

BLACK HILLS

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

2019 - 2023



BHCOLG

CEDS

Black Hills Council of Local Governments (BHCOLG) is designated as an Economic Development District (EDD) through the Economic Development Administration (EDA), and therefore, is responsible for developing and implementing the Comprehensive Economic Development Strategy (CEDS) for our nine-county region in western South Dakota.

This CEDS document is the result of an ongoing economic development planning process to build wealth and capacity in western South Dakota. While a CEDS is required for regions to qualify for EDA assistance under its public works programs, economic adjustment programs, and most planning programs, the process is also vital to understanding and addressing the needs of our region.

The following sections provide a framework for the Black Hills CEDS.

Summary Background details the economic conditions of the region.

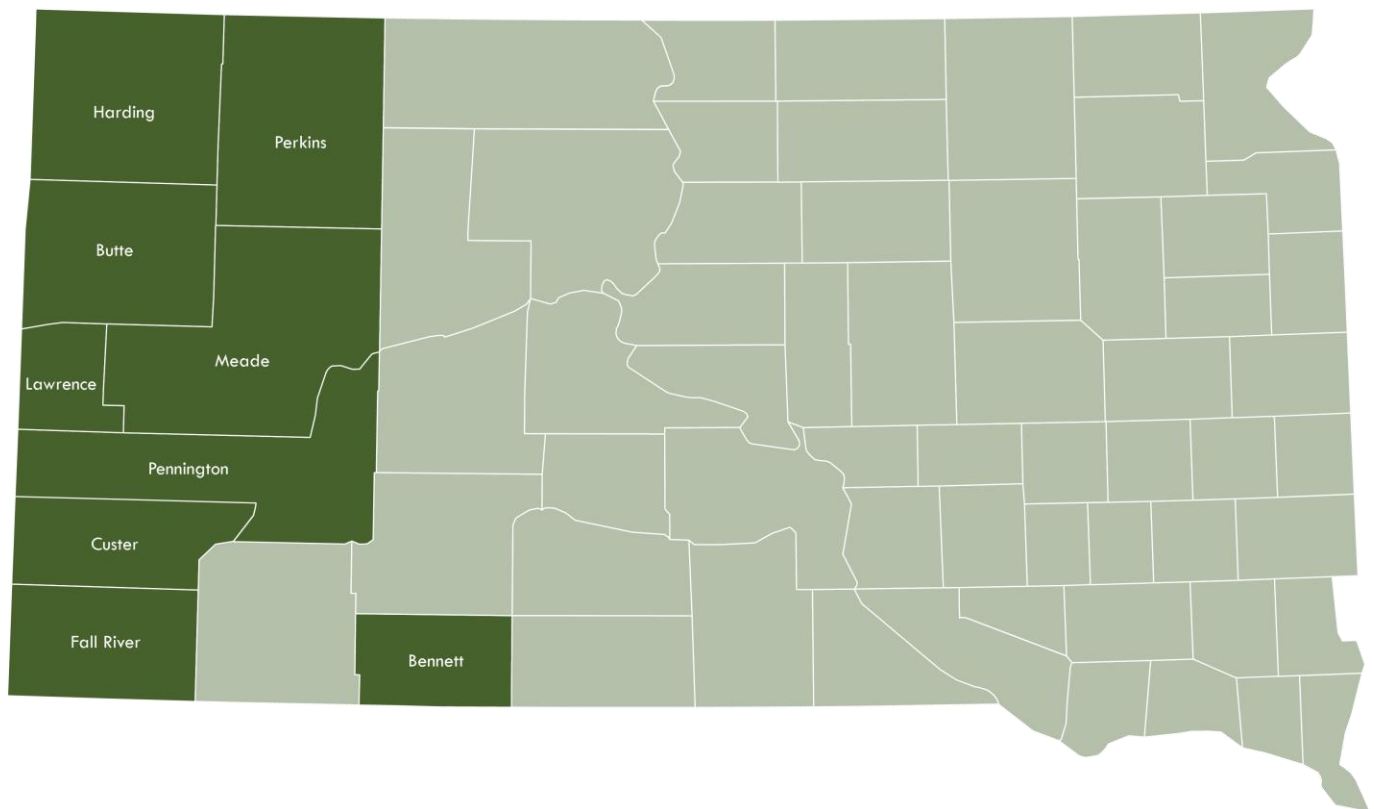
SWOT Analysis explores regional strengths, weaknesses, opportunities, and threats.

Strategic Direction and Action Plan outlines a regional strategy to ensure community vitality and resilience; grow and diversify our economy; and, foster a regional approach to economic development.

Evaluation Framework identifies performance measures used to evaluate the implementation of the CEDS and the impact on the regional economy.

Summary Background

Black Hills Council of Local Governments (BHCOLG) is one of six Planning and Development Districts in South Dakota. Since 1972, we have provided technical community and economic development planning services to our member communities. Black Hills Council also serves as the Economic Development District under the Economic Development Administration for our nine-county region in western South Dakota. Our district includes local government entities in Bennett County, Butte County, Custer County, Fall River County, Harding County, Lawrence County, Meade County, Pennington County, and Perkins County. The governing body of Black Hills Council is composed of appointed members representing 19 distinct entities of local government.



CEDS Committee

The guiding CEDS Committee for this planning process consisted of the BHCOLG governing board as well as our regional economic development partner organizations, Black Hills Community Economic Development and the Rushmore Region Economic Development Alliance. Black Hills Community Economic Development consists of 11 board members representing both the public and private sectors. The Rushmore Region Alliance is made up of economic development professionals that represent the local communities in our region. The committee included representation from local governments, economic development organizations, financial institutions, and local private businesses. Committee members are listed in Appendix A.

Regional Partners

Over the years, many efforts have been made to build partnerships among the economic development groups in western South Dakota. A list of our partner organizations is provided below.

Black Hills Community Economic Development

In 2010, Black Hills Council of Local Governments and Black Hills Community Economic Development formed a strategic partnership. Both organizations served much of the same territory and saw efficiencies in sharing resources. With BHCED's SBA 504 loan program and Black Hills Council's economic development resources, this partnership has allowed both organizations to serve the economic development needs of our region more effectively.

