



2010 Annual Report

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

Message from Stark Development Corporation

I think everyone can agree that 2010 has been one of the busiest years in recent history for Stark County and the surrounding area. Over 300 new housing units were permitted in Dickinson alone. Traffic counts have spiked upwards. Motel occupancy rates are extremely high. Sales tax collections and store traffic reflect the increased numbers of people and paychecks we are experiencing. This sounds like Economic Development Nirvana to some folks. In reality Economic Development is a process intended to return to its investors (you) a greater degree of certainty that a brighter future lies ahead. That process is as important now as it has ever been.

Stark Development Corporation recognizes that we are in a good position and by all traditional measures our economy is very healthy. We also recognize that our level of prosperity compared to the rest of the Country is because of the oil play that we are blessed with. Those good old North Dakota behaviors that kept us from feeling the harshness of the "Great Recession" also keep us from betting everything on this single sector of the economy.

The nature of the oil shale resource is such that many pundits compare it to a mining operation. We are told not to expect a rush of development activity followed by a rapid decline as we have seen before. Rather we should expect 10-20 years of development activity followed by an extended production period. We expect that the dramatic impacts previously mentioned will be further magnified in 2011. Already every town in the area is bursting at the seams, and yet we have a workforce shortage. We are trying to determine how many permanent housing units we should have, how many retail and service businesses we can sustain long term, how much infrastructure is not too much and not too little, what it will take to assure growth is orderly and contributes to our quality of community. Business people and community leaders are challenged by these issues. I am encouraged by the knowledge that a lot of smart, successful people are collectively thinking about the decisions that need to be made. Good decisions result when everyone is paying attention.

Achieving that brighter future ahead will require more than merely capitalizing on our current economic surge. Certainly with every new well there will be a little more long-term work on the "production" side of the oil play. It is probably safe to say that our children's children will find careers in oil and gas production. Our future also holds promise in other natural resources including uranium, coal and other more rare minerals known to exist here. The right business case for extraction and utilization of these resources will come in time. The manufacturing base we have built up over the years continues to grow and will branch out further in coming years. Agriculture has a bright future as world population growth and improved diets call for the first-class quality product grown here. Anticipated construction of new medical facilities will help solidify our regional center status. Tourism will be boosted by the addition of new motel rooms now taking place. Housing construction now underway promises to offer more options to suit our changing demographics.

Stay involved, be a part of the key decisions ahead, think about the quality of the economic and social/cultural community and we can all be proud to be the place that is doing it right.



Stark Development Corporation

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www.starkdev.com

Stark Development Corporation 2010 Board of Directors

Officers

Gene Jackson - City Commissioner- President
T.J. Herauf - Coca Cola Bottling Company - Vice President
Alvin Binstock - Dickinson State University - Treasurer
Ron Lisko - Secretary - Stark County JDA

Directors

Nate Bouray - Ebeltoft . Sickler . Kolling . Grosz . Bouray PLLC
Joe Frenzel - Everett Real Estate
Doug Hauck - Amber Waves, Inc.
Mark Hinrichs - Great Plains Clinic, PC
Floyd Hurt - Mayor of South Heart
Ryan Jilek - Custom Data, Inc.
Dan Kovash - Kovash & Dasovick
Dennis Meschke - Contex Energy Company
Mary Nordsven - Maus & Nordsven
Peggy O'Brien - City of Belfield
Paul Schuetzler - Consolidated
Daryl Tabor - Wells Fargo Bank
Ken Zander - Stark County Representative

Ex-Officio

Shawn Kessel - Dickinson City Administrator

Stark Development Staff

Gaylon Baker - Executive Vice President
Danita Tysver - Administrative Assistant

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 County Economy at a Glance

Workforce	November 2008	November 2009	November 2010
Stark County Employment	13,515	13,636	13,786
Stark County Unemployment	2.1%	2.9%	2.2%
North Dakota Unemployment	2.8%	3.7%	3.3%
United States Unemployment	6.5%	9.4%	9.8%

