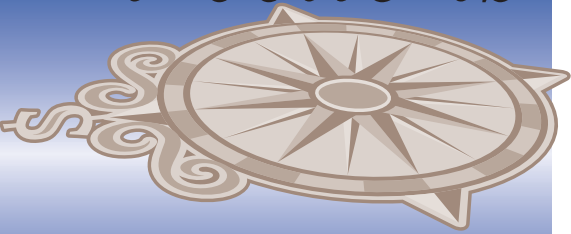


Directions



Spirit of Sioux Falls Award presented to Steve Crim

Steve Crim, retired General Manager of John Morrell & Co. and past board member of the Sioux Falls Development Foundation was this year's recipient of the Spirit of Sioux Falls Award at the Sioux Falls Development Foundation's annual meeting on November 18. The meeting theme, spotlighting the work of the Development Foundation to improve the economy of the entire Sioux Falls area, was *Your Foundation for Prosperity*.

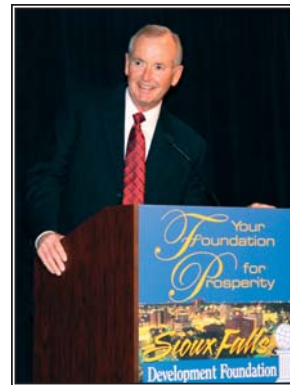
"Steve Crim worked hard to make the company he served and the industry it represents a powerful force for prosperity in our region," said Cathy Clark, Development Foundation chair, in introducing Crim to the annual meeting crowd. "He has worked tirelessly for the growth of his company and Sioux Falls, serving the Development Foundation and every other important local organization in a wide variety of roles. Steve has been an exemplary corporate citizen and a good friend to economic development."

A native of Estherville, Iowa, Crim went to work for John Morrell after serving in Vietnam. He started in the beef division of the company and concluded his long career as John Morrell & Co. general manager in Sioux Falls.

"I am so proud of this community," Crim said, "and so proud of the way John Morrell has helped this community grow. All of us, during the past 100 years that John Morrell has been in Sioux Falls, have been touched by this company. I am proud to represent the men and women who work there and have worked there over the years."

In addition to the presentation of the award, the meeting featured a report by Clark on the growth of Sioux Falls during 2010. President Slater Barr also spoke about the importance of Forward Sioux Falls in fueling the economic development efforts of the Development Foundation. A new Forward Sioux Falls campaign is planned for 2011.

"Things are different today than they were when we stood here a year ago," Clark said. "We are seeing renewed confidence from our business community and increased interest from prospective new and expanding companies looking at Sioux Falls. Those are very good signs for 2011."



Steve Crim



Spirit of Sioux Falls Award winner Steve Crim and Sioux Falls Development Foundation Chair Cathy Clark at the organization's annual meeting.

International ag company buys land for Sioux Falls headquarters

Worthington Ag Parts will begin construction for a facility on a six-acre site in Sioux Empire Development Park VII. See the full story on page 2.



Season's Greetings

As we look toward a New Year, with excellent prospects for prosperity for all, the Board of Directors and staff of the Sioux Falls Development Foundation send you and your family our very best wishes for a joyous holiday season and a healthy, happy year to come!



International ag company buys land for Sioux Falls headquarters

The Sioux Falls Development Foundation has signed a purchase agreement with Worthington Ag Parts to sell the company six acres of land in Sioux Empire Development Park VII in northwestern Sioux Falls. Worthington Ag Parts plans to construct a new world-wide headquarters building for their Import/Export and Capello Corn Head Implement Division on the site.

Worthington Ag Parts, established in 1964, is a global source for combine parts, cotton picker parts and tractor parts, along with used and new farm equipment. Customers can order the farm equipment or parts online and have the order shipped anywhere in the world. Currently, the company has customers in 35 countries and six Neil's Parts locations in Australia.



Mike Winter

"We feel that Sioux Falls is an excellent choice for our new facility," said Mike Winter, president of Worthington Ag Parts. "The tax climate in South Dakota is favorable for businesses and individuals, and we look forward to growing our agricultural business along with the growth of Sioux Falls."

Worthington Ag Parts will construct a 20,000 square foot facility early in 2011, with completion scheduled for late August of 2011. Plans for additional growth on the six-acre site will be implemented over the next five years.



