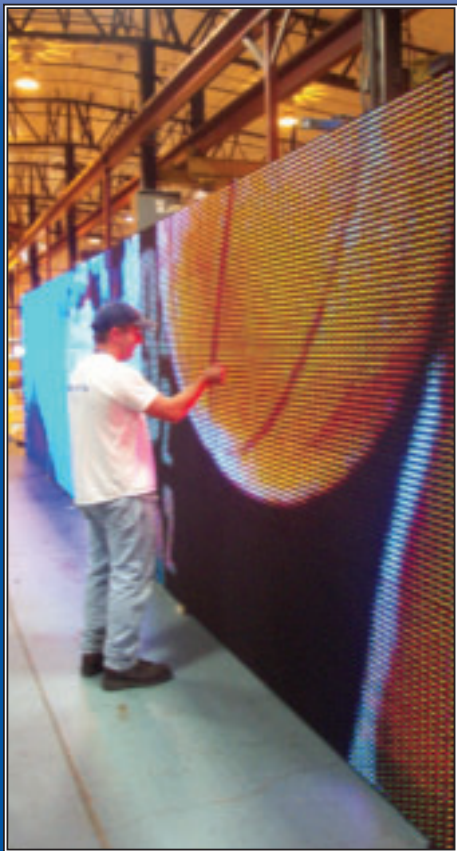
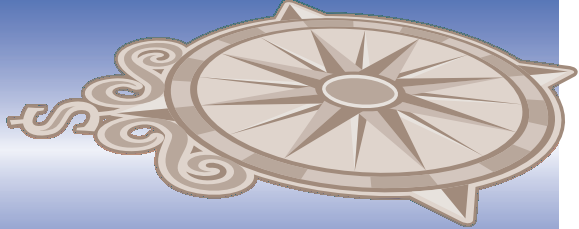


# Directions



*Kaleidoscopic Daktronics display systems, sold around the world, will soon be manufactured in Sioux Falls at the former Litton building, as well as at the company's expanding plant in Brookings.*

**Sioux Falls**   
**Development Foundation** 

Volume 30, Number 3  
May-June, 2006

## Daktronics expands production to Sioux Falls

The rainbow explosions on high tech scoreboards are being matched by the explosive growth of South Dakota-born Daktronics, Inc. Founded in Brookings in 1968, the company is one of the nation's premier designers and manufacturers of electronic scoreboards, computer-programmable displays, and large screen video displays and control systems. And now those products will be built in Sioux Falls, as well as at the company's expanding manufacturing plant in Brookings.

Daktronics has leased the former Litton manufacturing building in Sioux Empire Development Park II. The company will occupy 140,000 square feet for manufacturing and warehouse space. According to Daktronics president and CEO Jim Morgan, the company expects to be shipping product out of the Sioux Falls facility this fall.

"We began considering alternatives to our Brookings operations during the second quarter when we realized that our demand for manufacturing space was growing at a faster rate than we could build," Morgan said. "In addition, our need for both manufacturing and other personnel is now growing faster than the availability of workers in the Brookings area."

Morgan said that Daktronics has always viewed itself as part of the I-29 corridor community. The size and location of Sioux Falls make it a natural choice for the company's expansion of operations, he added.

"Daktronics is one of South Dakota's genuine high tech success stories," said Dan Scott, president of the Sioux Falls Development Foundation. "It's also a reminder that innovation and technology leadership offer nearly unlimited potential for start-up firms right here in South Dakota. We're proud to have Daktronics expanding into Sioux Falls."

Daktronics excels in the control of large display systems, including those that require integration of multiple complex displays showing real-time information, graphics, animation and video. Daktronics designs, manufactures, markets and services display systems for customers around the world, in sport, business and transportation applications.

"This additional space will not only allow us to add more capacity, it will allow us to arrange our manufacturing processes to be more efficient," Morgan said. "Improved processes will help us reduce costs, increase productivity and quality and deliver products to market faster, benefiting our customers, employees and shareholders."