Job Service North Dakota

Taxable Sales & Purchases	2008	2009	2010
Stark County (1st three quarters of year plus 4th quarter of previous year)	\$449,747,979	\$384,858,401	\$484,359,510

Office of State Tax Commissioner

City Sales Tax Collected	2008	2009	2010
Dickinson	\$ 4,564,366	\$ 4,388,671	\$ 5,307,329

City of Dickinson

County Property Valuations	2008	2009	2010
Stark County	\$ 57,105,627	\$ 62,302,340	\$ 66,717,026

Stark County Auditor

Average Residential MLS Sale Price	2008	2009	2010
Dickinson (Excludes Pre-sold, For Sale By Owner and Direct Contract to Buyer)	\$ 135,219	\$ 148,045	\$ 166,464

Badlands Board of Realtors

2010 Building Permits				
Dickinson				
	Permits		Permit Values	
Commercial Structures	41			\$22,608,043
Public Structures	5			\$ 3,890,525
Single Family Structures	141			\$30,085,142
Multi-Family & Rowhousing	70			\$18,750,451
Alteration/Addition	198			\$ 7,778,184
Miscellaneous Structures	1			\$ 80,000
	Total	456	Total	\$83,192,345

Prior Years Building Permits				
Dickinson				
	2008		2009	
	Permits	Permit Values	Permits	Permit Values
Commercial Structures	27	\$19,777,759	25	\$25,487,530
Public Structures	1	\$ 222,877	1	\$13,700,000
Single Family Structures	82	\$18,259,415	78	\$16,185,394
Multi-Family & Rowhousing	17	\$ 3,206,234	14	\$ 2,270,326
Alteration/Addition	158	\$ 5,835,415	199	\$ 9,247,946
	Total 258	Total \$45,301,700	Total 317	Total \$66,891,196

City of Dickinson

New Programs Introduced

STARK DEVELOPMENT CORPORATION expanded its priority activities for use of FLEX PACE financing to meet the urgent housing needs of Stark County. This financing program conducted in partnership with the Bank of North Dakota is designed to encourage specific types of economic activity.

FLEX PACE utilizes a partnership between local lenders and the Bank of North Dakota through a participatory lending arrangement in which one-half of the loan amount is provided by the local bank and one-half of the loan amount is provided by the Bank of North Dakota. Furthermore, dedicated funds from the Bank of North Dakota and Stark Development Corporation are utilized to reduce the interest costs to borrowers by up to five percent below the local bank lending rate. A more complete explanation of these programs is available from the Bank of North Dakota or by going to the web site www.banknd.nd.gov.

For the purposes of meeting the urgent housing needs of Stark County, Stark Development Corporation considers projects:

- Which result in new construction of housing units
- Are a minimum size of 5 housing units (an apartment is considered one housing unit)
- Which result in the development of units ready for occupation (land development alone will not be considered, please contact local units of government for possible participation in land development)
- Which provide for repayment of the Local Share of Interest Buy Down Cost (35 percent of total buy-down cost) over a two-year period following the tenth year of the loan period, or upon sale of the property to any entity other than the original borrower, or upon retirement of the loan to which the buy-down is granted, whichever comes first.
- Wherein the financing is not for the construction period

Stark Development Corporation reserves the right to limit the amount of dollars dedicated to this program, to any one developer or to any project, and to modify the terms and conditions of this program at any time. Stark Development Corporation also reserves the right to terminate this program as a priority when Stark Development Corporation deems the urgent need of the area to be substantially met.



