

**Your Economic Development
Office for Stark County and the
Surrounding Area**

2009 Annual Report

Stark Development Corporation Staff



Gaylon Baker
Executive Vice President



Danita Tysver
Administrative Assistant



Lori Jordheim
*Stark County Area Census
Count Coordinator*

Message from Stark Development Corporation

Stark County and the surrounding area did not suffer as severely as most of our Country as the “Great Recession” of 2009 played out. Our State and our Region were “lucky” if you define “luck” as where preparation and opportunity meet.

For years now our preparations have included diligent efforts to diversify the area’s economy and enhance quality of place. These strategies have positioned us well to be a home for businesses that recognize the importance of amenities appreciated by their personnel. Conversely, we are well positioned to be home to people who appreciate dynamic, diverse, modern and growing businesses.

Both business community growth and population growth loom large for 2010. As Manufacturing, Energy and Agriculture continue to bring new wealth into the area we are seeing proportionate growth in retail and services. Knowing we are on the cusp of a significant run-up in oil exploration and development, the Dickinson area has tremendous opportunity now to capitalize on our upside potential.

Realization of this potential economic growth is not without challenges. Workforce growth is needed region-wide, higher operating costs may threaten margins and maintaining our diversity among new wealth generating businesses will be difficult.

Steady incremental growth spread evenly among businesses that bring “new money” into circulation is an ideal economic development scenario. There have been years we have come pretty close to this ideal, but do not expect 2010 will be one of those years. Energy sector growth is expected to outpace all others for the time being. While the surge in exploration will likely last for a fair amount of time, the long term jobs in production will benefit the area for a much longer period.

Likely the biggest threat to operating costs is “cap and trade” legislation being considered in Washington D.C. Our low cost of energy has served to offset our challenges in supply chain options and distance to major markets. “Cap and Trade,” if enacted, would significantly increase our energy costs.

Shortages of workforce across a wide range of positions threatens to throttle back our rate of growth. While we are seeing much better retention of workers and influx of people from other parts of the country, meeting their needs for housing and other services often takes considerable ramp-up time. Some stress in these areas is already being felt.

Stark Development Corporation is addressing these and other issues utilizing programs, policies and activities as appropriate to the task at hand. Our partnerships with development companies, organizations and agencies helps to bring as many resources as possible to the table. Collaboration that strives to eliminate redundancy and build upon each others expertise is one of our strengths in Southwestern North Dakota.

Area residents and leadership have repeatedly expressed their support for economic development in Dickinson and Stark County. Stark Development Corporation is grateful for their support and will work hard to assure a successful 2010 for all.

Gaylon Baker
Executive Vice President

The Southwest North Dakota Economic Development Professionals Network was formed in 1996 at the invitation of Stark Development Corporation. This group was formed to bring unity to our Economic Development efforts and strengthen our voice on Statewide and Regional issues.



Front Row: Deb Walworth, Prairie West Development; Danita Tysver, Stark Development Corporation; and Patty Perry, Slope County Economic Development

Back Row: April Jepson, Dunn County JDA; Steve Glasser, DSU Strom Center; Ken Davis, Roosevelt-Custer Regional Council; Terry Johnson, City of Belfield; Gaylon Baker, Stark Development Corporation; and Ed Gold, Adams County Development Corporation

Not Pictured: Amanda Moser, DSU Strom Center; Ashley Andrews, Bowman County Development Corporation; Dave Lehman, Extension Manufacturing Specialist; Lexi Sebastian, Dickinson Area Chamber of Commerce; Mary Urlacher, Job Service North Dakota; Mike Gerhart, Job Service North Dakota; RayAnn Kilen, Small Business Development Center; and Terri Thiel, Dickinson Convention & Visitors Bureau

Stark Development Corporation's Mission

To Assist Southwest North Dakota by Facilitating Quality Business Opportunities and Quality of Place.

