



# RAPID CITY ECONOMIC DEVELOPMENT PARTNERSHIP

## 2008 ANNUAL MEETING & GENERAL MEMBERSHIP LUNCHEON

January 21, 2009

Noon

### AGENDA

#### Call to Order & Chairman Comments

Pat Tlustos  
2008 Chairman

#### Year End Financial Report & Membership Report/Acknowledgement

Rick Rylance  
2008 Secretary/Treasurer

#### 2008 Year in Review highlighting the Black Hills Business Development Center

Jim Mirehouse  
BHBDC, CEO

#### Recognition of Outgoing Board Member

Jim Pahl, West River Electric

Terri Haverly

#### Nomination/Confirmation of New Board Members

Pat Tlustos

##### Term Expires 12/31/2011

Jeff Carsrud (2nd term)

Tom Rau (2nd term)

Pat Tlustos (2nd term)

Dick Johnson

##### Term Expires 12/31/2009

Tony Cleberg (replacement board member for Mark Theis-BH Corp)

##### Term Expires 12/31/2010

Al Rieman (currently serves on the Rapid Fund)

#### Nomination/Confirmation of Officers

Pat Tlustos

*Chairman:* David Hillard

*Vice Chairman:* Rick Rylance

*Treasurer:* Al Rieman

*Past Chair:* Pat Tlustos

*Mayor:* Alan Hanks

#### Gavel Exchange to David Hillard, 2009 Chair of the Board

Pat Tlustos

#### Comments by 2009 Chair

David Hillard

#### 2009 Mission and Goals

Merger of Rapid City Economic Development Loan Fund with the Rapid City Economic Development Partnership (Corporation)

Terri Haverly

#### Items from the floor

David Hillard

#### Adjournment

David Hillard



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### REGIONAL ECONOMIC IMPACT

The companies that occupy the Black Hills Business Development Center provide a significant economic impact to the city and region. The companies provide a direct impact of employment and private capital investment in conjunction with their startup and expansion. The following reflects the short term and intermediate impacts. It is difficult to quantify the long term impacts but a number of the companies will continue to grow after their graduation from the Business Center and continue to improve the region's economy.

Six businesses are currently occupying 14,273 square feet of the facility. These companies employ 58 employees. Further, they are projecting to grow to a collective work force of 125 by the end of calendar year 2009. Based on an average wage of \$40,000/employee/year the impact of wages paid at year end 2009 will be \$5,000,000.

The private capitalization of these six companies in 2009 will have grown from the initial investment of \$5,650,000 to \$10,500,000.

The Business Center's budget reflects the total build-out of available space (five companies) by mid 2009 (available space is 11,000 square feet). Based on the above existing companies and their known factors it is estimated that these five companies would have an additional economic wage and private investment impact of \$16,500,000 over the next three years ending in 2009 (11,000 sq ft x \$1,500).

**These estimates do not reflect sales from products or the purchase of goods and services to or from the regional area or any multiplier factors of the effects of monies spent.**

The combined economic impact from a fully occupied Business Development Center is expected to exceed \$39,000,000 and this impact will be repeated each three to five years as the companies graduate and others take their place.

James H. Mirehouse, CEO

### RAPID CITY ECONOMIC DEVELOPMENT FOUNDATION

The Foundation owns and operates Rushmore Business Park and South Creek Industrial Park for the purpose of maintaining an inventory of land available for economic development purposes as well as the new Black Hills Business Development Center.

#### BOARD OF DIRECTORS

President: Pat Burchill, US Bank  
Mark Merchen, West River Electric Assoc.  
Randy Hamburg, Wells Fargo  
Tom Zeller, RESPEC  
Linn Evans, Black Hills Corp.

Lloyd Sohl, Great Western Bank  
Bob Schurger, Pete Lien & Sons  
Mayor Alan Hanks, representing the City of Rapid City  
Nancy Trautman, representing the Pennington County Commission

### THE RAPID FUND

The Rapid Fund is a below market rate loan program for business expansion, relocation, or start-up. It can give any size company or project the incentive needed for development with the flexibility business financing demands. The loan fund focuses on the development of primary jobs in the areas of manufacturing, processing and service exporting.

#### BOARD

President: Linda Peterson,  
Clark & Greind Printing

Karen Waltman,  
Rushmore Mall/Macerich  
Management Corp

Steve Flanery,  
Butler Machinery

Al Rieman,  
Black Hills Harley Davidson

Ron Johnsen,  
Stanley Johnsen Concrete

Brian Iverson,  
Black Hills Corporation

Fred Thurston,  
FourFront Design, Inc.