Directions
is published six times yearly by the

Sioux Falls Development Foundation

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Minnehaha County
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State Chamber chief speaks at rural development groups annual meeting

David Owen, Executive Director of the South Dakota Chamber of Commerce, was the keynote speaker for the Minnehaha and Lincoln County Economic Development Associations 2010 Annual Meeting. The event focused on the development achievements of the past year in both counties and an annual report was distributed at the meeting.

David Owen grew up in Rapid City, South Dakota and is a University of South Dakota alumnus. Owen began his career as assistant manager with the Aberdeen Chamber of Commerce, went on to manage the local chamber in Pittsburg, Kansas and then spent 11 years at the Missoula Chamber of Commerce in Montana. In 1992 he was selected as President of the Montana State Chamber, and in 1998 he became head of the South Dakota Chamber of Commerce & Industry. Owen serves as the lobbyist for the South Dakota Chamber, is the group's policy analyst and is the author of "Capitol-ism," the organization's legislative update.

"The real job of economic development is done by people like you in communities like those represented here tonight," Owen said at the meeting. "Minnehaha and Lincoln Counties have set an example for regional economic development that leads the way for the rest of the state."

Minnehaha County Economic Development Association president Jim Clark and Lincoln County Economic Development Association president Dan Cotton each provided a report from the county and Jeff Eckhoff, executive director of both groups, addressed the growth recorded in rural communities during 2010 and the prospects for 2011.



David Owen addresses the regional annual meeting.



CNA Surety breaks ground in downtown Sioux Falls

Ground was broken October 25 for the new CNA Surety building in downtown Sioux Falls. This 130,000 square foot facility will have parking available for 540 cars, a fitness center and a walking path along the Big Sioux River. The estimated cost of constructing this project is over \$25 million with a planned completion date of June, 2012. The new CNA Surety facility will employ 425 with an estimated 125 employed by other tenants. CNA Surety is the nation's largest publicly traded surety company, providing a full range of surety and fidelity bonds in all 50 states, Canada and Puerto Rico. The company's subsidiary, Western Surety Company, was founded in Sioux Falls in 1900 and is now CNA Surety's national underwriting center for small commercial and surety products.



Ground broken for Governor's Homes at Hayward Meadows

The Development Foundation sponsored groundbreaking ceremonies for two governor's homes located on lots at Hayward Meadows as part of the affordable housing efforts of the Sioux Empire Housing Partnership. These ranch style homes are over 1,000 square feet with full amenities. They will be set on basements and a two-car garage will be constructed on the lot. The homes should be completed by December, 2010. Sioux Empire Housing Partnership was formed in 1997 by the Sioux Falls Area Chamber of Commerce and the Sioux Falls Development Foundation to meet the affordable housing needs of the workforce community. Since that time, over 100 homes have been built or rehabbed by SEHP.

Big Sioux River Greenway 2011 improvements kicked off

A groundbreaking ceremony was held November 22 for the first phase of improvements to the Big Sioux River Greenway. The area between 6th and 8th Streets will be the first phase of the downtown river greenway project, part of the Big Sioux River Greenway Master Plan developed and adopted in 2004. The project will include river walls, widened trails, a new pedestrian bridge, extensive native landscaping and accent lighting that will transform the greenway into an urban recreational, cultural and entertainment destination for the entire community. The project was made possible by a public-private partnership between the adjacent private property owners, including Cherapa Place, Country Inn and Suites, Raven Industries, and Lloyd Companies, and the City of Sioux Falls. The planned completion date is August of 2011.

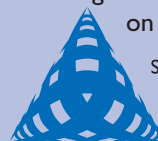


CFGear graduates from Technology Business Center

The South Dakota Technology Business Center was created to provide a place for innovative tech companies to start out, develop their businesses and "outgrow" SDTBC by needing more space for their increasingly profitable operation. So far, SDTBC has graduated over a dozen companies, including the latest, CFGear.

CFGear is a custom flash drive supplier, with a customer base that is expanding throughout the country. With an increasing product line and sales force, the tech company made the move to their own offices on West 12th Street in Sioux Falls.

Congratulations to CFGear and its growing staff on their success.



**SOUTH DAKOTA
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Partners approve new Forward Sioux Falls campaign

The boards of directors of the Sioux Falls Area Chamber of Commerce and the Sioux Falls Development Foundation have approved a report from National Community Development Services (NCDS) on the feasibility for a new Forward Sioux Falls fundraising campaign.