West River Business Service Center

West River Business Service Center is a collaboration between the West River Foundation for Economic and Community Development's Revolving Loan Fund, Black Hills Council of Local Governments, South Dakota Small Business Development Center, South Dakota Procurement Technical Assistant Center, South Dakota Manufacturing and Technology Solutions, Black Hills Community Economic Development, and SCORE. The center is a "one-stop" shop for entrepreneurs and provides a combination of business counseling, assistance, and financing programs.

Rushmore Region Economic Development Alliance

The Rushmore Region Economic Development Alliance was created to stimulate and

increase business investment in the Rushmore Region of western South Dakota. The Alliance is a committee of Black Hills Community Economic Development and provides services to support the growth and success of existing businesses, as well as businesses relocating to the region.

In addition to the entities listed above, Black Hills Council has established relationships with many local, State and Federal agencies and other regional organizations. These include the Economic Development Administration, South Dakota Governor's Office of Economic Development, South Dakota Department of Environment and Natural Resources, USDA-Rural Development, South Dakota Department of Transportation, and the South Dakota Housing Development Authority.

Local Economic Situation

The Black Hills region is rich in natural and cultural assets, which help drive our economy by attracting over two million visitors a year. The region is characterized by contrasting landscapes with the forested Black Hills covering the southwest portion of the district, eroding Badlands along the eastern portion, and the tall grass prairie in the north.

The Black Hills is home to just under 200,000 people living in cities, small towns, historic unincorporated communities, and on farms and ranches. The following pages provide a snapshot specific to regional trends related to demographic and workforce characteristics, infrastructure assets, industry clusters, education assets, and housing needs in order to help provide a clear understanding of the local economic situation.¹



Since 2010, our region has witnessed a 7% population increase. This population growth rate is in line with that of the State of South Dakota (7%), but outpaces that of the nation (5%). The region's population is expected to increase by another 3.4% between 2017 and 2022, adding 6,787 people.

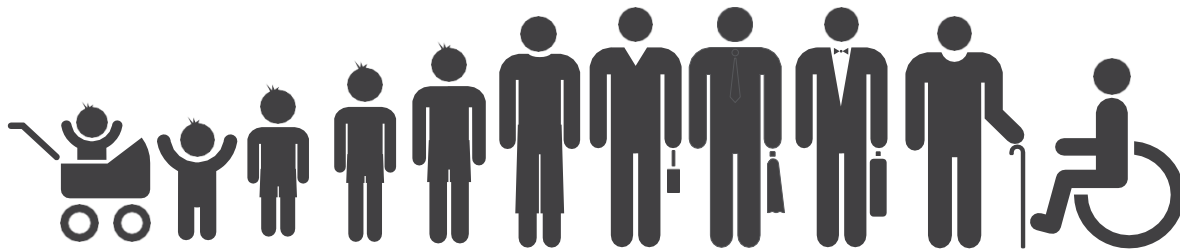
The following chart illustrates the high growth rate in Meade and Pennington Counties over the last seven years. These

¹ Unless otherwise noted, the source of the information provided in this section is EMSI, 2018.3 data.

communities are facing housing and infrastructure pressures to keep up with these population increases. However, other counties within our region, like Fall River County and Perkins County, are facing challenges related to maintaining their populations.

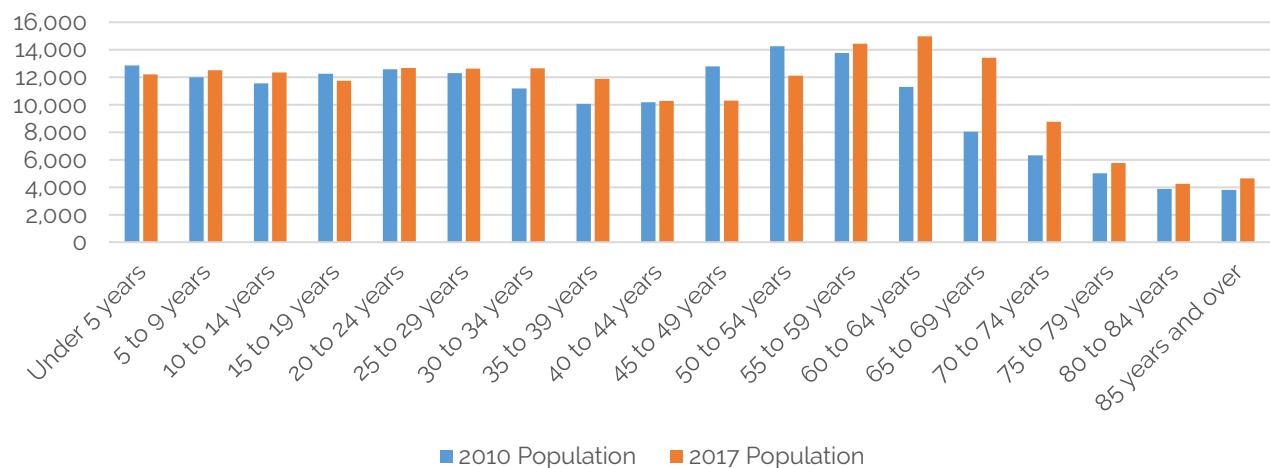
BHCOLG DISTRICT POPULATION TRENDS				
	2010 POPULATION	2017 POPULATION	CHANGE	% CHANGE
Bennett County	3,443	3,455	12	0%
Butte County	10,130	10,243	113	1%
Custer County	8,270	8,632	362	4%
Fall River County	7,111	6,806	(305)	(4%)
Harding County	1,245	1,275	30	2%
Lawrence County	24,193	25,428	1,235	5%
Meade County	25,498	27,966	2,468	10%
Pennington County	101,303	110,785	9,482	9%
Perkins County	2,983	2,980	(3)	0%
TOTAL	184,176	197,570	13,394	7%

A review of the US Census American Community Survey 2011-2015 county-to-county migration data shows interesting trends in outside-of-the-region in-migration. This data illustrates that within South Dakota we see in-migrations to the region most frequently from: Minnehaha, Stanley, Oglala Lakota, and Codington Counties. The region also experienced a high number of in-migrations from surrounding states during this timeframe, most notably from Albany, Crook, Natrona, and Campbell Counties in Wyoming; Yellow Medicine County, MN; and, Sargent and Williams Counties in North Dakota. Further, the region also witnessed a sizable number of in-migrations from San Diego County, California; Stafford County, Virginia; and, El Paso County, Texas, which are most likely connected to Ellsworth Air Force Base.



