

Governor's Office of Economic Development

September 26, 2017

**LONG-TERM ECONOMIC
DEVELOPMENT
ORGANIZATION FUNDING**

SOUTH DAKOTA

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

Having Issues?

Whether it's on our end or yours, please contact us throughout the webinar

Quickest way would be via the *Control Panel Chat Box*



If that's not working please email one of us

Joe.Fiala@sdreadytowork.com

Jennifer.Ondell@sdreadytowork.com

Taylor.Cole@sdreadytowork.com

Long-Term EDO Funding
September 26, 2017
10:30 - 11:30 a.m. CDT

GoToWebinar

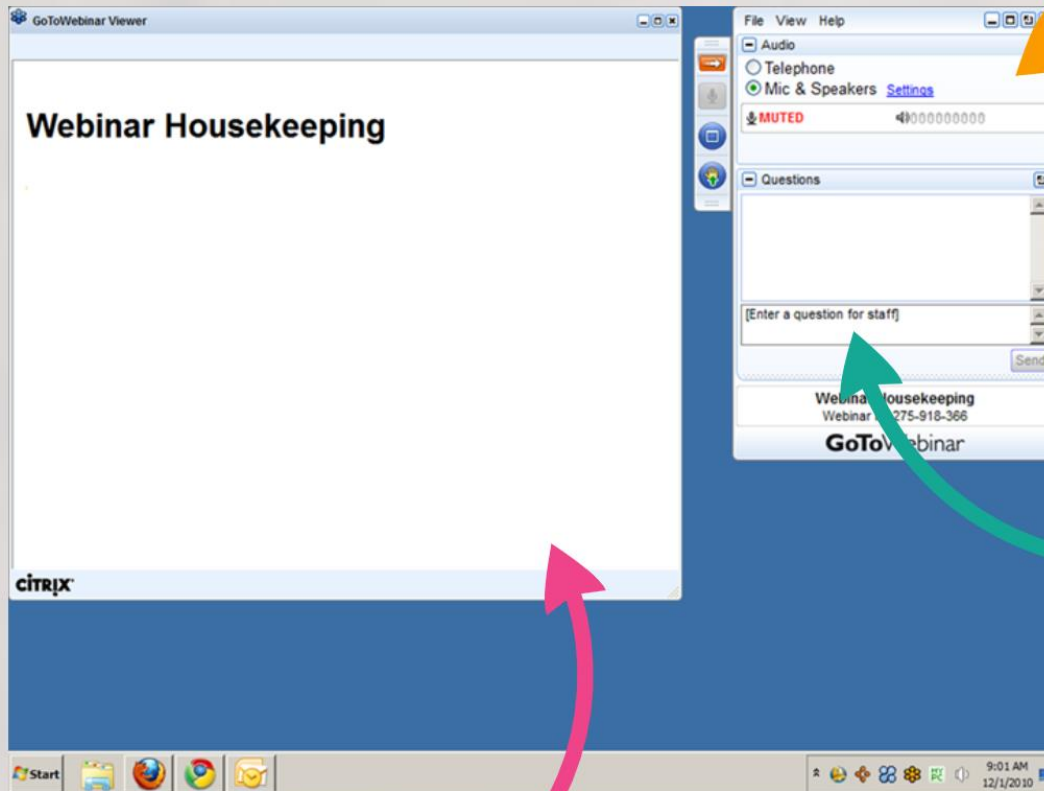
You should be seeing our screen

Audio is through your computer or phone but the audience is muted.

Please ask questions at any time. We'll try to get to all of them at the end of the webinar.

