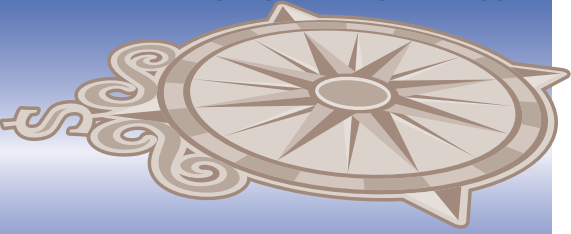


# Directions



## Annual meeting scheduled for November 15

The Sioux Falls Development Foundation annual meeting has been scheduled for Thursday, November 15, in the International Room of the Holiday Inn City Centre at 4:30 p.m. The event will present a report on the year's economic development headlines in a brief program at 5 p.m. Area business leaders are invited to attend the free meeting.

*Mark your calendar today!*

**Sioux Falls**  
Development Foundation



Volume 31, Number 4  
July-August, 2007

## Progress illustrated by new park, expanding business community

**D**espite uncertainty about the growth of the economy on the national front, particularly expressed through the housing market, Sioux Falls continues to move forward, with strong housing starts, construction in every corner and industrial sector and a consistent pattern of population growth.

Signs of economic strength in the Sioux Falls area take a number of forms. The Sioux Empire Development Parks are nearly full, necessitating the escalated development of Phase II of Park VIII to meet the demand for affordable, build-ready sites. Park VIII, which only opened for construction within the past few months, will have sites suitable for a wide range of businesses very soon.

Commercial construction is not limited to the development parks. The health services providers are continuing their annual multi-million dollar construction booms, with major construction on both the Avera and the Sanford campuses. In addition, both medical systems are recruiting new physicians and expanding their employee base considerably, as Sioux Falls becomes more and more identified as a regional health care center.

Expansion of local businesses has occurred largely because of the growth of our community. But some expansion is occasioned through other means. A case in point is the recent purchase of Pulizzi Engineering by the Eaton Corporation. Pulizzi, a widely respected manufacturer of high tech components, recently moved into a new building in Sioux Empire Development Park VII. The new owners are so impressed with the facility and Sioux Falls that they are discussing the possibility of adding manufacturing to the service center Pulizzi established here. The Pulizzi acquisition is the first Eaton company to be located in Sioux Falls, and its



*Eaton Corporation ownership may push forward expansion at Pulizzi Engineering's service location in Development Park VII.*

expansion seems imminent.

High technology is becoming more prominent in Sioux Falls' growth. The complete occupancy of the South Dakota Technology Business Center, a high tech incubator, is evidence that this is a great place for high tech companies to start up and grow fast. The



recently announced expansion of SDTBC promises to accelerate this process, as additional new firms are able to take advantage of the services of the center to plant the seeds of the future.

*Continued on page 2...*

# Success prompts growth of Technology Business Center

**T**hanks to a grant from the Economic Development Administration, a branch of the US Department of Commerce, the South Dakota Technology Business Center will be adding 7,000 square feet. That will bring the technology incubator to 45,000 square feet at its location adjacent to Southeast Technical Institute.

“The additional space will give us the opportunity to serve more companies,” said Rich Naser, executive director of the facility. “We are 100% full, so having more space available will enable us to fulfill our mission and expand our services to entrepreneurs.”

The Technology Business Center will be able to access \$1.2 million in federal grants with just \$100,000 in local funds. According to Naser, all three members of South Dakota’s Congressional delegation were active in acquiring this federal grant.

In addition to the additional 7,000 square feet of space, SDTBC will upgrade the center’s communication system and add



*DocuTAP is the most recent graduate of the Technology Business Center. The company began with one employee as an SDTBC start-up and is now moving to a larger facility with over 20 employees.*



videoconferencing to the services offered to tenant companies. The additional communications redundancy will ensure constant links to the rest of the nation as

well as permitting shared information and teleconferences with other business incubators around the state. The space and services should continue to attract start-up high tech firms, Naser said.

“We expect to be able to accommodate as many as 50 additional employees in three to five companies with our expansion,” he said. “Our goal is to maintain our self-supporting cash flow and be able to offer about 1,000 square feet of opportunity space to encourage technological innovation for our area.”

Construction on the SDTBC expansion should begin in the spring of 2008, with completion before the end of the year. The technology incubator has “graduated” a steady stream of growing businesses during the past year, but the space available continues to fill, as the center fulfills its mission to encourage the next wave of innovative companies.