# Forward Sioux Falls V kicks off with over \$5 million

Campaign chairs Dana Dykhouse and Kelby Krabbenhoft joined Forward Sioux Falls chairman Tom Everist, Chamber chair Bob Thimjon and Governor Mike Rounds in a kick-off breakfast attended by hundreds of Sioux Falls business people. The campaign chairs were able to announce that \$5,092,500 had already been raised from twenty companies, over half the \$8.5 million goal.

Forward Sioux Falls is a joint venture of the Development Foundation and the Sioux Falls Area Chamber of Commerce to provide for community development in key areas, focusing on specific, achievable priorities. Since the program's inception in 1987, local



*Dana Dykhouse, Development Foundation Chair and FSF V Campaign Co-Chair addresses the kick-off breakfast crowd.*

business people and government have invested over \$14 million in Forward Sioux Falls action plans. The program has created 10,300 jobs, built the South Dakota Technology Business Center, encouraged affordable housing and developed an effective workforce development program.

Forward Sioux Falls V will aggressively market the community to young people with the "Opportunity City" campaign, focusing on the theme **Stay Close-Go Far**. Nearly two million dollars will be spent during the next five years to convince 17 to 30 year olds that Sioux Falls is the best place to live, work and play. In addition, the program will focus on the "Knowledge Community," encouraging the growth of research and development. The next generation of products and services could well be created in Sioux Falls.

The campaign will contact businesses throughout the metro area, according to the campaign chairs. The past successes of Forward Sioux Falls have encouraged an ever-increasing number of investors, as business leaders clearly identify the program as a stepping stone to a prosperous future for Sioux Falls.

*Directions*  
is published six times yearly by the

P.O. Box 907, Sioux Falls, SD 57101  
Phone 605-339-0103, Fax 605-339-0055  
Dan Scott, President Karen Ruhland, Editor

*SFDF Board of Directors*

Dana Dykhouse, Chair	Dan Kirby
Barry Martin, Vice Chair	David Knudson
Mark Shlanta, Treasurer	Don Marker
Dennis Anderson, Secretary	Steve Palmitier
Jim Wilcox, Past Chair	Dr. Jim Robl
Terry Baloun	Kendall Stork
Henry "Chip" Carlson III	
Cathy Clark	<b>Ex-Officio:</b>
Steve Crim	Mayor Dave Munson
Bruce Halverson	Commissioner
Mike Hanson	Bob Kolbe
Dale Jans	Mike Cooper
John Keilholz	

*Working for regional economic development in partnership with:*

*Campaign emphasizes proximity, unlimited opportunity*  
*By Mary Medema, Workforce Development Director*

**E**very day thousands of young adults are making important decisions about their futures. When young adults within a 150 mile radius of Sioux Falls are preparing to make those decisions, they need to know that they don't have to move away from this area to achieve their dreams in life. In fact, Sioux Falls is an ideal place for young adults to live, work and play. This is the message that is hitting the streets and highways and county roads throughout the region in the newest FSF campaign STAY CLOSE-GO FAR.

Focus groups of young adults from Sioux Falls and other communities in the area shared their priorities when choosing where and how to spend the next stage of their life. The research resulted in a fresh approach to describe what we have to offer in Sioux Falls and a new high energy look, sound and message to match.

TV, radio, print and the Web are being used to share the reasons why young adults need to look no further than Sioux Falls to find the ideal job, perfect school, great home or fun activities that make a great future.

Focused on meeting the ever-growing need for talent in our community, this campaign will enhance the ongoing marketing efforts of business, schools, housing developers, event planners and others dedicated to creating a more vibrant Sioux Falls. Listen and watch for the sights and sounds of STAY CLOSE-GO FAR and visit the website, [www.stayclose-gofar.com](http://www.stayclose-gofar.com) to learn more.