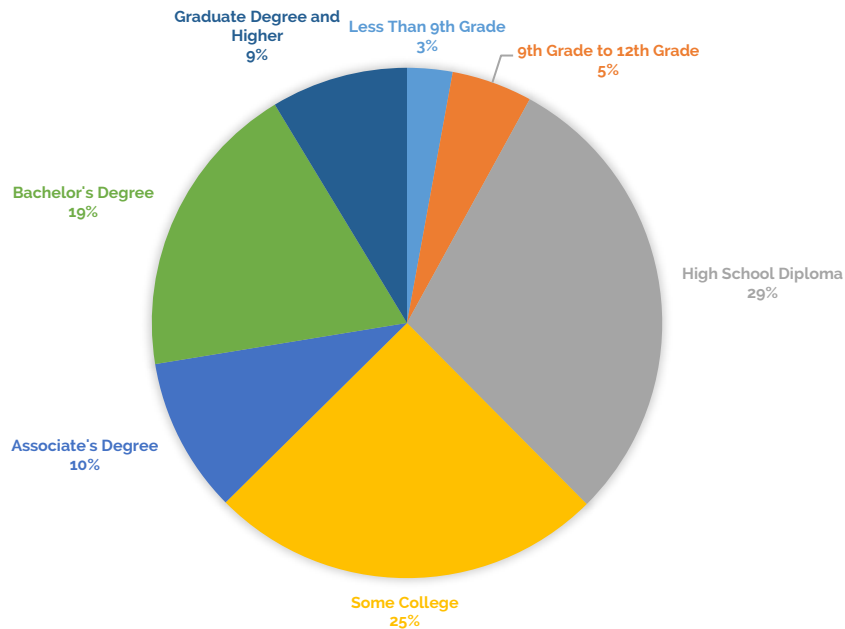
From 2010 to 2017, the region experienced significant population increases in the 60 to 74-year-old age cohort, and also notable increases in the 30 to 39-year-old age cohort. The median age for the region is 42.4 years old; older than the South Dakota median age of 36.8 years old. The following chart details the region's population by age cohort and highlights the changes within each cohort since 2010. The increase in the 60 to 74 age group is indicative of the aging Baby Boomer cohort, as well as the growth in popularity of the region as a retirement destination. The growth of the 30-39 age group in this time period is a positive sign for our region; it shows a trend in drawing the talent we need to attract business development. However, the data does indicate declines in the 40-54 year-old cohort as well as children under 5 years and 15 to 19-year-olds.

Population by Age Cohort





In 2017, 19% of the regions' residents possessed a Bachelor's Degree - 0.5% above the national average - and 9.8% held an Associate's Degree - 1.9% above the national average. The chart below further illustrates the educational attainment characteristics of the region's population.



Our region's higher education institutions produced 1,800 graduates in 2017. The highest share of these graduates came from the Business Administration and Management field. The chart below provides a breakdown of the certificates and degrees completed at each institution in the region.

2017 REGIONAL COMPLETIONS BY INSTITUTION			
Institution	Certificates	Degrees	Total Completions
Black Hills State University	32	567	599
South Dakota School of Mines and Technology	21	425	446
National American University-Rapid City	10	327	337
Western Dakota Technical Institute	101	203	304
Headlines Academy Inc.	49	0	49
Black Hills Beauty College	38	0	38
National American University-Ellsworth AFB Extension	0	27	27

In the last five years, jobs increased by 6% in the region, from 95,203 to 101,648. This change fell short of the national job growth rate of 7.9% during the same time period. The unemployment rate for the region from January to October 2017 was just 3.24%, slightly higher than that for the State of South Dakota during the same timeframe, which was 3.12%, but lower than that of the nation, which was 4.4%.



In 2017, the region had a labor force of 96,793 people. The tables below provide details regarding the region's labor force. Of note, is the fact that the number of people in the labor force falls short of the number of jobs in the region, which indicates the large number of residents that are working at more than one job.

2017 LABOR FORCE BREAKDOWN	
Total Population	197,570
Total Working Age Population	160,507
Not in Labor Force (15+)	63,714
Labor Force	96,793
Employed	93,205
Unemployed	3,588
Under 15	37,063

2017 AGE BREAKDOWN		
Age	2017 Jobs	2017 Percent
14-18	3,094	3.1%
19-24	10,920	10.8%
25-34	22,496	22.2%
35-44	20,209	20.0%
45-54	19,554	19.3%
55-64	18,339	18.1%
65+	6,595	6.5%



Average earnings in our region are \$46,800 per job. This is \$16,700 below the national average of \$63,500 per job.

Low wages are no doubt a factor in the high rate of second jobs in the region. The chart on the following page details regional job growth by industry from 2010 to 2017. As you can see, the Health Care and Social Assistance industry added 1,781 jobs in this time frame. Significant job growth also occurred in the Accommodation and Food Services industry. However, the average earnings per job between these industries differs greatly, with an average annual wage of \$57,467 in the Health Care industry and \$21,550 in the Accommodation industry.

It is also important to note that while the Government, Agricultural, and Finance industries still contribute greatly to our Gross Regional Product, these industries have witnessed significant declines in job numbers.