Stark Development Corporation's Vision

Stark Development Corporation is to be the Recognized Leader in Economic Development

Stark Development Corporation's Guiding Principals

- Long term, high quality
- Investment in fixed assets
- Quality of Life
- Emphasis on existing business
- Take educated risks
- Encourage youth involved (Participant and Leadership)
- Promotion of Southwest Region
- Healthy community
 - Financial
 - Cultural
 - Built
 - Social
 - Natural
 - Human
 - Political
- Recruitment
- Entrepreneurship
- Support regional emerging energy and manufacturing industries

Stark Development Corporation 2009 Board of Directors

Officers

Joe Frenzel - Everett Real Estate - President

Gene Jackson - Vice President

Alvin Binstock - Dickinson State University - Treasurer

Ron Lisko - Secretary - Stark County JDA

Directors

Dan Kovash - Kovash & Dasovick

Daryl Tabor - Wells Fargo Bank

Dennis Meschke - Contex Energy Company

Doug Hauck - Amber Waves, Inc.

Floyd Hurt - Small Communities Representative

Ken Zander - Stark County Representative

Lee Dire - American Bank Center

Mark Hinrichs - Great Plains Clinic, PC

Mary Nordsven - Hardy, Maus & Nordsven

Paul Schuetzler - Consolidated

Peggy O'Brien - Developers Diversified Realty

Ryan Jilek - Custom Data, Inc.

T.J. Herauf - Coca Cola Bottling Company

Ex-Officio

Shawn Kessel - City Administrator



Stark Development Corporation 2009 Members

- Amber Waves, Inc.
- American Bank Center ★ ★
- Baker Boy ★ ★
- Bank of the West ★ ★
- Brady Martz & Associates PC ★ ★
- Bremer Bank ★
- Border States Electric Supply ★ ★
- Budget Rent-A-Car ★ ★
- City of Belfield
- Clinic Pharmacy ★
- Coca-Cola Bottling Company ★ ★
- Consolidated ★
- Contex Energy Company
- Custom Data, Inc. ★ ★
- Dacotah Bank
- Dakota Community Bank ★ ★
- Dickinson Area Chamber of Commerce ★ ★
- Dickinson Ready Mix ★ ★
- Dickinson State University ★ ★
- Ebeltoft . Sickler . Kolling . Grosz . Bouray . PLLC ★
- ESP Computers & Software, Inc. ★ ★
- Everett Real Estate, Inc. ★
- Fisher Sand & Gravel Company ★ ★
- Funshine Express ★
- Gate City Bank ★
- Great Plains Clinic, P.C. ★ ★
- Great Plains National Bank ★ ★
- Hardy, Maus & Nordsven ★ ★
- Heiser Motors, Inc. ★
- Home and Land Company
- Job Service North Dakota ★ ★
- Kadrmas, Lee & Jackson ★ ★
- KDIX Radio ★
- Killdeer Mountain Manufacturing ★ ★
- Kolling & Kolling, Inc. ★ ★
- Kovash & Dasovick ★ ★
- LoAnn's Marketing ★ ★
- Montana-Dakota Utilities Company ★ ★
- Muriel E. Hurt, Realtors ★ ★
- Pennysaver ★ ★
- Precision Machine & Welding ★ ★
- Qwest Corporation ★
- Rehabilitation Consulting & Service ★ ★
- Remco Software, Inc. ★ ★
- Roughrider Electric Cooperative ★ ★
- Sax Motor Company ★ ★
- Scott Builders, Inc.
- Service Printers ★
- SolarBee, Inc. ★ ★
- Steffes Corporation ★ ★
- St. Joseph's Hospital & Health Center ★ ★
- The Dickinson Press & Advertiser ★ ★
- TMI Systems Design ★ ★
- Wal-Mart Supercenter ★
- Wells Fargo Bank ★ ★
- Western Cooperative Credit Union ★ ★

★ ★ Member for 10 Plus Years
★ Member for 5-9 Years



Stark County Economy at a Glance

Workforce	November 2007	November 2008	November 2009
Stark County Employment	13,599	13,515	13,636
Stark County Unemployment	2.2%	2.1%	2.9%
North Dakota Unemployment	2.6%	2.8%	3.7%
United States Unemployment	4.5%	6.5%	9.4%