## *Cherapa Place opens development of East Bank*

**H**owalt-McDowell Insurance, CorTrust Bank, RAS and Sioux Valley Health Plan are the four initial tenants of Cherapa Place, a 140,000 square foot office building being constructed near the site of the old Zip feed mill on the east bank of the Big Sioux River. The \$23 million project will feature six stories and 50 underground parking spaces in an environmentally sensitive structure oriented to maximize views of the river and Falls Park. About 400 employees will share the new facility, expected to be completed in November 2007.



## *Lutheran Social Services breaks ground for youth facility*

**F**ollowing the successful \$5.6 million statewide “Changing Children’s Lives” campaign, Lutheran Social Services has begun construction of the Center for Children and Youth on Presentation Street just off North 4th Avenue. The 38,945 square foot facility will include space for residential youth treatment programs, LSS adoption and birth parent services, foster care programs and the School-based Mentor Program. In addition to 16 teachers from the Sioux Falls School district who will teach at the new center, 65 LSS employees will work in the facility.

## *Homebuilders break ground for Street of Dreams*

**T**he Home Builders Association of the Sioux Empire (HBASE) broke ground for the 2005 Street of Dreams, scheduled for July 21-24 and July 28-31. Eight luxurious homes on one street in the Prairie Gardens Addition in southeast Sioux Falls will be on display in a one-site tour of premier new homes, giving the public the opportunity to view fully furnished and decorated homes. All proceeds will go to support the HBASE Scholarship Fund, which contributes to the longevity of the successful building industry in the Sioux Empire.



## *Children’s Home Society expands foster care facility*

**T**hanks to a lead donation by T. Denny Sanford, the Children’s Home Society will expand its current administration building to provide space for rapidly growing foster care and adoption programs that work to find families for children in the organization’s care. The existing building and foster care/adoption addition will be named in honor of Sanford’s son, Scott.



## **New lending program to help small business start-ups**

**T**he challenge for anyone wanting to open a small business comes down to start-up money, but a new Sioux Falls non-profit lending organization will make it easier for people to build a business. Dakota Business Finance will work with local banks to provide loans for small businesses that need to construct, purchase or renovate a building or purchase long-term machinery and equipment. Typically, the banks will provide 50 percent of the financing; Dakota Business Finance will provide 40 percent of the money; and the small business owner contributes the remaining 10 percent.

The Dakota Business Finance portion of the loan comes from the Small Business Administration (SBA), which sells notes on a national basis monthly to provide the financing. Loan participants must be for-profit businesses and meet standards set by the SBA. The South Eastern Council of Governments worked with SBA to set up the Dakota Business Finance loan program. It can also help small businesses looking to expand.

If you are a new or expanding business in need of financing, contact Lynne Keller or Brenda Wyland at 605-367-5353 for additional information.

## EROS and USD sign partnership agreement

The University of South Dakota (USD) and the U.S. Geological Survey (USGS) Center for Earth Resources Observation and Science (EROS) have forged a cooperative agreement to benefit technology development and research activities at both institutions. South Dakota Governor Mike Rounds joined USD Provost Royce Engstrom and USGS EROS Director R. J. Thompson at the signing ceremony for the official document on May 23 at EROS.

This five-year agreement will enable USD faculty and students to work with USGS staff on advanced techniques of geospatial data collection, analysis and synthesis, display, applied systems administration, data management, Web mapping services and business systems user development, among other applications.

EROS and USD will also cooperate to assist public agencies, tribal governments, primary, secondary and higher educational institutions, private enterprise, and international organizations in employing geospatial data and information, remote sensing and digital image processing techniques, and geographic information and other computing systems to better manage and support natural resources decision making, advance agricultural development, protect environmental quality, and deal



*USD Provost Royce Engstrom and Governor Mike Rounds look on as EROS Director R.J. Thompson, left, speaks at the ceremony.*

with business management issues.

“We are very pleased to partner with USD,” said Thompson. “Our cooperation with centers of educational excellence like USD provides for an exchange of ideas, enthusiasm and research that will benefit USGS, the university and the nation.”