BLACK HILLS REGION INDUSTRY TABLE									
NAICS	Description	2010 Jobs	2017 Jobs	2010 - 2017 Change	2010 - 2017 % Change	Avg. Earnings Per Job	2017 Payrolled Business Locations	Expected Change	2017 GRP
62	Health Care and Social Assistance	11,991	13,772	1,781	15%	\$57,467	594	2,048	\$913,387,564
72	Accommodation and Food Services	11,752	13,003	1,251	11%	\$21,550	740	2,513	\$576,845,468
56	Administrative and Support and Waste Management and Remediation Services	2,538	3,091	553	22%	\$33,355	453	506	\$152,941,002
44	Retail Trade	11,965	12,513	548	5%	\$32,240	951	1,046	\$829,306,423
54	Professional, Scientific, and Technical Services	3,129	3,626	497	16%	\$56,965	829	580	\$312,823,839
23	Construction	6,880	7,376	496	7%	\$48,756	958	1,100	\$635,858,755
42	Wholesale Trade	2,531	2,999	468	18%	\$59,090	389	174	\$488,229,071
31	Manufacturing	3,432	3,849	417	12%	\$54,509	237	258	\$487,463,836
61	Educational Services	975	1,196	221	23%	\$33,417	97	147	\$47,942,193
81	Other Services (except Public Administration)	4,653	4,850	197	4%	\$28,414	525	157	\$197,889,207
21	Mining, Quarrying, and Oil and Gas Extraction	427	545	118	28%	\$75,902	32	(26)	\$189,754,863
55	Management of Companies and Enterprises	750	865	115	15%	\$119,213	46	167	\$124,483,550
48	Transportation and Warehousing	2,371	2,442	71	3%	\$55,271	287	537	\$241,359,156
53	Real Estate and Rental and Leasing	1,227	1,249	22	2%	\$36,535	336	135	\$385,598,225
22	Utilities	508	426	(82)	(16%)	\$112,330	39	6	\$216,662,051
90	Government	20,823	20,711	(112)	(1%)	\$59,718	405	(118)	\$2,025,570,510
51	Information	1,281	1,046	(235)	(18%)	\$53,108	128	57	\$224,260,274
11	Agriculture, Forestry, Fishing and Hunting	1,538	1,289	(249)	(16%)	\$33,627	111	70	\$322,213,000
71	Arts, Entertainment, and Recreation	2,323	2,068	(255)	(11%)	\$25,326	193	433	\$130,774,436
52	Finance and Insurance	4,110	3,732	(378)	(9%)	\$64,288	429	271	\$592,925,029
		95,203	100,648	5,445	6%	\$46,799	7,777	10,063	

The highest ranked cluster in the Black Hills region is Federal Government Services.

EMSI data was used to identify industry clusters in our nine-county district. Industry clusters share a competitive advantage due to their proximity to competitors, to workforce, to suppliers and a shared knowledge about their industry. The top clusters identified by EMSI for our region are listed below.

These industries have high earnings, high overall job growth, and make a high contribution to the GRP.



- | | |
|---|---|
| 1. Federal Government Services | 9. Financial Services |
| 2. Local Health Services | 10. Business Services |
| 3. Education and Knowledge Creation | 11. Local Utilities |
| 4. Metal Mining | 12. Agricultural Inputs and Services |
| 5. Electric Power Generation and Transmission | 13. Nonmetal Mining |
| 6. Local Government Services | 14. Medical Devices |
| 7. Local Education and Training | 15. Local Financial Services |
| 8. Construction Products and Services | 16. Production Technology and Heavy Machinery |
| | 17. Local Motor Vehicle Products and Services |



Affordable housing is an issue for each community in our region.

Since 2013, eleven communities in the Black Hills district have completed housing needs assessments.² The results of the needs assessments are summarized in Appendix B. Of course, in some communities the demand for housing is greater than in others. For example, Spearfish completed a housing study in 2016 that cited the need for construction of over 300 new rental units in the following five-year period and the need for construction of 100 new homes *per year* for homeownership purposes. Sturgis completed a housing study in 2014 and since that time has constructed approximately 225 new housing units with more in development.³

Other communities within our region have responded to their housing needs with the development of local programs to build new housing, like in Lemmon and Belle

²² 10 of the housing studies were completed by Community Partners Research, Inc. and the Rapid City housing study was completed by Black Hills Knowledge Network.

³ Individual communication with Sturgis EDC Director

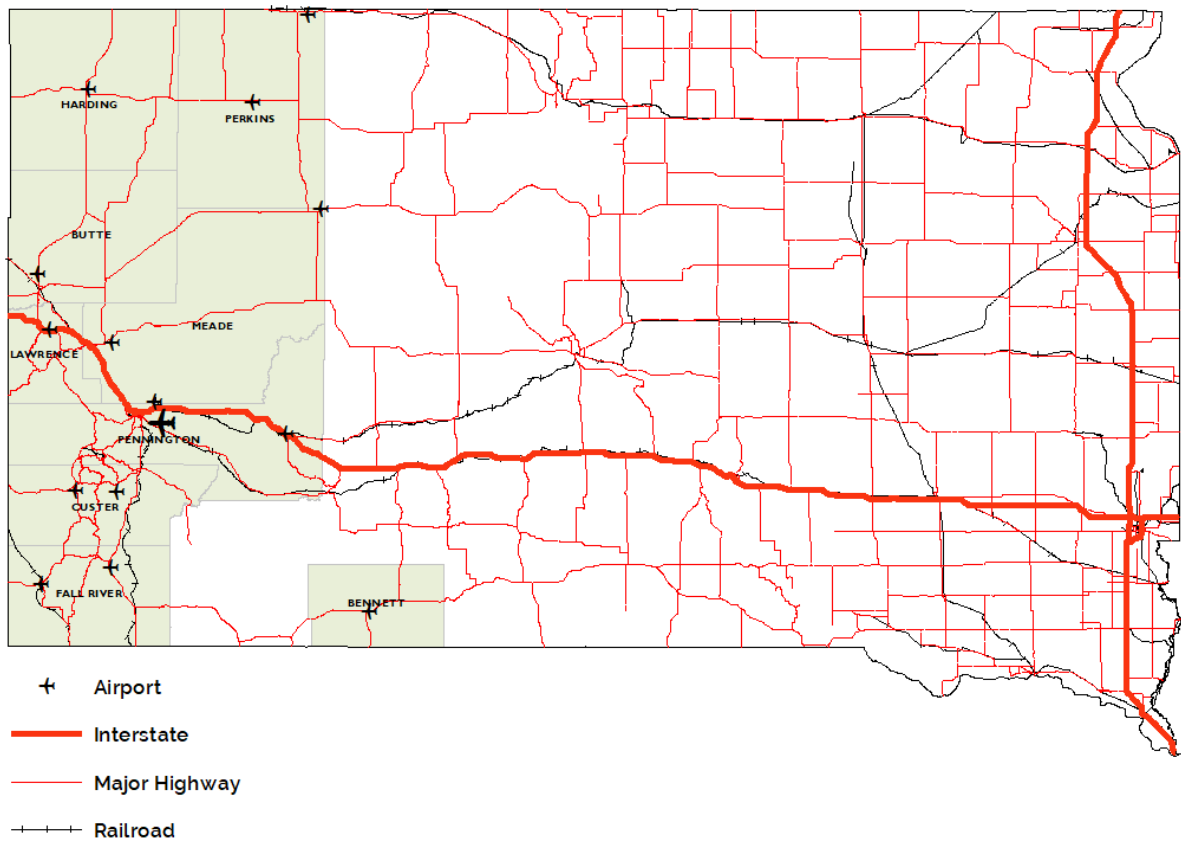
Fourche, where the local economic development groups have taken the lead in housing development. The State of South Dakota Governor's Office of Economic Development also recently created a program, *Bulldoze, Build, and Beautify*, which provides communities with a grant to help with the costs to demolish substandard, vacant housing for the purposes of rebuilding residential units on the same site.