*Your
Screen*

Your Screen



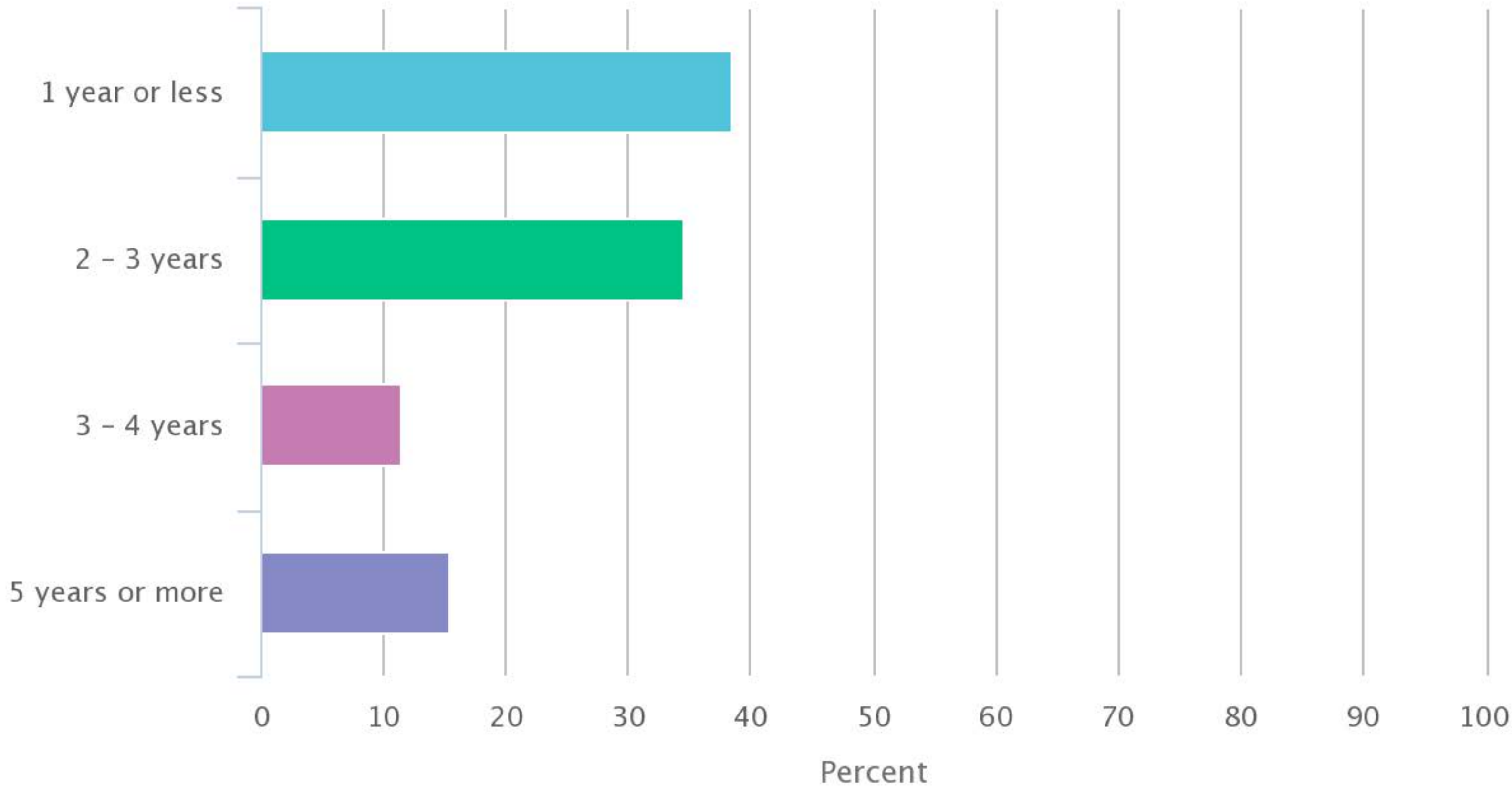
This is your control panel. The audience is muted so if you hear us all is well!

Have a question?
ASK!

Type it **here** and we'll try to make time at the end to answer. Or if it's really important to the topic we're covering we may answer it right away.

You should be seeing our mirrored screen **here**

How many years into the future does your EDO have stable funding commitments?



Long-Term EDO Funding

- Why focus on this topic?
 - Once stable and sustainable funding is in place it should allow the EDO staff to fully focus on economic development topics

Key Topics

- ① Understanding your funding needs
- ① Sources of funding
- ① How to secure funding

Stable and Sustainable

- ◎ Goal is to create a stable and sustainable funding model
 - Stable – funding amount doesn't have large fluctuations year over year
 - Sustainable – sources of funding are not stretched too thin
- ◎ Grant funding is not stable or sustainable.

Understanding Your Budget

- ① How do you use your funds?

- Operations
- Programs
- Projects

Operations vs Program/Project Funding

- ⦿ Operations (our focus today)
 - Salary/Benefits
 - Office expenses – phone, copier, etc.
 - Travel
 - Promotion
 - Etc.
- ⦿ Program/Project funding is a little different
 - Grants are sometimes available to get programs or projects off the ground

Sources of Funding

- ⦿ Government
 - City
 - County
- ⦿ Memberships
- ⦿ Property rental
- ⦿ Project profits
 - Housing rehab, land sales
- ⦿ Capital campaign
 - Good tool but similar to grant funding...(not stable or sustainable)