NCDS surveyed a wide range of business and civic leaders in the Sioux Falls area to analyze the community's perceptions of Forward Sioux Falls. The interviewers found a high level of awareness about the effectiveness of Forward Sioux Falls in making a significant impact on the economy of our region during the past two decades, as well as a recognition of the need to continue the economic development program.

"We all have confidence in the future, knowing that we have come through a tough time in the past two years, understanding our strengths and



Mark Shlanta

willing to face our challenges," said Mark Shlanta, program chairman. "Forward Sioux Falls has always been a long-term strategy, a program for the future, a plan to build a community that will be better for our children and grandchildren."

The campaign goals and priorities will be reviewed by the Joint Venture Management Committee which guides the efforts of Forward Sioux Falls. An event is planned for after the first of the year to announce the timeline and goals of the next Forward Sioux Falls campaign.



Augustana student wins Spirit of Sioux Falls Scholarship

Heidi Dreyer, a professional accountancy and business administration major at Augustana College, is one of four area students to receive the **2010 Spirit of Sioux Falls Scholarship** to continue their post-secondary business education. The \$2,500 scholarships are awarded annually by the Sioux Falls Development Foundation to students who are Sioux Falls residents or who have completed at least one year of post-secondary work in a South Dakota educational institution.

Dreyer has been on the Dean's List throughout her Augustana career and has been the recipient of the Augustana Leadership Award since 2007, as well as the winner of the Heritage scholarship, the Berkeland scholarship, the SD CPA Society scholarship and the Looney International Study Abroad scholarship. She is very active in college leadership activities, working with Augustana Recreation Services and as a residence life peer advisor. Dreyer has also worked as an intern for Pharmacists Mutual Insurance Company in Algona, Iowa, during the summers of her college education.

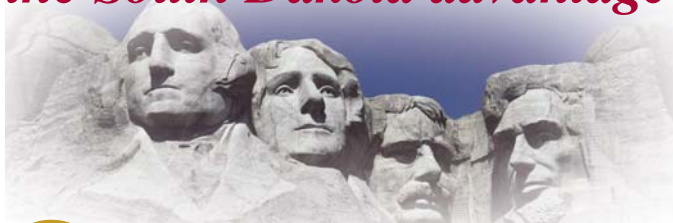


Heidi Dreyer

"I originally came to Sioux Falls for Augustana College, but after living here I truly love the community and embrace its spirit," Dreyer said. "I plan to sit for the CPA exam and pursue a career in public accounting."

The Development Foundation is proud to be the sponsor of the Spirit of Sioux Falls Scholarships and congratulates Heidi on her achievement.

National publications report the South Dakota advantage



Sioux Falls and South Dakota continue to garner national attention for business advantages in rankings of the best places to live and work. The Tax Foundation recently rated South Dakota as the number one state with the best tax climate—a distinction even more important given the rankings of neighboring Iowa at number 45 on the list, and Minnesota at number 43.

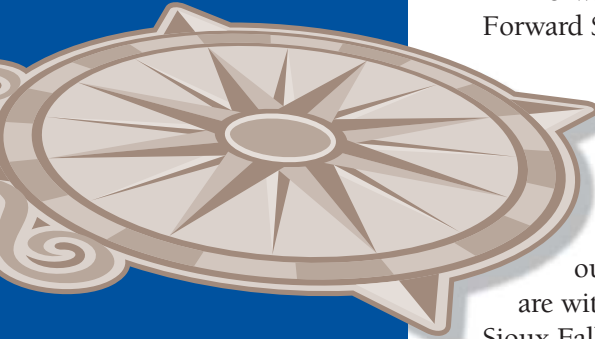
South Dakota ranked 1st in the business cost category, 5th in the economic climate category and 17th overall in *Forbes' Best States for Business and Careers* annual report. The ranking measures six vital categories for businesses . . . cost, labor supply, regulatory environment, current economic climate, growth prospects and quality of life. Business costs, which include labor, taxes and energy, are weighted the most heavily.

Sioux Falls ranks 13th in the *2010 Best-Performing Cities Index* conducted by the Milken Institute. The 2010 index ranks U.S. metropolitan areas by how well they are creating and sustaining jobs and economic growth. The components include job, wage and salary, and technology growth. These give a good indication of the underlying structural performance of regional economics.