The Black Hills region has three main transportation systems—highway, air, and rail—that are critical to the long-term growth of the region. The highway system is the primary system used to transport both people and goods. Interstate 90 is the main east-west corridor. For many years the region has been working on enhancing a north-south highway system. Partnerships with the Ports-to-Plains Alliance, Heartland Expressway, and Theodore Roosevelt Expressway have helped bring this issue forward, not only in South Dakota, but from North Dakota to Texas.

The region is served by Rapid City Regional Airport as its primary commercial airport. Currently, Delta, United, American, and Allegiant Airlines serve the market and fly seven year-round routes (Salt Lake City, Denver, Las Vegas, Mesa/Phoenix, Minneapolis, Chicago, and Dallas-Ft. Worth) and four seasonal destinations (Newark, Charlotte, Atlanta, and Houston). Increasing air service by adding more routes and increasing capacity is ongoing issue for the region. There are also a number of general aviation airports throughout the region as shown on the following map.

The rail service into the area is limited. The Rapid City, Pierre and Eastern line that comes in from the east and runs across the South Dakota-Wyoming border west of Belle Fourche serves as the principal railroad. It serves the bentonite clay industries located in western Butte County and other industries including agriculture. This line also connects in the south to Chadron, Nebraska. The Burlington Northern/Santa Fe (BNSF) Railroad has a line that runs through the southwestern portion of the region; however, this line is principally a coal line serving the coal mines in Wyoming. The BNSF also has a line that runs along a portion of the northern border of Perkins County.



SWOT Analysis

The following section provides an overview of the Black Hills region SWOT (Strengths, Weaknesses, Opportunities, & Threats) analysis. This analysis is based on input from the CEDS Committee and draws additional insights from our community planning work throughout the region and one-on-one discussions with local elected representatives and community leaders.

The purpose of this SWOT analysis is to form a basis of understanding regarding our region's assets and challenges in order to build a plan of action, which capitalizes on assets and helps manage and address threats. The graphic on the page 17 summarizes the SWOT for our region of western South Dakota, and the following section delves deeper into a number of the areas identified.

Regional Assets

Our region has numerous assets that drive our local economy and contribute to our regional character. Due to the rural nature of the majority of the district, we've found efficiencies in **regional partnerships** to tackle shared economic development challenges. For example, the Rushmore Region Economic Development Alliance (RRA) represents a strong regional partnership among the local economic development organizations and utility partners in the region. The RRA pools its resources to market the region and build capacity for local and regional economic development. The RRA organized and sponsored an Economic Development 101 workshop last spring that was attended by almost 200 people. This workshop opened up a regional dialogue about the role of local economic developers as well as the importance of taking a regional approach to economic development.

Our **natural environment**, **history** and National and State Parks drive our tourist economy. The region has a number of National Parks: Black Hills National Forest, Mt. Rushmore National Memorial, Badlands National Park, Buffalo Gap National Grassland, Wind Cave National Park, Jewel Cave National Monument, and portions of the Dakota Prairie Grasslands. There are also numerous State Parks within our district: Custer State Park, Shadehill Recreation Area, Rockypoint Recreation Area,

Bear Butte State Park, Roughlock Falls, Mickelson Trail, Sheps Canyon Recreation Area, and Angostura Recreation Area. Many local communities within our region have been working to capitalize on these assets to build their outdoor recreation economies to attract tourists and related businesses that cater to outdoor enthusiasts.

As noted in the previous section, **our region is well connected** through the highway system to the north and south as well as from the east and west with I-90. Rapid City Regional Airport has undergone numerous upgrades recently and now has 11 direct connections to transportation hubs throughout the country. Communities within our region have also taken advantage of our rail lines and are working to attract industries that utilize rail transportation. Belle Fourche has recently expanded their efforts to grow and attract these industries by developing a rail park.

Government industries contributed over \$2 billion to the Gross Regional Product and were responsible for over 20,000 jobs in our region in 2017. Ellsworth Air Force Base, located near Box Elder, has over 3,000 active duty military personnel, over 1,000 civilian employees, and over 6,000 military dependents. These military personnel and their families play a huge role in supporting our local economy and contributing to our workforce. The total economic impact of EAFB is estimated at approximately \$359 million.⁴ The Veteran's Administration also has Health Care System campuses at Fort Meade and Hot Springs, which provide jobs, services, and contracts for our local economies.

The **Health Care and Social Assistance** industry is also a major driver in our region. In 2017, this industry accounted for 13,722 jobs and over \$900 million to our GRP. Regional Health System is one of the largest employers in our region, and has recently expanded a number of its facilities.

While job numbers in the **Agriculture and Forestry** industry have declined since 2010, this industry continues to play a predominant role in our economy and our regional character and way of life. Many of our communities were built on Agriculture and Forestry, which contributed over \$322 million to our GRP in 2017.