“The success of this concept has really energized the community,” Naser said. “From the mayor’s office to our friends in D.C. to the local business community, everyone worked hard to make this expansion possible.”

## Progress illustrated by new park, expanding business community

*Continued from page 1...*

Companies are also relocating to the communities around Sioux Falls to take advantage of an increasing customer base, ease of transport and access to materials and labor force to grow their business.

Fueled by enthusiasm, strong retail sales, a growing population of students and young adults and a diverse industrial economy, Sioux Falls is maintaining the pattern of steady growth that has characterized the past decade.

“The exciting thing about what is happening in Sioux Falls is the fact that all these elements work together to enhance and drive our growth,” said Dan Scott, president of the Sioux Falls Development Foundation. “You can’t point to one sector or one part of the community as the catalyst; everything just works together to keep our economy strong and our neighborhoods growing.”



## Iowa metal fabricator chooses Sioux Falls area

**M**idwest Metal Works Inc., a manufacturing job shop specializing in custom fabrication, has relocated from Rock Valley, Iowa to a location in east Sioux Falls. The company currently employs six AWS D1.1 certified welders and plans to increase employment to ten by the end of this year. Employment could reach twenty by the end of 2008.

According to company president Mark Kelderman, the move is in response to commercial growth in the Sioux Falls area, access to an increased labor force, availability of buildings and the advantages of living and working here.

"We'll be able to recruit employees better here than in our previous location," Kelderman said. "We're adding new equipment, and Sioux Falls gives us the opportunity to really grow our company."

Midwest Metal Works supports a broad range of industries from construction and agriculture to technology and biofuel equipment. The firm also offers delivery and mobile services for installation and product support.



*Trained welders create specialized metal products at Midwest Metal Works, recently relocated to Sioux Falls from Rock Valley.*

Plant manager Mark Schmeling said the company is able to work with customers at any stage of the fabrication process. From CAD-generated prints to finished product and assembly, Midwest Metal Works has the capacity to fabricate products that require precision custom welding, careful attention to detail and service excellence.

"Midwest Metal Works is an example of a specialized company that chose our area for very specific reasons," said Jeff Eckhoff, director of rural development. "They bring a critical service to our region, one that is in constant demand by other growing businesses."



## Public Utilities Commission plans fall wireless conference

**T**he South Dakota Public Utilities Commission will host **Connecting South Dakota: Wireless Technology**, a conference that examines telecommunications in our state, on September 18, 2007, at the Sioux Falls Convention Center.

The conference will focus on the use of current and emerging wireless technologies in practical applications such as public safety, business development and rural connectivity. Panelists that include telecommunications professionals, policy makers, local leaders and industry consultants will describe their experiences followed by pointed discussion directed by skillful moderators. Steve Largent, president and CEO of CTIA-The Wireless Association, will deliver the keynote speech.

Topics, sessions and networking elements of **Connecting South Dakota: Wireless Technology** will appeal to anyone who offers or uses wireless and wireline voice, data and internet telecommunication services in South Dakota. Community leaders seeking to improve telecommunications services in their area will also find valuable information at the forum.

Watch the PUC's web site, [www.puc.sd.gov](http://www.puc.sd.gov), in the coming months for conference details. Contact the PUC at [puc@state.sd.us](mailto:puc@state.sd.us) or (605) 773-3201 with questions.

### Directions

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# Interns program connects students to the workplace

By Mary Medema, Workforce Development Director, Forward Sioux Falls

**M**arketing and business operations at Strawbale Winery, accounting at Sioux Falls Construction, architecture at Koch Hazard Architects, interior design at Showplace Kitchens—these are just a few of the internships and business partners in this summer's Interns in Industry program.

Making a campus connection is a valuable workforce development tool for businesses. Interns in Industry helps us brand Sioux Falls with students as an ideal place to begin and grow a career—to discover the wealth of opportunity right here in their own backyard. This summer's interns arrived from **15** different campuses and come from hometowns in **6** states.

Most of this year's 31 participants will return to school this fall to complete their degrees. A number of them will also continue working part-time this fall or on holiday breaks with their internship employer. And this year, as in other years, some of the students will be offered the opportunity to work full time with their internship employer upon graduation.