Project in Partnership With

STARK
DEVELOPMENT CORPORATION
Dickinson, ND

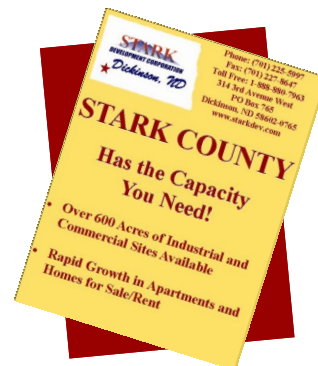
(701) 225-5997
www.starkdev.com

Marketing & Public Relations

Stark Development Placed Ads in the following Publications in 2010.



- Dickinson Area Chamber of Commerce Membership Directory
- Dickinson City Map
- Dickinson Real Estate Preview
- The Dickinson Press/Website
- Great Lakes Airlines
- Prairie Business



Stark Development Corporation has attended many open houses and groundbreakings throughout the year.



Baker Boy broke ground on a 50,000 square foot addition to their present facility which will house new equipment that will increase capacity and improve efficiency of their production facility

Microtel Inns & Suites hotel has broken ground on a 79 - room hotel at 1597 6th Avenue West in Dickinson



Welcoming New Growth



Adams
County Economic
Development Corporation

JOB
SERVICE
North Dakota

Bowman
COUNTY DEVELOPMENT
CORPORATION

STARK
DEVELOPMENT CORPORATION
Dickinson, ND

NDSU EXTENSION SERVICE
Center for
COMMUNITY
Vitality

ROOSEVELT-CUSTER
REGIONAL COUNCIL

Dickinson Area
Chamber of Commerce
Discover the Chamber Difference

Dunn County
Job Development Authority

SMALL BUSINESS
DEVELOPMENT CENTER
NORTH DAKOTA

Prairie West
Development
Foundation

DICKINSON
THE WESTERN EDGE
CONVENTION & VISITORS BUREAU

STROMCENTER
FOR ENTREPRENEURSHIP & INNOVATION
GROWTH THROUGH KNOWLEDGE

USDA
Rural
Development

BUSINESS

Hettinger County Jobs Development Authority

Slope County Economic Development Corporation

southwest region with the help of the Southwest Developers. They were also placed in the 481 relocation packets distributed by the Dickinson Chamber in the past year. Throughout the year many Oilfield business have contacted us to be included in the book. Oilfield companies have also requested books to hand out to their employees.



Studies Completed in 2010 for the Dickinson Area

- Dickinson, North Dakota Retail Sales Potential Study completed by the McComb Group, Ltd.
- Industrial Sites Study completed by Kadrmas Lee & Jackson

*Copies are available at our office or on our website www.starkdev.com



Destiny Dickinson Retail Committee

The Destiny Dickinson Retail Committee has reformed since the 2010 Retail Sales Potential Study has been completed. The Committee has met a few times this past year and plan to keep meeting in the future. With the growth of our community in the last year they plan on attending the International Council of Shopping Centers Conference in May 2011 and are currently working on a new marketing piece for the Dickinson area to take with them.

SDC Economic & Community Development Approved Funding Support 2009

Economic Development

Trial Runners, LLC

- Operating Capital
- \$500,000 PACE Loan

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
- \$14,874 PACE Loan Buydown
- Job Creation: 40

Trial Runners, Inc.

- Collateral Security CD
- \$100,000 (Funds maintained by SDC 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
- Job Creation: 13

Able, Inc.

- Purchase Land on Which the Day Program Facilities will be Built
- \$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

Job Creation: 66

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 Interstate
- \$9,700

Stark County Area Census Count Coordinator

- Community Awareness Campaign
- \$13,630

DSU Business Challenge

- Sponsor
- \$1,000

Dickinson Area Chamber of Commerce

- Air Show Sponsor
- \$1,500

Theodore Roosevelt Expressway Association

- Membership Dues
- 15,000

Dickinson Area Chamber of Commerce

- API Luncheon Sponsor
- \$100

Dickinson Area Chamber of Commerce

- Ag BBQ Sponsor
- \$75

Dickinson Area Chamber of Commerce

- Coffee Sponsor
- \$70

MON-DAK Ag Open

- Sponsor
- \$500

Community Development: \$46,800

SDC Economic & Community Development Approved Funding Support 2010

2010 SDC Annual Report

Economic Development

Multi Systems, Inc.