The **Sanford Underground Research Facility** (SURF) is a key asset for our region and all of South Dakota; it is also one of the leading science facilities in the world. The

⁴ EAFB Economic Impact Statement FY 2016, <https://www.ellsworth.af.mil/Portals/146/2017%20EIS%20for%20website.pdf?ver=2017-11-14-170924-753>

overall impact of SURF on South Dakota's economy totals over \$185 million in spending to date. The facility also employs 129 full-time employees. The facility's Long-Baseline Neutrino Facility and Deep Underground Neutrino Experiment (LBNF/DUNE) will have major impacts on our economy. A study commissioned to determine the economic impact of this project alone found that the economic output for South Dakota could reach \$952 million and create 1,800 jobs at the peak of construction.⁵

Our region has a number of **higher educational institutions** that provide a pipeline for our local employers: South Dakota School of Mines and Technology; Black Hills State University; Western Dakota Tech; and, National American University. Each of these institutions are active in working with our local communities to ensure that their programs and curriculum align with the needs of the region. In addition, many of these institutions have also placed a strong focus on entrepreneurship and working with their students to start and grow businesses in our region.

Finally, the fact that our regional **population continues to grow** is a good indicator for the Black Hills. While some of our counties have experienced declines, these communities are actively working to attract young residents that may have moved away, and employing other methods to retain and grow their populations.

Regional Challenges

As indicated in our summary of economic development conditions, **low wages** are an ongoing struggle for our region. With an average wage per job that is \$16,700 below the national average, employers struggle to attract talent. High-wage job attraction and growth has been a focus of many of our local economic development organizations.

As discussed in the previous section, **lack of affordable housing** is an issue in each one of our communities. Eleven of our communities have completed housing needs assessments and are actively working to address shortages with new and redeveloped housing.

Quality **child care** is also a need in our cities and towns. Many of our local economic development organizations have been working to address the shortage of child care facilities and understand how critical this piece of community infrastructure is in both

⁵ <https://sanfordlab.org/feature/economic-impact>

supporting children's development and facilitating their parents' employment.

In order to develop and attract more businesses, we need to ensure that we have the **talent and workforce** in place to support those industries. As previously noted, we have a large gap between the current number of individuals in the labor force and the number of jobs. We have many residents working at more than one job, which helps to bridge this gap. However, in order to attract additional business growth and relocations to our region, we must grow our talent pool.

Because a large sector of our economy is dependent upon the natural environment, we are largely dependent upon nature for the success or failure of these industries. In any given year **natural hazards**, like drought, blizzards, hail, pests, diseases, and wildfires all have the potential to inflict losses on our local producers.

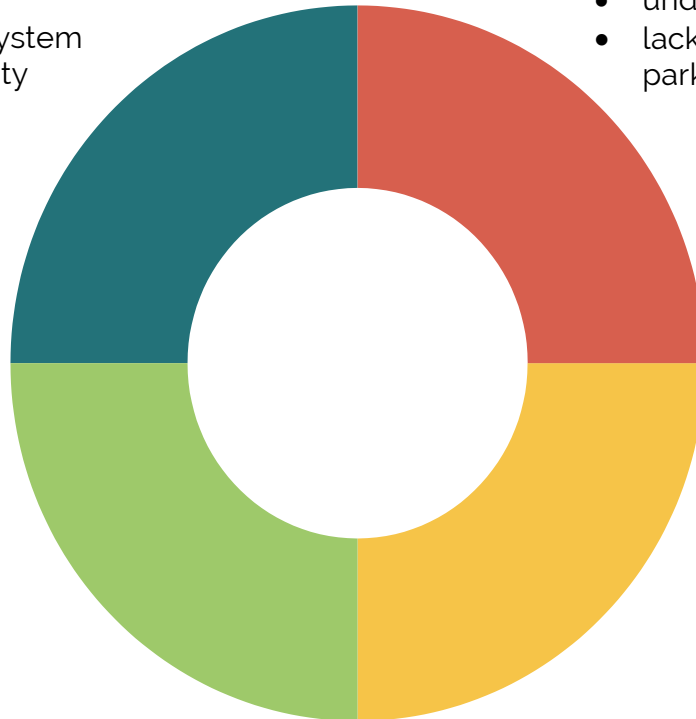


STRENGTHS

- strong regional partnerships
- natural environment
- growing population
- business friendly tax environment
- connectivity
- utilities
- regional airport
- transportation system
- water & air quality

WEAKNESSES

- lack of economic diversification
- low wages
- housing
- workforce shortage
- lack of childcare options
- lack of public transportation
- underemployed/second jobs
- lack of industrial/business parks



OPPORTUNITIES

- federal government institutions
- tourism
- agriculture
- sanford lab
- health care
- recreation/outdoor activities
- history

THREATS

- natural disasters
- local support for economic development
- monopolies

Action Plan

The BHCOLG CEDS Action Plan outlines a plan of work that capitalizes on our local strengths and opportunities and addresses current weaknesses and potential threats to our economy. The following economic development goals will inform the work of our organization over the next five years: **Work to ensure community vitality and resilience; Support efforts to grow and diversify our economy; and, Foster a regional approach to economic development.**

The action plan tables on the following pages identify strategies and partners that will help to implement our goals, as well as performance measures to gauge our success. While BHCOLG will be the primary facilitator for many of the strategies, partnerships with elected officials, city and county staff, State and Federal partners, and local economic development organizations will be essential to realize these goals.