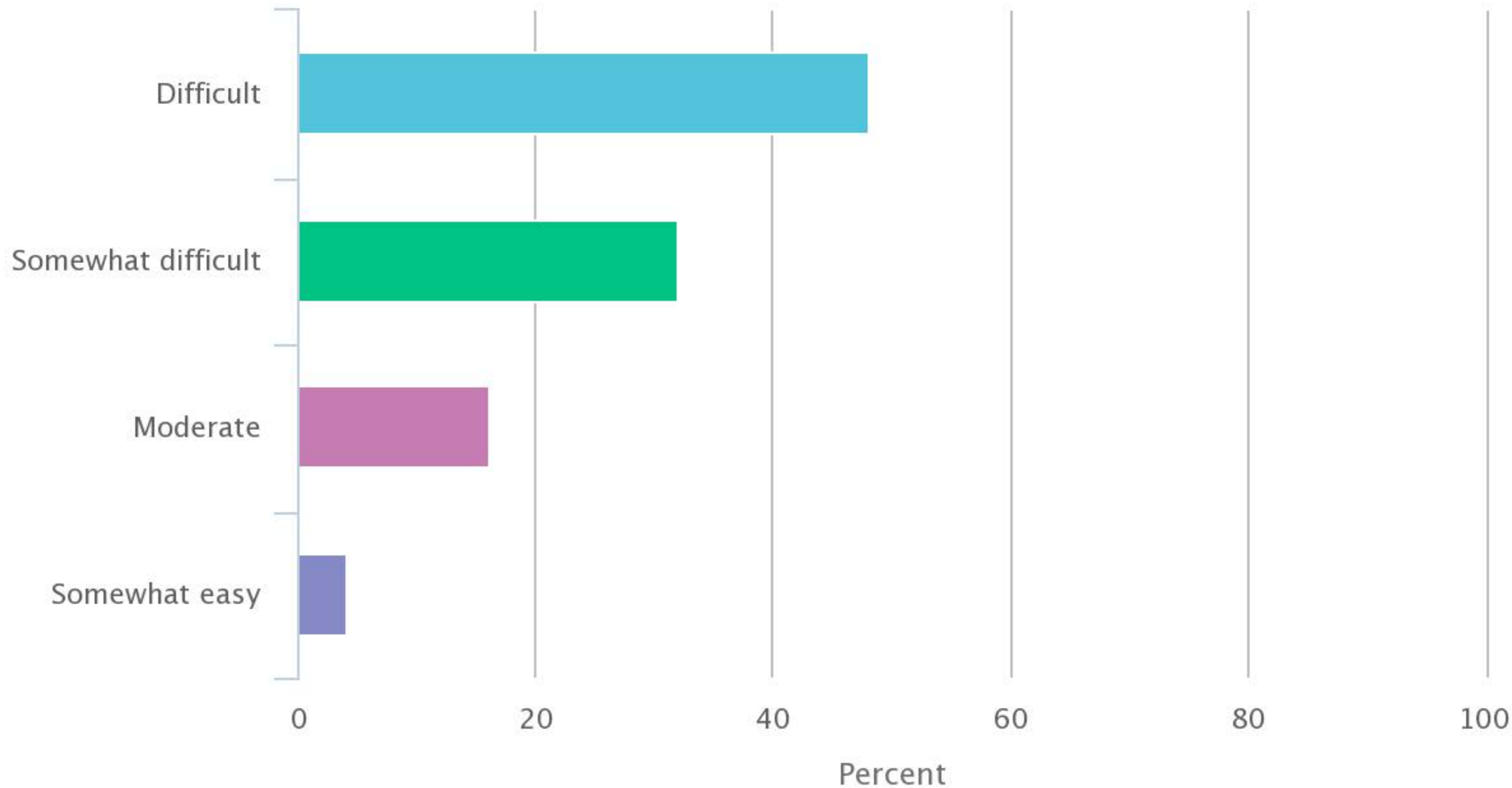
EDO Organization

- ⦿ 501(c)(6) – non-profit business league
 - Does not allow for tax deductible donations
 - Unlimited lobbying
- ⦿ 501(c)(3) – non-profit charity
 - Does allow for tax deductible donations
 - Limited lobbying
 - Important for capital campaigns
- ⦿ Consult with your attorney

Regional Opportunities

- Having a regional office that serves more stakeholders may be a way to gather sufficient funding
- Especially in rural areas where smaller communities cannot afford their own EDO
- Several regional EDOs currently operating within the state

How difficult or easy is securing long-term funding for your EDO?