## Brandon and Corson development parks partner for growth

Regional development is more than a slogan in Brandon, Sioux Falls’ fast-growing neighbor to the east. The community’s development foundation recently acquired 80 acres adjacent to the Corson Development Park and is negotiating a rail spur that will benefit growth in the area.

“We have a partnership agreement that spells out our mission to buy land and encourage economic development,” said Dennis Olson, Brandon city administrator and finance officer. “But really, this whole idea goes back 20 years or so, when Dan Scott and the Sioux Falls Development Foundation made it known that they were just as happy to see growth in Brandon. We’re all sailing in the same ship and the rising water boosts us all.”

That spirit of partnership made the Corson Development Park possible. Minnehaha County Economic Development Association (MCEDA), the Sioux Falls Development Foundation, the Brandon Development Foundation and local banks and utility companies banded together to purchase the land and prepare it for occupancy. The result was the location of Wausau Supply on the property. Now, with the rail spur planned and additional acres platted for growth, the park has an



*Rural Development Director Jeff Eckhoff consults with Brandon City Administrator Dennis Olson on the expansion.*

even brighter future—and Brandon has room to grow.

Dirt work on the new Brandon park illustrates the cooperation between the two groups. High ground on the Brandon property is leveled and used to fill in low spots in the Corson park. When the basic infrastructure improvements are completed, interested companies will be shown the property as a whole, with advantages for sites in both parks pointed out.

“That’s the way we’ve always dealt with prospects,” said Jeff Eckhoff, rural development director

for the Sioux Falls Development Foundation and executive director of MCEDA. “Our regional development strategy involves an awareness that growth anywhere in our immediate area is positive for all the communities in Lincoln and Minnehaha counties. New companies locating in Brandon can be great news for suppliers throughout the Sioux Falls area.”

Approval of the rail spur is expected this summer, with sites in the new Brandon industrial park expected to be ready by September.

“That’s the other great thing about partnership,” Olson said. “Things get done more quickly and easily when we all work together.”

Sioux Falls  
Development  
Foundation

## Chairman's Report



By Dana Dykhouse

## Leaping forward with old and new partners

The recent announcement by Daktronics of their expansion into Sioux Falls was welcome news. This great South Dakota company is setting new standards for electronic display boards and placing their product in national professional sports arenas and other high-profile locations—including the Olympic games. They will find Sioux Falls a great place to grow and add to their productivity.

Another recent announcement was the great news that Forward Sioux Falls V, our joint venture with the Sioux Falls Area Chamber of Commerce, had already received \$5,092,500 in pledges before the official kickoff. We're excited about the possibilities for this fifth edition of the nationally-acclaimed community development program. With our emphasis on innovative, high-powered workforce development and the growth of our "knowledge community," we're confident that investors will easily reach our \$8.5 million goal. We hope you'll be part of the future of this community with your pledge.

Partnership is the name of the game in economic development. Forward Sioux Falls is an illustration of that concept, as Governor Rounds joined with city elected officials to help us kick off this year's campaign. One of the key reasons for this community's success in recent years is the unique way in which all elements of the city work together to meet challenges and plan for tomorrow.

Here at the Development Foundation, we're planning for tomorrow by continuing to expand our Sioux Empire Development Parks. Demand is high and companies are looking at Sioux Falls all the time. This is going to be another great year for this area!



