



President's Report – February 2013

PROSPECT HIGHLIGHTS

1. Pipe Manufacturer out of Texas
 - a. 40 jobs/\$2.0M payroll at build-out (32/\$1.5M in initial phase)
 - b. Energy industry related
 - c. Currently under construction – will be production-ready in Summer 2013
2. Customer Service Center based in Minneapolis
 - a. Financial Services Industry
 - b. 441 jobs to retain/\$16.3M payroll in our business park
 - c. Almost 100 of those added in last year, they are now full
 - d. Keep growing, want to expand here in RC, add up to 256 new positions/\$9.4M payroll (was 100)
3. Financial Services in Rapid City
 - a. Financial Services Industry
 - b. Seeking to grow to 90-100 over next 4 years by consolidating offices
4. Several other prospects we are working with
 - a. National Employment Law Firm
 - b. Data Center
 - c. Machine Shop Expansion
 - d. Manufacturing Company HQ

BUSINESS RETENTION HIGHLIGHTS

1. We met with 49 of our own companies last year – this helps us take the pulse of some of our own businesses and gives us the opportunity to share one-on-one some of the work we're doing. We can also offer help in the form of incentives for companies to grow. Our business expansion and retention (BEAR) visits increased from 2.5 per month in 2011 to 4.75 in 2012. We expect this trend to continue in 2013.

DEVELOPMENT OF ADDITIONAL ECONOMIC DEVELOPMENT TOOLS

- a. Regional Rail Authority possibilities for rail served industries
 - still moving forward with Pennington, Rapid City, Box Elder
- b. Foreign Trade Zone/Customs Office for Western SD in Rapid City
 - Had initial meeting on Feb 5, will begin meeting with individual companies to determine viability/use of such a tool

REGIONAL MARKETING

- a. Working with BHBC on Regional Marketing plans
- b. Atlas Advertising (Denver firm) is the finalist chosen
- c. Anticipate BHV funding of \$500K over 4 years – full board meeting anticipated in March
- d. Will leverage Regional Jobs Program/Key Target Industries by generating better-quality prospects

FUNDRAISING

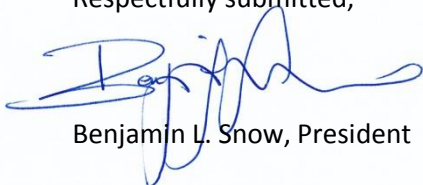
1. Following our IEDC Conference in Houston last fall, Terri and I met with a firm (Convergent Nonprofit Solutions) that specializes in fund-raising for Economic Development groups across the country. They conducted our impact analyses/ROI to help demonstrate the value of economic development activities, specifically high-wage job-creation, to every type of business – for example car dealerships, banks, retailers, et al. Tom Ralser (CNS) produced the report and delivered the presentation at our board meeting on Feb 13, 2013.
2. The goal we established a couple of years ago was to raise another \$100K from the private-sector over a 5 year period. We have increased private sector investments from around \$40K to \$68K, but are well short of our goal. Our goal for 2013 is to increase private sector investments by \$32K to get to \$100K this year. Help from the Board and other current investors will be critical. We approved an additional \$10K to be spent on local advertising this year to get the word out on our successes and programs. This spend will come from the \$32K increase.

CALENDAR ITEMS OF NOTE

REPORT & ANNOUNCE

- Houston Trade Mission (March 3-6)
- GOED Conference in Sioux Falls (April 16-17)
- Due to GOED Conference, our next Board Meeting will be the following week (April 24)
- 21st Annual Williston Basin Petroleum Conference (April 30-May2)
 - RCEDP will have Platinum Sponsorship/Booth

Respectfully submitted,



Benjamin L. Snow, President