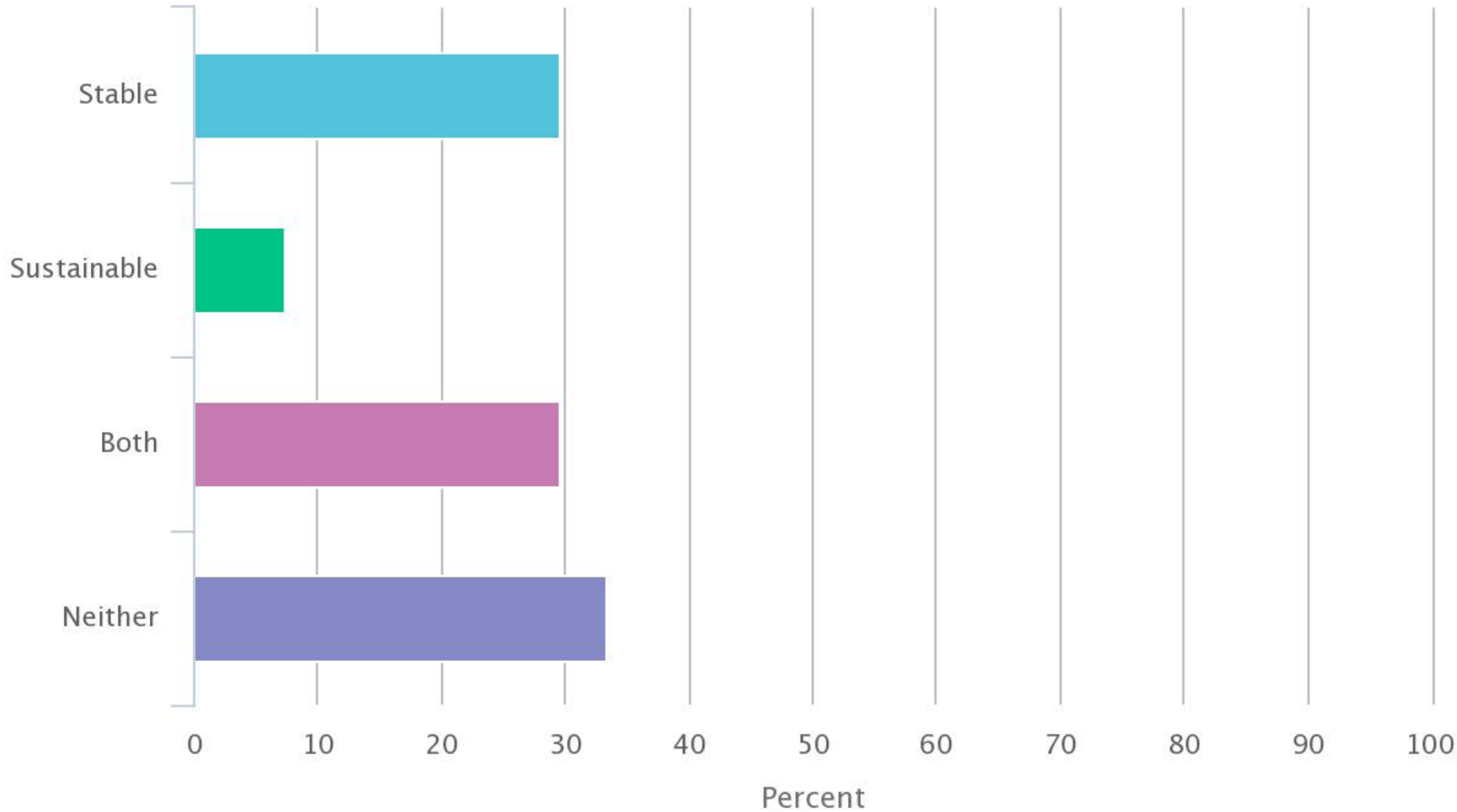


Webinar Guest

Scott Amundson

- Community Development Representative for GOED
- 10+ years at Glacial Lakes Area Development in Britton

Is your current EDO funding:



How to Secure Funding

- ① Define your EDO
- ② Create Value
- ③ Communicate your Value
- ④ Board Member Involvement

Define your EDO

- Mission
- Goals
- Strategic plan
- Area that you serve
- Programs and services that you offer

- Economic development – help create good jobs, grow the tax base, improve quality of life for all citizens

Create Value

◎ CARE

- Business Creation
- Business Attraction
- Business Retention
- Business Expansion

◎ BRE visits

◎ RFI responses

Create Value

- ⦿ Connector – resources and partners
- ⦿ Facilitator – housing, incubator space, TIF, etc.
- ⦿ Youth engagement
- ⦿ Be involved and supportive in the community

Communicate your Value

- ◎ Build “the list” – This is important!
 - Comprehensive list of the positive impacts of your EDO
 - Should include the entire life of your EDO
 - Have a hard copy in a nice binder “at the ready”