Job Service North Dakota

Taxable Sales & Purchases	2007	2008	2009
Stark County <small>(1st three quarters of year plus 4th quarter of previous year)</small>	\$322,536,015	\$449,747,979	\$384,858,401

Office of State Tax Commissioner

City Sales Tax Collected	2007	2008	2009
Dickinson	\$ 3,896,014	\$ 4,227,354	\$ 4,388,671

City of Dickinson

County Property Valuations	2007	2008	2009
Stark County	\$ 48,768,102	\$ 57,105,627	\$ 62,302,340

Stark County Auditor

2009 Building Permits

Dickinson

	Permits	Permit Values
Commercial Structures	25	\$25,487,530
Public Structures	1	\$13,700,000
Single Family Structures	78	\$16,185,394
Multi-Family & Rowhousing	14	\$ 2,270,326
Alteration/Addition	199	\$ 9,247,946
Total	317	\$66,891,196

Prior Years Building Permits

Dickinson

	2007		2008	
	Permits	Permit Values	Permits	Permit Values
Commercial Structures	34	\$ 9,648,826	27	\$19,777,759
Public Structures	0	\$ 0	1	\$ 222,877
Single Family Structures	73	\$14,242,790	82	\$18,259,415
Multi-Family & Rowhousing	18	\$ 3,343,885	17	\$ 3,206,234
Alteration/Addition	154	\$ 6,725,754	158	\$ 5,835,415
Total	279	Total \$ 33,961,255	Total 285	Total \$45,301,700

City of Dickinson

2010 Census Awareness Campaign

One of the lessons we learned from the Destiny Dickinson retail recruitment effort was that our population count is a key determinant of interest by business site selectors. Population counts also can mean tax relief, because the amount of money we get back from our federal and state government is often tied directly to these numbers. Money thus returned often translates into reduced local tax burdens.

With these facts in mind, the Stark Development Corporation board authorized the hiring of a Stark County Area Census Count Coordinator. We expect this approximately \$20,000 investment by Stark Development Corporation will be returned many times over by assuring that an accurate reading of our population numbers and characteristics is obtained.



Once every 10 years the U.S. Census Bureau attempts a population count of everyone living and sleeping in the United States. Because of how the census data is used, Stark Development Corporation believes that a complete census count is vital to the health of southwestern North Dakota. Our community must always look for tools that will make Dickinson, Stark County, and southwestern North Dakota a better place to live, work, raise our families, and retire. Over \$400 billion in federal funding is distributed each year based on census data. Businesses also use the data to make informed, strategic, and fiscally-sound decisions on whether to expand or to relocate in our area. Because legislative lines are drawn based on census data, the strength of our voice in government depends on our population count.

As a more focused effort, the Dickinson Complete Count Committee was formed to better identify “hard-to-count” populations. These particular populations include, but are not limited to snowbirds, university students, oil-industry workers living in hotels and campgrounds, and displaced tornado victims. With the support of area organizations, we are laying a foundation for increased census awareness and for a better understanding of how important a complete count is for our community. It is important to note that for every 100 people not counted in the 2010 Census, North Dakota loses approximately \$1 million. Our goal is to create well-informed citizens who will make well-informed decisions. Through a relatively small investment, Stark Development Corporation and the Dickinson Complete Count Committee hope to create a much larger benefit for many years to come. A sincere thank you is extended to each and every individual, business, and organization who allowed 2010 Census information to be distributed or displayed as part of our community awareness campaign.

Stark Development Economic and Community Development Approved Funding Support 2008

Economic Development

Steffes Corporation

- Equipment Expansion/Oil Tank Production
- \$700,000 Flex-PACE Loan
- Job Creation: 10

Killdeer Mountain Manufacturing Inventory

- \$700,000 PACE Loan
- Job Creation: 10

Amber Waves

- Building Expansion
- \$175,000 Flex-PACE Loan
- Jobs Creation: 2

Kohl Waters Inc.