Lisa Ottmer, the Public Relations Manager for Home

Builder's Association of the Sioux Empire, was an Interns in Industry participant with HBASE in the summer of 2004. She returned to SDSU to complete her Bachelor's degree in Journalism, and in 2007 had the opportunity to return to HBASE as Public Relations Manager. She is not only contributing to the success



Lisa Ottmer

of that organization in a whole new way, but is now the individual who is selecting the interns for HBASE.

We salute all of the 2007 businesses who have invited these talented students to take the first step in discovering their future in Sioux Falls: Brian Clark & Associates, Crimson Fire, Encore FBO/Business Aviation Services, Holiday Inn City Centre, Home Federal Bank, Home Builders Association of the Sioux Empire, Johnson Controls, Koch Hazard Architects, Midcontinent Communications, Midland National Life Insurance, Precision Computer Systems, Raven Industries, RSArchitects, Showplace Kitchens, Showplace Wood Products, Sioux Empire Housing Partnership, Sioux Falls Construction, South Dakota Enterprise Institute and Strawbale Winery.



## Forward Sioux Falls selects Investor Relations director

**C**arolyn Winchell, most recently business development manager for Business Aviation and Encore FBO, has been chosen as the new Investor Relations director for Forward Sioux Falls. Winchell will be the follow-up contact for investors, keeping awareness of the program high and developing new investors throughout the five-year term of Forward Sioux Falls V.



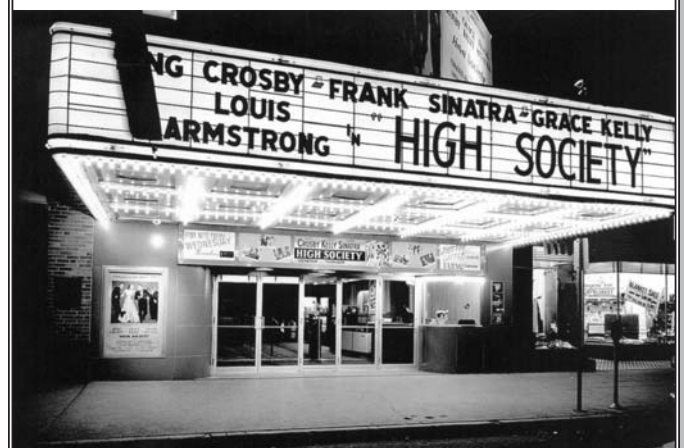
Carolyn Winchell

Winchell has completed coursework for her MBA at the University of Sioux Falls and is active in several community organizations, including the Sioux Falls Tennis Association, Junior League, United Way, Hook 'N' Ladder and SafeKids. She has worked extensively with event coordination, marketing and business development.

"Carolyn will be an excellent contact person for Forward Sioux Falls," said Dan Scott, Development Foundation president and Joint Venture Management Committee member. "She gives us the opportunity to maintain closer contact with our investors and gauge our effectiveness in meeting the needs of our community."

## YESTERDAY IN SIOUX FALLS

**F**ifty years ago, when air conditioning was not a common household luxury, hot summer nights like this one, in August of 1956, often meant taking in a movie at downtown theaters. The Hollywood, below, lit the night with the latest stars, as did the State, just down Phillips Avenue. After the movie, an ice cream sundae at the Palace of Sweets or the Barrell drive-in on the way home made it a great night out. *Bill Pay photo.*



## Chairman's Report



By Dana Dykhouse

## Take a look around—you can **SEE Sioux Falls grow**

**Y**ou don't have to be a statistician or business researcher to understand the growth of Sioux Falls. Here at the Development Foundation, we are continually fielding requests for information from companies eager to learn more about the advantages of a Sioux Falls business location. We hear reports regularly about businesses, new and old, that keep expanding their local operations to meet the needs of a growing region.

But these are all facts on paper. To get a sense of the reality of growth, drive around this expanding city. Get off your normal traffic pattern and drive east on Arrowhead Parkway. Explore a little further south on Louise or Western, or cruise north and west to see for yourself the astonishing spread of homes, new or expanding businesses and developing neighborhoods.

When we talk about adding jobs to this region through economic development, we are really talking about the families who are moving into these new homes being completed every day in the north, south, east and west sections of Sioux Falls. We are talking about people who are moving here to find **opportunity**. That may mean employment opportunities for the parents, or educational opportunity for the children. But it always means that people are coming to Sioux Falls—and the growing communities that surround Sioux Falls—to build a better future.