Work to ensure community vitality and resilience

strategy	partner(s) ⁱ	performance measures
Assist communities in defining and implementing placemaking activities, such as the development of parks, trails, public gathering places, historic preservation projects, and downtown revitalization	GF&P DOT	1. Number of successful grant applications
Develop expertise in programs and policies to address local/regional housing needs	SDHDA	1. Development of new community planner position with a focus on housing programs and policy 2. Number of funding applications approved 3. Number of housing needs assessments completed
Provide assistance in the development and funding of infrastructure projects (water, waste, sewer, roads, streets, bike/pedestrian, broadband)	DOT DENR GOED- CDBG USDA-RD EDA	1. Number of infrastructure projects funded
Provide assistance in the development and funding of community facilities	USDA-RD GOED- CDBG EDA	1. Number of community facilities projects funded
Provide assistance to local governments in developing locally-relevant community plans and regulations	FEMA GOED- CDBG	1. Number of community plans (comprehensive and capital improvement plans) and regulations developed
Provide assistance in developing and implementing pre-disaster mitigation plans	OEM FEMA	1. Number of Pre-Disaster Mitigation Plans developed and approved 2. Number of mitigation project applications funded
Incorporate resiliency strategies into local comprehensive plans	OEM FEMA	1. Community plans with resiliency components

Support efforts to grow and diversify our economy

strategy	partner(s)	performance measures
Provide data resources related to economic and community development conditions to support the attraction of new businesses and industries	BHCOLG BHCED BH Knowledge Network	1. Number of community data requests fulfilled 2. Growth in property and sales tax revenue
Provide mapping resources to help articulate assets and existing conditions in our communities	BHCOLG	1. Number of related maps created and distributed 2. Development of online resource for regional mapping
Assist in connecting entrepreneurs with financing tools and business development assistance	SBDC BHCED WR RLF Local EDO RLFs SCORE	1. Increased number of clients accessing programs 2. Increase in loan numbers 3. Increase in job numbers
Assist communities in accessing funding for business incubators and business and industrial parks	EDA GOED	1. Number of successful funding applications
Explore opportunities for value-added approaches to our region's agricultural and forestry industries	USDA-RD GOED EDA	1. Development of value-added ag projects and case-studies 2. Development of a value-added ag strategy for our region
Help to publicize the work and impact of the Sanford Underground Research Facility	EDA GOED Local EDOs	1. Information disseminated regarding projects at the SURF and economic impacts 2. Assistance with local funding applications/projects that will either directly or indirectly support SURF operations
Support our local communities and organizations in their efforts to maintain and advance operations at EAFB	EDA Local EDOs GOED	1. Information disseminated regarding projects at EAFB and economic impacts 2. Assistance with local funding applications/projects that will either directly or indirectly support EAFB operations

Foster a regional approach to economic development

strategy	partner(s)	performance measures
Partner to develop a talent strategy for the region	BHCOLG BHCED RRA Consultant	1. Completed talent strategy plan
Partner to develop a targeted cluster analysis for the region with an emphasis on high-wage industries	BHCOLG BHCED RRA Consultant	1. Completed cluster analysis
Support workforce development and education programs aimed at developing a talent pipeline and supply for our region	WRF BHSSC BHSU SDSMT WDT School Districts	1. New partnerships with local educational institutions
Support a regional marketing strategy to increase business investment in western South Dakota	WRF BHCED RRA Marketing consultant	1. Development of updated RRA website 2. Growth in business start-ups and relocations
Assist in the development of economic development capacity building workshops for local EDOs, elected officials, and community/business leaders	WRF BHCED RRA	1. Number of workshops held 2. Number of participants

Evaluation Framework

An evaluation of the goals and strategies identified above will be part of an annual CEDS evaluation process. The evaluation will answer the questions *"How are we doing?"* and *"What can we do better?"* The specific performance measures identified in the previous section will be a major part of the evaluation process so that progress, or lack thereof, on each goal can be measured.

BHCOLG staff will be responsible for this annual evaluation of the CEDS. The CEDS evaluation will be presented to the CEDS Committee and any further recommendations will be incorporated into the annual CEDS update submitted to the Economic Development Administration (EDA).

As identified in the previous section, the evaluation will measure the performance and effectiveness of the CEDS and will include the following criteria:

1. Number of projects, activities, and initiatives identified are implemented that led to public and private investment and jobs;
2. Number of State and/or Federally funded investments submitted and/or approved for the period
3. Estimated number of new jobs created/retained in the region as a result of project(s);
4. Growth in sales and property tax;
5. Estimated amount of private sector investment generated by project(s); and,
6. Estimated amount of public sector investment generated by project(s).

Appendix A:

CEDS Committee

Black Hills Council of Local Governments Board of Directors

- Jason Fanning, Bennett County Commissioner
- Rolf Kraft, Bennett County Commissioner
- Kim Richards, Butte County Commissioner
- Stan Harms, Butte County Commissioner
- Deb Russell, Fall River County Commissioner
- Paul Nabholz, Fall River County Commissioner
- Dean Wagner, Harding County Commissioner
- Charles Verhulst, Harding County Commissioner
- Brandon Flanagan, Lawrence County Commissioner
- Richard Sleep, Lawrence County Commissioner
- Linda Rausch, Meade County Commissioner
- Galen Niederwerder, Meade County Commissioner
- Mike Schweitzer, Perkins County Commissioner
- Wayne Henderson, Perkins County Commissioner
- Gloria Landphere, Mayor of Belle Fourche
- Jim Doolittle, Belle Fourche Economic Development
- Larry Larson, Box Elder Mayor
- Tricia Weathers, Box Elder City Council
- Tim Hartmann, Custer Planning Administrator
- Laurie Woodward, Custer Finance Officer
- Sharon Martinisko, Deadwood City Council
- Sandra Woodward, Edgemont City Council
- Barbara Strozewski, Edgemont City Council
- George Kotti, Mayor of Hot Springs
- Misty Summers Walton, Hot Springs Finance Officer
- Ron Everett, Mayor of Lead
- Mike Stahl, Lead City Administrator
- Gary Rayhill, Mayor of Martin
- Stephanie Noel, Martin City Council
- Amanda Scott, Rapid City Council
- Steve Laurenti, Rapid City Council
- John Roberts, Rapid City Council
- Becky Drury, Rapid City Council
- Mike Harmon, Spearfish City Administrator
- Dana Boke, Mayor of Spearfish
- Daniel Ainsle, Sturgis City Administrator
- Fay Bueno, Sturgis Finance Officer