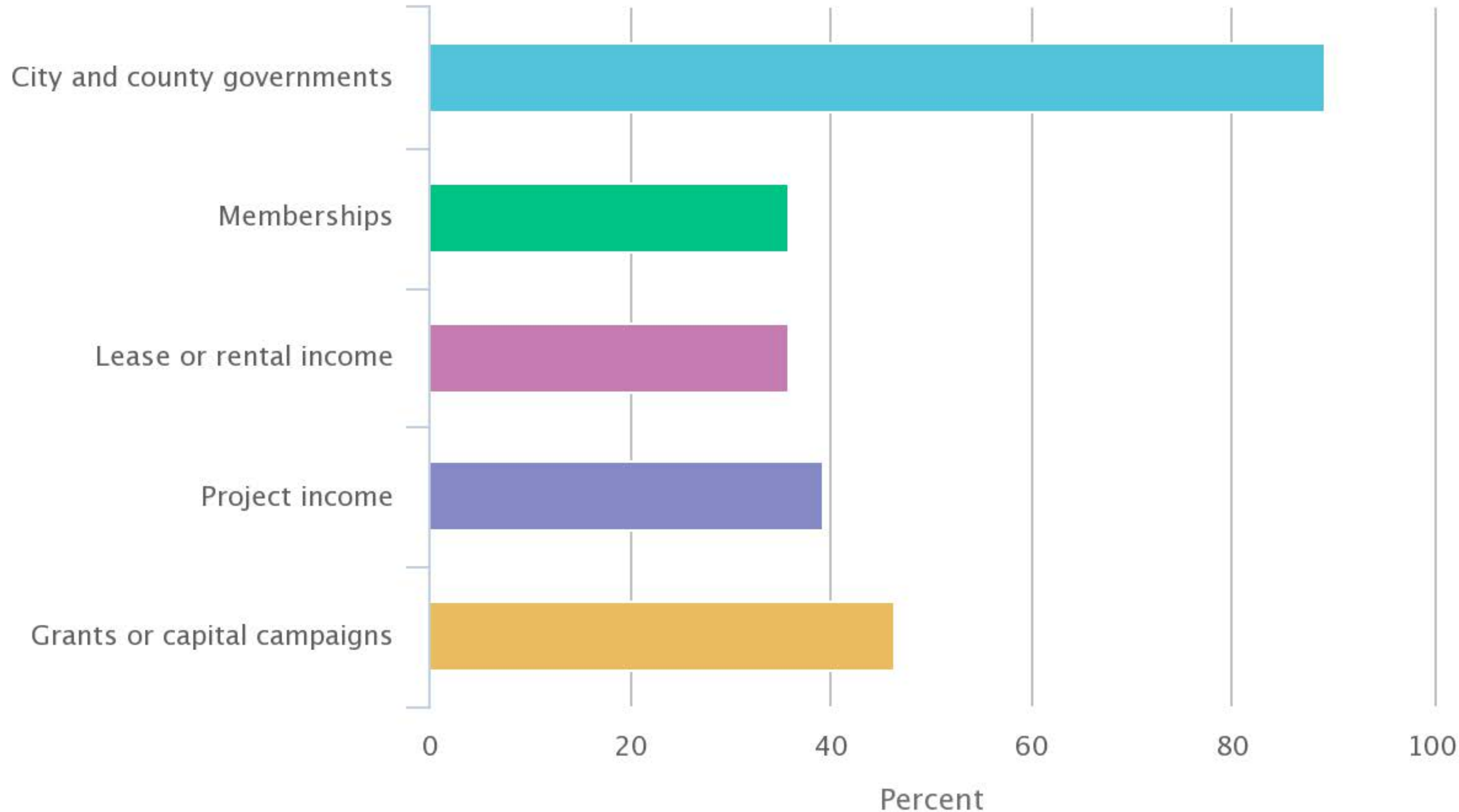
Communicate your Value

- Use “the list” when appropriate
- Newsletter
- City council and county commission meetings
- Newspaper articles
- Annual meetings

Board Member Involvement

- ① The active involvement of your EDO board members is a key to success in securing long-term funding
- ① They are community and business leaders
- ① They know and can relate to other key people in the community

Where does your EDO get its operational funding?



Q&A

Economic Development Overview

- ⦿ The next ED Overview in Pierre is scheduled for October 18, 1 p.m. – 4 p.m. Central
- ⦿ Anyone is welcome to attend, but especially for new economic development practitioners or new board members
 - Or funding sources like a city council member, county commissioner, mayor, etc.