Beresford*	7,824,517	6,466,676	11,411,931	9,459,357	35,162,481
Dakota Dunes	29,485,720	24,447,445	36,288,529	23,513,442	113,735,136
Elk Point	1,834,200	1,188,976	2,493,389	2,288,400	7,804,965
Jefferson	55,000	30,100	86,500	19,000	190,600
North Sioux City	8,065,633	6,378,211	39,831,234	10,870,099	65,145,178
<b>Other Communities</b>					
Sioux Falls**	676,292,291	701,851,489	739,324,818	786,599,655	2,904,068,253
Centerville	3,310,000	240,975	1,092,760	337,550	4,981,285
Flandreau	927,626	661,343	2,043,000	1,427,400	5,059,369
Gayville	44,400	397,420	2,189,195	48,000	2,679,015
Montrose	457	11,671	200,000	220,000	432,128
Ramona					
Salem	9,368,800	1,178,400	1,113,815	2,606,870	14,267,885
Vermillion	28,128,723	12,301,523	12,541,420	40,074,195	93,045,861
Yankton	25,743,008	18,276,920	56,894,805	25,399,798	126,314,531
	876,105,377	861,059,899	986,681,360	978,999,296	3,702,845,932

\*Beresford is listed in Lincoln County because it is part of that countywide development group.

\*\*Since Sioux Falls is in both Lincoln and Minnehaha Counties, it is grouped under "Other Communities".

Valuations of cities may not match LCEDA/MCEDA "highlights" because of different fiscal years.



Source: South Dakota Department of Revenue

## Municipal Sales Tax Report in MidAmerican Energy Communities CY 2017-2018

	2017	2018	% Change
<b>Lincoln County</b>			
Beresford	914,470.64	965,048	5.53%
Canton	1,016,148.52	1,165,803	14.73%
Harrisburg	1,164,184.93	1,278,770	9.84%
Lennox	625,118.94	622,949	-0.35%
Tea	1,276,960.97	1,447,886	13.39%
Worthing	128,483.16	118,605	-7.69%
<b>Minnehaha County</b>			
Baltic	142,425.02	160,718	12.84%
Brandon	3,164,715.82	3,392,505	7.20%
Colton	123,496.92	145,220,	17.59%
Dell Rapids	1,156,502.01	1,213,587	4.94%
Hartford	904,152.24	886,914	-1.91%
<b>Union County</b>			
Alcester	218,794.07	214,153	-2.12%
Dakota Dunes	-		
Elk Point	504,131.72	559,684	11.02%
Jefferson	128,143.05	143,550	12.02%
North Sioux City	2,432,956.15	3,593,121	47.69%
<b>Other Communities</b>			
Sioux Falls	127,020,473	132,118,200	4.01%
Centerville	153,916.86	170,815	10.98%
Flandreau	674,351.45	691,011	2.47%
Gayville	51,426.82	57,413	11.64%
Montrose	78,974.82	76,130	-3.60%
Ramona	29,647.47	28,856	-2.67%
Salem	494,257.94	504,922	2.16%
Vermillion	3,898,724.78	3,953,799	1.41%
Yankton	9,528,288.30	9,924,350	4.16%

## Population Estimates for Counties Served by MidAmerican Energy in South Dakota (2010 Base)

South Dakota Counties with MidAmerican Energy	2010	2018	Total Change	Percent Change
Clay	13,864	13,907	43	0.31%
Lake	11,200	12,350	1,150	10.27%
Lincoln	44,828	53,147	8,319	18.56%
McCook	5,618	5,515	-103	-1.83%
Minnehaha	169,471	183,660	14,189	8.37%
Moody	6,486	6,496	10	0.15%
Turner	8,347	8,242	-105	-1.26%
Union	14,399	14,929	530	3.68%
Yankton	22,438	22,660	222	0.99%
<b>TOTAL-MEC COUNTIES</b>	<b>296,651</b>	<b>296,651</b>	<b>24,255</b>	<b>8.18%</b>
<b>OTHER SD</b>	<b>517,540</b>	<b>532,172</b>	<b>14,632</b>	<b>2.83%</b>
<b>SD TOTAL</b>	<b>814,191</b>	<b>853,078</b>	<b>38,887</b>	<b>4.78%</b>
<b>MEC COUNTIES %/SD</b>	<b>36.4%</b>	<b>37.6%</b>		
<i>Source: US Census Bureau Population Estimates 2018</i>				