In the course of building that better future for themselves, they are ensuring a better future for our area. These families enhance the tax base, encourage businesses to build and expand and provide the vital energy that keeps a community moving forward.

Go out and take a look at growth, expressed in two by fours, new rooflines and beautiful new neighborhoods. One Sunday drive like that is worth twenty pages of growth statistics.



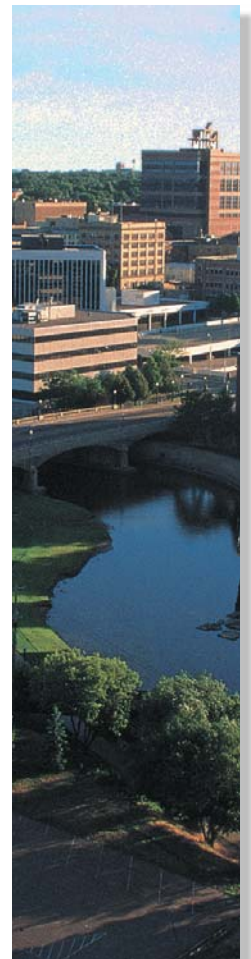
### *Unemployment insurance comparison shows South Dakota costs are lowest*

**T**he American Institute for Full Employment study of state unemployment insurance tax rates reveals a strong advantage for South Dakota. The comparison with surrounding states shows Minnesota at an average cost of \$438.22, Iowa at \$353.85 and North Dakota with an average cost of \$292.94. **South Dakota's average cost for unemployment insurance tax is \$67.97!** Other states in the survey include Nebraska, \$224.67; Wyoming, \$281.71, Wisconsin, \$301.75 and Michigan, \$410.24.



### *Illinois paper identifies Sioux Falls as the best location for data centers*

**T**he Champagne-Urbana *News Gazette* has run an article citing the recent Boyd report on the best locations for financial companies' secure data centers. While Champagne-Urbana ranked at number ten on the list, Sioux Falls was named in the story as the nation's top location for the data centers, with an annual projected operating cost of about \$9.7 million. Costs in the Illinois city were estimated to be well over \$11 million. Sioux Falls, home to credit operations for Citigroup, Wells Fargo, HSBC, Premier Bankcard and newcomer ADP, ranked as the most profitable location for the fast-growing financial services centers.



Sioux Falls  
Development  
Foundation

## President's Report



By Dan Scott

## Homestake offers *benefits for the whole state*

The announcement by the National Science Foundation that the former Homestake gold mine in Lead will be the nation's new deep underground science and engineering laboratory (DUSEL) is great news for all of us here in South Dakota. Congratulations to Governor Rounds, Secretary of Tourism and State Development Richard Benda and our Congressional delegation for their persistence and hard work.

One of the identified goals for nearly every state these days is to be known as the "hot spot" for high tech. We've made a good start in Sioux Falls, with the location here of Hematech and the construction of the South Dakota Technology Business Center. Many of the companies started at SDTBC are already becoming known nationally for their technology innovations. But the placement of DUSEL in South Dakota really takes things to the next level.

As the scientific experiments start happening in the Black Hills, we'll see biochemists, astronomers, nanotechnicians, nuclear engineers and other scientists spending time in our state. They will continue to network with colleagues around the globe, reporting on their work here in South Dakota. They may well be interested in working with scientists already on the ground in our state, at our universities and possibly even at companies which start up or locate here for the purpose of interfacing with DUSEL scientists.

The spotlight is definitely on our state, bringing every corner of South Dakota a little closer to the high tech future, providing incredible potential for our young people to find great careers here at home.

This is an exciting time for South Dakota, and in Sioux Falls, we are researching and brainstorming to determine the best ways to capitalize on the potential brought by DUSEL. There has never been a better time to "think big" and plan for the technology revolution possible for our community and our state.



Sioux Falls  
Development Foundation  
P.O. Box 907  
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**Looking for a building site? Start here.**

Land in our Sioux Empire Development Parks is the best value in the Sioux Falls region. If you need a site for expansion or business location, START HERE: the Sioux Falls Development Foundation.

**No matter what type of building you're planning, we have a site for you— at prices from \$1.95 a square foot.**

Call Dan Scott or Dan Hindbjorgen at 605-339-0103  
www.siouxfallsdevelopment.com

**Sioux Falls Development Foundation**