



City Legal & Finance Committee, March 27, 2013

RCEDP Highlights and Update

Regional Rail Authority

The attorneys from Pennington County, Rapid City and Box Elder are currently working on some draft documents for their respective boards to review, which if adopted, would have the effect of creating a regional rail authority, which would allow local business to develop rail infrastructure by accessing low-interest loan funds from the State Rail Trust Fund. Currently, we do not have an authority, but it is notable that the newest authority in the state was recently created by Belle Fourche and Butte County to help develop an industrial park adjacent to rail. We endorse and support the efforts to create these authorities. Rail infrastructure is important to our region's economic growth.

West River Foreign Trade Zone

We continue to investigate the merits of creating a Foreign Trade Zone in western South Dakota. This quarter, we held a learning lunch where we invited local importing companies/potential users to learn more about this topic and determine how much demand there might be for a FTZ. We are also examining FTZs in adjoining states to learn the history, costs and best practices should we move decide to forward with our own. Casper, WY is very interesting to us as are the zones in North Dakota. We will continue to investigate the potential for us to use this tool for economic development.

Energy Sector Outreach and Marketing Efforts

This year, we are reaching out to the oil and gas industry, our top-paying targeted sector, to market Rapid City and the Black Hills as a servicing and supply-chain hub to the Bakken, Powder River and Niobrara energy fields. These efforts include:

Mar 3-6, Houston, TX: RCEDP was invited by Jackson Lewis (a national employment law firm who recently located an office in Rapid City) to meet some of their energy-related clients at the Houston Stock Show and Rodeo. What began as a small trip of business and political leaders including City Council President Petersen turned into a larger successful joint mission between economic development, tourism and air service which we plan to repeat again next year as we continue to develop relationships with respective entities in Houston.

Mar 15, Minneapolis, MN: RCEDP was a sponsor and I was a speaker at an oil conference in Minnesota, where we were able to pitch the Rapid City and Black Hills business opportunity.

Apr 29-May 3, Regina, SK: 21st Annual Williston Basin Petroleum Conference. RCEDP will be a platinum level sponsor and staff a booth at this event. This is a multi-day trade show and conference with exhibits, programs, and will provide the opportunity to showcase Rapid City to thousands of attendees. All RCEDP Executive Committee members including Mayor Kooiker, EDP staff and booth partners from regional tourism will attend and support.

October 2013, Denver, CO: This fall will be the 4th Annual Bakken Infrastructure Conference. I attended this event last year and anticipate attending again this year to continue developing energy-related prospects.

Respectfully submitted,

Benjamin L. Snow, President