Black Hills Community Economic Development Board of Directors

- Kevin Dietz, Security First Bank
- Kelly Miller, Highmark Federal Credit Union
- Ben Snow, Rapid City Economic Development Partnership
- Candi Thomson, Thomson Law
- Kayce Gerlach, Casey Peterson & Associates
- Heidi McBride, First Interstate Bank
- James Mortensen, Black Hills Community Bank
- Dawn Hilgenkamp, West River Electric
- Matt Walters, Pioneer Bank & Trust
- Jim Doolittle, Belle Fourche Economic Development
- Dean Kinney, The HomeSlice Group

Rushmore Region Alliance Members

- Ben Snow, Rapid City Economic Development Partnership
- Pat Kurtenbach, Sturgis Economic Development
- Hollie Stalder, Belle Fourche Economic Development
- Kevin Wagner, Deadwood-Lead Economic Development
- Mutch Usera, Black Hills Energy
- Liliya Stone, Wall Economic Development
- Andrea Powers, Southern Hills Economic Development
- Kory Menken, Spearfish Economic Development
- Glen Kane, Ellsworth Development Authority
- Chris VanNess, Heart of the Hills Economic Development
- Gene Fennell, Custer Economic Development
- Lori Frederick, SD GOED
- Lonnie Harmon, City of Summerset

Appendix B: Regional Housing Recommendationsⁱⁱ

		RENTAL RECOMMENDATIONS (over 5 years)											HOME OWNERSHIP RECOMMENDATIONS (per year)				
City	Year Completed	Market Rate Rental				Subsidized Rental	Affordable Conversions	Senior Independent		Senior Assisted			Mixed Use	Higher & median price homes	Affordable Homes	Homes on infill lots	Twin homes/town homes
		1 BR	2 BR	3 BR	4 BR			1 BR	2 BR	Skilled Nursing	Assisted	Memory Care					
Belle Fourche	2013	5-6 units @ \$600-\$750	15-16 units @ \$650 - \$875	8-9 units @ \$700-\$950	4-5 units @ \$800-\$1,050	Monitor	12-14 units below \$625	8-10 units @ \$800-\$950	14-16 units @ \$900-\$1,100	--	--	--	10-12 units	11-12 homes	7-8 homes	4-5 homes	6-8 units
Custer	2018	4-5 units @ \$800-\$950	8-10 units @ \$850-\$1,250	4-5 units @ \$950-\$1,400	--	12-14 units	6-8 units below \$625	3-4 units	9-10 units	--	10 beds	6-8 beds	Recommended, but number of units not identified	4-5 homes	2-3 homes	--	3-4 units
Deadwood-Lead	2016	8-9 units @ \$700-\$850	16-18 units @ \$775-\$1,100	8-9 units @ \$900-\$1,275	--	26-30 units	14-16 units below \$625	Monitor		--	Monitor	--	6-8 units	Lead			
														9-11 homes	5-6 homes	--	6-8 homes
														Deadwood			
														12-14 homes	8-9 homes	--	10-12 units
Hill City	2018	3-4 units @ \$800-\$950	8-10 units @ \$850 - \$1,250	3-4 units @ \$950 - \$1,400	--	10-12 units	6-8 units below \$650	3-4 units	9-10 units	--	9-12 beds	5-7 beds	Recommended, but number of units not identified	3-4 homes	2-3 homes	--	2-3 units
Hot Springs	2016	6-8 units @ \$700 - \$900	18-20 units @ \$775 - \$1,100	6-8 units @ \$900 - \$1,300	--	6-8, 3 & 4 BR units	8-10 units below \$650	3-4 units	9-10 units	--	Monitor	6-8 beds	Recommended, but number of units not identified	5-6 homes	2-3 homes	--	3-4 units
Lemmon	2013	--	6-7 units @ \$650-\$750	6-7 units @ \$850-\$950	--	Monitor	6-8 units below \$600	--	--	--	Monitor	--	--	--	--	--	4-6 units
New Underwood	2016	1-2 units@ \$625-\$675	4-5 units @ \$700-\$800	1 Unit @ \$850-\$1,000	--	Monitor	3-4 units below \$625	--	--	--	--	--	Recommended, but number of units not identified	1-2 homes	4-5 homes	--	3-4 units
Sturgis	2014	15-16 units @ \$625-\$775	37-38 units @ \$675-\$925	13-14 units @ \$750-\$1,150	5-6 units @ \$825-\$1,200	28-30 moderate rent units/ Monitor low-income units	12-14 units below \$625	9-10 units	15-16 units	--	--	--	10-12 units	10-11 homes	7-8 homes	1-2 homes	4-6 units
Spearfish	2016	40-44 units@ \$700-\$900	144-154 units @ \$775 - \$1,100	24-28 units @ \$900 - \$1,300	--	70 – 80 moderate rent units/ 10 – 12, 3 & 4 BR low-income units	10-12 units below \$625	8-10 units	12-14 units	--	--	12-14 beds	Recommended, but number of units not identified	54-66 homes	16-20 homes	--	10-14 units
Wall	2016	2-3 units @ \$650-\$700	6-7 units @ \$750-\$850	2 units @ \$900-\$1,000	--	Monitor	6-8 units below \$625	1-2 units	5-6 units	--	--	--	Recommended, but number of units not identified	11-12	5-6	--	4-6 units

ⁱ Game, Fish, and Parks (GF&P); Department of Transportation (DOT); SD Housing Development Authority (SDHDA); Dept. of Environment & Natural Resources (DENR); Governor's Office of Economic Development (GOED); Community Development Block Grant (CDBG); US Dept. of Agriculture – Rural Development (USDA-RD); Federal Emergency Management Agency (FEMA); Office of Emergency Management (OEM); Black Hills Council of Local Governments (BHCOLG); Black Hills Community Economic Development (BHCED); West River Revolving Loan Fund (WR RLF); Small Business Development Center (SBDC); Economic Development Administration (EDA); Local Economic Development Organizations (EDO); Rushmore Region Alliance (RRA); West River Foundation (WRF); Black Hills Special Services Coop (BHSSC); Black Hills State University (BHSU); Western Dakota Tech (WDT); South Dakota School of Mines & Technology (SDSMT); National American University (NAU).

ⁱⁱ Studies completed by Community Partners Research, Inc.