- Purchase of Remco Software
- \$1,750,000 Flex PACE Loan

Steffes Corporation

- Equipment Purchase and Construction of a Cold Storage Facility
- \$1,250,000 Flex PACE Loan

TMJ, Properties

- Construction of 8 Apartments
- \$625,000 Flex PACE Loan

Jewel, LLC

- Construction of 12 Apartments
- \$1,307,000 Flex PACE Loan

CBC, LLC

- Construction of 6 Apartments
- \$475,000 Flex PACE Loan

Twisted Bakery

- Marketing Grant
- \$4,500

Baker Boy

- Equipment Purchase and Plant Expansion
- 2/\$2,500,000 Flex PACE Loans

GV Dickinson, LLC

- Building and Grounds Improvements
- \$1,800,000 Flex PACE Loan

Community Development

Theodore Roosevelt Expressway Association

- Signage to Replace CAN-AM Signs
- \$500

Theodore Roosevelt Expressway Association

- Membership Dues
- \$15,000

DSU Strom Center

- Annual Operating Support
- \$62,000

Roers Development, Inc.

- Retail and Hotel/Motel Study
- \$21,075

DSU Business Challenge

- Sponsor
- \$2,500

Dickinson Area Chamber of Commerce

- Sponsorship for 2 to attend Community Leadership Dickinson
- \$250 per person

Dickinson Area Chamber of Commerce

- API Luncheon Sponsor
- \$100

Dickinson Area Chamber of Commerce

- Ag BBQ Sponsor
- \$75

ND Department of Commerce

- Governor's Rural Community Summit Sponsor
- \$500

City of Belfield

- Travel Costs for Students to Attend Scrubs Camp
- \$25

Dickinson Theodore Roosevelt Regional Airport

- Airport Hanger Grant
- \$100,000
- Airport Hanger Loan
- 75,000

Community Development: \$277,275

Stark Development Corp

- 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 *
- Custom Data, Inc. **
- Dacotah Bank
- Dakota Community Bank **
- Dickinson Area Chamber of Commerce **
- The Dickinson Press & Advertiser **
- 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 **
- Heiser Motors, Inc. *

oration 2010 Members

- Home and Land Company
- Job Service North Dakota **
- Kadrmas, Lee & Jackson **
- KDIX Radio *
- Killdeer Mountain Manufacturing **
- Kolling & Kolling, Inc. **
- Kovash & Dasovick **
- Marathon Oil Corporation
- Maus & Nordsven **
- Montana-Dakota Utilities Company **
- Muriel E. Hurt, Realtor **
- Pennysaver **
- Precision Machine & Welding **
- Rehabilitation Consulting & Service **
- Remco Software, Inc. **
- Roers Development, Inc.
- Roughrider Electric Cooperative **
- Sax Motor Company **
- Service Printers *
- SolarBee, Inc. **
- Steffes Corporation **
- St. Joseph's Hospital & Health Center **
- Stone Mill, Inc.
- TMI Systems Design **
- Wal-Mart Supercenter *
- Wells Fargo Bank **
- Western Cooperative Credit Union **

** Member for 10 Plus Years

* Member for 5-9 years

*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
Gene Jackson
Rod Landblom
Klayton Oltmanns
Carson Steiner**



Stark County Commission:

**Jay Elkins
Russ Hoff
Pete Kuntz
Duane Wolf
Ken Zander**



Stark County Jobs Development Authority:

**Vaune Cripe
Jay Elkin
Joe Frenzel
Jason Hanson
Floyd Hurt
Ron Lisko**

**Frank Kirschenheiter
Bob Maeyaert
Leo Schneider
Linda Steve
Ken Zander
Bob Zent**