- Matching Grant for Business Planning and Marketing Plan
- \$11,683.43

Baker Boy

- Sewer Expansion Project
- \$550,000 Flex-PACE Loan

Medora Environmental

- Building Renovation/Expansion
- \$500,000 Flex-PACE Loan

McNeill Development

- Building Renovation
- \$150,000 PACE Loan
- Job Creation: 2

Twisted Bakery

- Building Remodel/Expansion of Gluten Free
- \$50,000 Loan

Custom Data

- Telepharmacy Workstation
- \$5,000

Job Creation: 24



Community Development

DSU Small Business Development Center

- 2009 Operating Support
- \$5,000

Richardton Memorial Hospital

- Architectural/Engineering study to determine the Needs of the building for grant requests and future funding
- \$15,000

Destiny Dickinson

- Funding for 2008 Retail Sector Expansion
- \$10,000

Chamber of Commerce

- Ag BBQ Sponsor
- \$75

The Economic Report

- Marketing for the City of Dickinson
- \$19,700

Southwest Economic Developers Pheasant Hunt

- Sponsor
- \$1,000

DSU Strom Center for Entrepreneurship and Rural Revitalization

- Talent Initiative Pilot Program
- \$124,600

Initiate the process of an Industrial Site Evaluation related to a Possible request for Proposal Qualifications to the U.S.

- Department of Commerce
- \$5,000

Economic Development Administrative Technical Assistance

- Grant Match - Industrial Site Evaluation
- \$45,000 in Matching Funds

Gateway to Opportunity

- Sponsor
- \$1,000

Theodore Roosevelt Expressway

- Membership Dues
- \$15,000

Chamber of Commerce

- API Luncheon Sponsor
- \$100

MON-DAK Ag Open

- Sponsor
- \$500

DSU Business Challenge

- Sponsor
- \$1,000

Community Development: \$242,975

Stark Development Economic and Community Development Approved Funding Support 2009

Economic Development

Trial Runners, LLC

- Operating Capital
- \$500,000 PACE Loan
- Job Retention: 9

Medora Environmental, Inc.

- Assistance in studying, marketing manufacturing related to the launch of 7 new projects
- \$1,000,000 PACE Loan
- Job Creation: 13

Regent Development Corporation

- Building remodel & renovation for Killdeer Mountain Manufacturing
- \$14,873.50 PACE Loan Buydown
- Job Creation: 40

Trail Runners, Inc.

- Collateral Security CD
- \$100,000 (Funds maintained by SDC but at risk)

Steffes Corporation

- Equipment Purchase
- \$550,000 Flex-PACE Loan

Medora Environmental, Inc.

- 1.75% interest buydown for 5 years on a \$200,000 Loan through Roosevelt Custer Regional Council to Build inventory, provide marketing & handle labor costs.
- \$9,023.20
- Job Creation: 13

Able, Inc.

- Purchase land on which they will build facilities to house their day program for clients
- \$103,000 Flex-PACE Loan

Medora Environmental, Inc.

- Research & Development Sales Force Transition
- \$1,500,000 Flex-PACE Loan

Stone Mill, Inc.

- Equipment Purchase
- \$240,000 Flex-PACE Loan

Community Development

Dickinson Area Chamber of Commerce

- SW Night at the Legislature Sponsor
- \$225

DSU Small Business Development Center

- Annual Operating Support
- \$5,000

Richardton Development Company

- Feasibility Study for a Commercial Strip Mall near the Interstate
- \$9,700

Stark County Area Census Count Coordinator

- Community Awareness Campaign for the 2010 Census to help achieve the highest possible accuracy of the Census in Stark County
- \$13,630