## Sioux Falls is #1 for fourth straight year, Forbes says

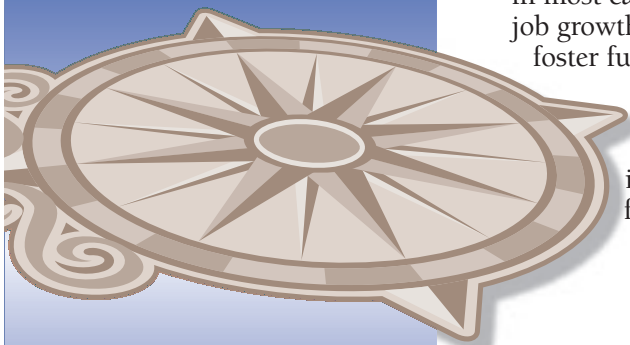
Sioux Falls ranks **FIRST** among US cities with populations between 50,000 and 177,000 as the best place for business and careers, according to this year's survey in *Forbes* magazine—for the fourth year in a row. Sioux Falls came in at or near the top in most categories in the national magazine's rankings. The study rates communities on job growth and earned income, plus a measure of activity in critical technologies that foster future growth. According to *Forbes*, **no community in the United States is a more economical place to do business than Sioux Falls**, making Sioux Falls the best place in America to make a profit. Dan Scott, president of the Sioux Falls Development Foundation, said that technology and education investments, along with a diversified and growing economy, are the reasons for Sioux Falls' consistent high rankings in national comparison surveys.



## Sioux Falls drivers rank first for safety

Residents of Sioux Falls are the safest drivers in the United States, according to the second-annual **Allstate America's Best Drivers Report**. The largest city in South Dakota moved up from the number two spot on last year's report from Allstate Insurance, replacing Cedar Rapids, Iowa, whose drivers are parked in the number three position on this year's list. This ranking of the best drivers in the 200 largest cities in America revealed that the average driver in Sioux Falls will experience an auto collision every 14.3 years, compared to the national likelihood of a crash every 10 years, making drivers in Sioux Falls 30% less likely to have an accident than the national average. Researchers analyzed claim data to determine the likelihood drivers in America's 200 largest cities would experience a vehicle collision compared to the national average.

[www.siouxfallsdevelopment.com](http://www.siouxfallsdevelopment.com)



Sioux Falls  
Development  
Foundation

# President's Report



By Dan Scott

## *Confidentiality is an essential ingredient for success*

One of the most misunderstood elements of economic development is the need for confidentiality during negotiations with a prospective company. From the most casual “What are you working on these days?” on the golf course to the questions of a news reporter, we are frequently asked about companies and deals we can’t discuss. Most people don’t realize all the reasons why we can’t talk about deals in progress.

The most frequent reason is that prospects insist on complete confidentiality—and it makes sense that they do. For one thing, they don’t want to alert their competition about what may be a major strategic move. Also, a workforce at an established location should not hear about a new plant in Sioux Falls—which could affect jobs—from a relative instead of from the employer. Publicly traded companies have stringent Securities and Exchange Commission regulations demanding secrecy during company relocations and expansions. Companies like ADP have sincere security issues—they prefer to remain as inconspicuous as possible even AFTER the building is completed and occupied.

That insistence on keeping the negotiations a secret often comes down to our corporate contacts telling us flat out, “If this leaks out, your town is off our list!” We establish a relationship of trust with executives of businesses seeking information about this community and we work hard to maintain the confidentiality they demand.

Still another reason we don’t talk about deals in progress is that, frankly, every company we talk to doesn’t sign on the dotted line, buy land from us or move a facility to Sioux Falls. We’re not in the business of raising false hopes.

Success in economic development often depends on keeping information to ourselves until it becomes news. It’s all part of the job.



Sioux Falls  
Development Foundation  
P.O. Box 907  
Sioux Falls, SD 57101  
ADDRESS SERVICE REQUESTED.

**Grow with us...**

*We've got the build-ready land you've been looking for!*

- Water
- Sewer
- Curb and gutter
- Hard-surface roads
- Prices start at \$1.55/sq. ft.

Build-ready, affordable sites are available in the Sioux Empire Development Parks. Prices include:

Contact Dan Hindbjorgen, Sioux Falls Development Foundation  
Call 1-800-658-3373,  
e-mail [danh@siouxfalls.com](mailto:danh@siouxfalls.com)  
or visit our Sioux Falls website at [www.siouxfallsdevelopment.com](http://www.siouxfallsdevelopment.com)

**Sioux Falls Development Foundation**