President's Report



By Slater Barr



Directions electronic in the new year

We will be moving to electronic newsletters in 2011. Please provide us with your e-mail address by e-mailing info@siouxfalls.com to receive updates from us. PDF files are available on the Foundation website, www.siouxfallsdevelopment.com

We're in this race to win

In 1962, the American division of Honda motorcycles envisioned a grueling, off-road run of 1,000 miles to demonstrate the capabilities of their new CL72 Scrambler. They selected the rugged countryside of Mexico's Baja California peninsula. By 1967, their idea had grown into an officially sanctioned race of both 4-wheel vehicles and motorcycles. Today, the Baja 1,000 tests the mettle of both man and machine and is one of the most prestigious events of its type in the world.

There are a lot of analogies between this race and economic development. First, it is an incredibly competitive event representing the world's best off-road race teams. When I first entered the field of economic development, I had no idea how fiercely competitive the battle between states and communities raged for those great companies and the jobs they provided. For example, Yahoo opened a data center that involves some \$200 million in tax breaks plus \$58 million in electricity discounts from New York state and a \$10 million federal stimulus grant. All that to create 125 jobs, which works out to **\$2.1 million per job**.

If you are going to race in the Baja 1,000, you need a good roadmap to navigate the turns and twists and obstacles. This year, we completed the Future Sioux Falls economic development strategic plan, which provides a roadmap to our own prosperous future. It serves as our own navigator, providing turn-by-turn, specific directions on ways to strengthen our economy.

In preparation for the race, engineers and mechanics design and build customized vehicles to give them a competitive edge. The Sioux Falls Development Foundation is our customized vehicle to keep this community moving forward.

Forward Sioux Falls provides the fuel that keeps us motoring ahead of the pack. Forward Sioux Falls V is winding down. Now, a new set of initiatives, based upon the Future Sioux Falls plan, is being presented to key investors. Forward Sioux Falls 2011-2016 is designed to take this community to new levels of wealth and prosperity, building upon the last 23 years of strategic investment by Sioux Falls in its future.

We've already left the starting line. Major new developments for downtown, investments in our industrial parks, sharply rising interest from our prospects—all this bodes well for our future. Our members and supporters are with us on this race we call economic development. With their help, and yours, Sioux Falls will keep on its winning streak.



Manufacturers and Employers directories available online

The **Sioux Falls Business Directory 2010** is a compilation of over 400 businesses categorized by major employers—those companies with over 100 employees—and area manufacturers. Contact information for each company is provided as well as a description of the business, their NAICS Code, number of employees and the year they were established in Sioux Falls. The directory is divided into two categories, Manufacturers and Major Employers. Both are posted online as PDF documents, fully downloadable and ready for use. To access the directory, go to the Development Foundation website: www.siouxfallsdevelopment.com and look for the Publications button on the website. In addition to the new directory, you will find the **Community Profile**, past issues of **Directions**, the **2010 Annual Report** and other valuable information about the Sioux Falls business community.

Sioux Falls
Development
Foundation

Chair's Report



By Cathy Clark

New faces, new opportunities in 2011

This is my last report as chair of the Sioux Falls Development Foundation. A new slate of leaders will take charge in the new year, and I know they will look for your support and participation in the important work of economic development.

Congratulations to Steve Crim, this year's winner of the Spirit of Sioux Falls Award. This recognition acknowledges the dedicated service Steve has given to this organization as well as the importance of the company he led so faithfully during his career. Just like John Morrell & Co., Steve Crim has been an exemplary corporate citizen, working to build this community and the surrounding area.

We also thank and congratulate this year's retiring Development Foundation board members. Past chairman Mark Shlanta, Dr. Jim Robl and Dave Knudson each brought a distinct perspective, industry savvy and a commitment to Sioux Falls to his service on our board. We will miss their counsel and their service to the Development Foundation.

While it is plain to see that we have not yet resumed our thriving economy, the activity at the Development Foundation indicates that 2011 will be a solid year of growth for our area. Inquiries, hostings and negotiations all point to several announcements that will be made in the new year, and land sales point to 2011 as a good year for construction. We remain confident that Sioux Falls will emerge stronger than ever and ready to meet the future with success and prosperity.

Thank you for your support and active participation in our organization during my term as chair of the Development Foundation board.



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