Dickinson Area Chamber of Commerce

- Air Show Sponsor
- \$1,500

Theodore Roosevelt Expressway

- Membership Dues
- \$15,000

Dickinson Area Chamber of Commerce

- Coffee Sponsor
- \$70

Dickinson Area Chamber of Commerce

- API Luncheon Sponsor
- \$100

MON-DAK Ag Open

- Sponsor
- \$500

Dickinson Area Chamber of Commerce

- Ag BBQ Sponsor
- \$75

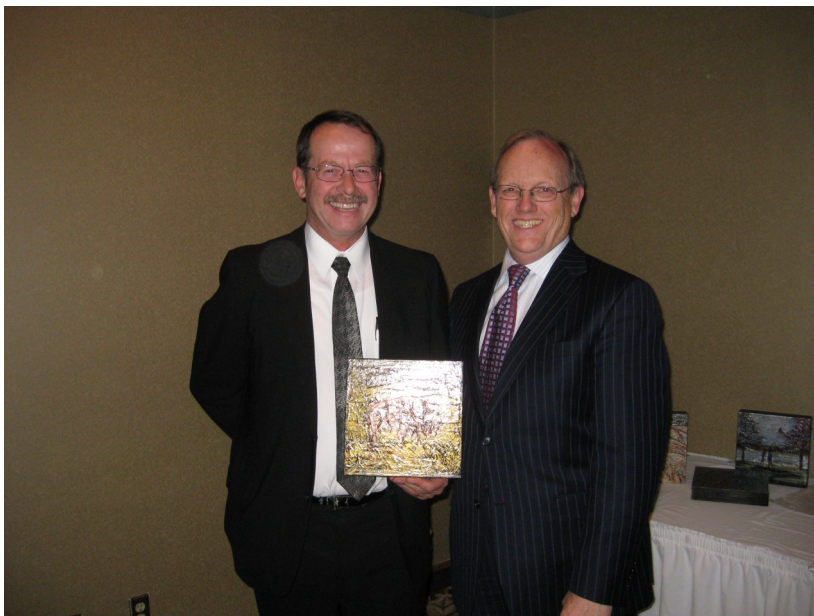
DSU Business Challenge

- Sponsor
- \$1,000

Job Creation: 75

Community Development: \$46,800

Awards



**Gaylon Baker
receives a piece
of artwork in
honor of Stark
Development
Corporation
from Rural
Leadership
North Dakota for
being a Seminar
Sponsor**

**Pictured: Gaylon Baker and D.C. Coston, Vice
President for Agriculture and University Extension**

Rural Leadership North Dakota (RLND) is a dynamic two-year interactive study and travel program dedicated to producing graduates with the vision and commitment to lead themselves, their organizations and communities into the future. This program emphasizes the development of skills such as working with people, managing projects, speaking in public, thinking creatively and understanding ag and rural policies.

Participants attend eight in-state seminars, a Canada seminar and one national seminar over the two-year period. The national seminar takes place in Washington, DC.

Stark Development Corporation also received an award from Business Challenge for being a sponsor

Business Challenge is North Dakota's week-long, action-packed, entrepreneurial business camp. One of the objectives of Business Challenge is to provide students and educators with a better appreciation and understanding of business and entrepreneurship. Participants learn about technology, electronic business, and the global economy. The participants write a marketing plan, create a presentation, run their own business through a computer simulation, and meet some of North Dakota's most influential people. They also learn to generate profits, which are necessary for economic growth, competition, and productivity. In addition participants gain a better knowledge of North Dakota's economy, become more aware of what North Dakota has to offer, and obtain insights into career opportunities in the state.

North Dakota was the second state in the nation to develop a business awareness educational program. The program has now spread to over 19 states, including the countries of Australia and New Zealand.

Stark Development Corporation would like to thank its dues-paying members, City Commission, County Commission, and the Jobs Development Authority for funding to help make our projects possible.

**Dickinson City
Commission:**

Dennis Johnson
Joe Frenzel
Gene Jackson
Carson Steiner
Shirley Dukart

**Stark County
Commission:**

Pete Kuntz
Jay Elkins
Duane Wolf
Russ Hoff
Ken Zander

Stark Jobs Development Authority:

Vaune Cripe
Ken Zander
Frank Kirschenheiter
Joe Frenzel
Ron Lisko
Leo Schneider

Bob Zent
Linda Steve
Bob Maeyaert
Mitzi Swenson
Floyd Hurt
Jay Elkin

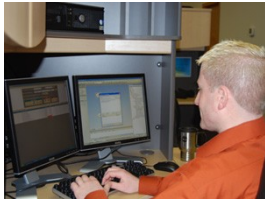


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