ECONOMIC DEVELOPMENT



Leadership Belle Fourche

Feb 15, 2024

Time: 8:30 a.m. - 4:00 p.m.

Location: BFDC Conference Room - 5th & Grant Plaza, 608 5th

Ave.

BFDC Board of Directors Meeting

Feb 21, 2024

Time: 7:00 a.m.

Location: BFDC Conference Room - 5th & Grant Plaza, 608 5th

Ave.

Contact us to work with our team for connections to the resources to take your business to the next level. Whether starting a new business or expanding an existing business, we can connect you with resources to help. Contact us here: 605-892-5065



In The Future Growth And
Development Of
Our Community.

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2023 was a very positive year for Belle Fourche. We recognize those community accomplishments and take a look at what is ahead. Community and economic development requires strong leadership and relationships, working together towards common goals for Belle Fourche. We appreciate our members and our wonderful turnout. That is a real testament to the future of Belle Fourche. Our board of directors has excellent people serving this community.

Thank you to all who joined us as we celebrated many successes in Belle Fourche!

- We would like to thank our Annual Meeting hosts Graps Jim, Lisa, and staff for being so great to work with.
- Very Special thank you to our community partner, <u>Black Hills Energy</u> for the co-sponsorship with us for this event.





As we head into 2024, we would like to acknowledge the retiring board members who have dedicated their time and expertise to the community development of Belle Fourche.

• Ashley Pearson of Pioneer Bank, Travis Martin of BH Title and Bob Somervold (not pictured) who served as the City of Belle Fourche liaison for two years and through the spring of 2023.

With the new year, we also have our annual election for three seats on the Belle Fourche Development Corporation board of directors. The current board has - 8 elected with staggered 3-year terms, and 4 appointed members – one each from the County, City, Chamber and School.

The following were the nominees for three (3) positions on the Board of Directors. Wendy Bowers
Travis Featherston
Meg McNeese
Falina Selchert
Jesika Floyd

All paid 2024 members were eligible to vote.

Election Results (Pictured L to R):

Jesika Floyd, Heartland Home Health Wendy Bowers, Pioneer Bank & Trust Travis Featherston, DGR Engineering



At the January 17 Board of Director's Meeting at 5th & Grant Plaza 2024 officers were appointed: Wendy Bowers – President Karen Wagner – Vice President Levi Buck – Secretary Renae Schaeffer - Treasurer

At our annual meeting, we have the honor of recognizing businesses who have located their business in Belle or reinvested in an existing business. Over the past 9 years, we have had over 95 businesses in these categories! <u>In 2023</u>, Belle Fourche welcomed <u>4 NEW BUSINESSES</u>!

- 1. Hot Shots is a small Belle Fourche family business owned by the Mondillo family. It is located on the corner of 5th & Grant Street and specializes in Homemade Ice Cream & Fudge. Greg and Karen also offer coffee, lattes, boba tea, breakfast items, sandwiches, hot dogs & chili dogs, homemade peanut butter, gourmet popcorn, & freeze-dried foods.
- **2. Tri State Medical Center** opened in November of 2023. Vanessa Kudlock saw a need for more health care options in the community and she made it happen! With the help of her husband and family, they turned the clinic into a "homey" facility for patients. The goal of the clinic is to provide quality care with a touch of hometown feel. Vanessa wants every patient to feel like they are more than just a number in a large corporation. She started her medical journey after graduating high school in 2006 and hasn't looked back since. Tri State Medical Center offers many services for men, women, and children. With Vanessa's extensive knowledge and background in healthcare, the community and surrounding areas will be served with the utmost respect, commitment, and care. Tri-State Medical Center, PLLC - is located at 2398 5th Avenue Suite 101 in Belle Fourche.
- 3. With the expansion of Prairie Hills Pharmacy, Belle Fourche was blessed with a new business located inside! Crazee Cow Ice Cream is located at 600 State St. in Belle Fourche. If you haven't been inside to see the beautiful remodel of the building, it is well worth your while! The pharmacy is complimented by a gift store and the delicious ice cream. From Cindy Cowan of Crazee Cow: Cheryl and I always dreamed of having an old-fashioned pharmacy, so we needed an ice cream counter.

When moving to the Wells Fargo location, we were able to add this. I went to ice cream school, and everyone's response was "you're crazy!" Hence the name Crazee Cow Ice Cream. It's another business venture, but the most enjoyable part is being able to see customer's smiles and new memories being made while they enjoy eating ice cream!

4. In the Black Bookkeeping & Payroll Services LLC -



located at 1113 5th Avenue in Belle Fourche opened its doors in January of 2023 and is owned by Megan Erk and Cassie Richardson. In the Black offers bookkeeping, payroll, quarterly reports, sales tax, and excise tax reports. (not pictured)

We'd also like to give special thanks to:

- The City of Belle Fourche for their continued investment in the appearance, infrastructure and amenities that help expand business opportunities for our community.
- NeighborWorks for their continued emphasis on housing for Belle Fourche with a significant investment in homes and programs, including - Paint the town, new homes, rehab projects, first time homebuyer education and special financing opportunities.

SPECIAL RECOGNITION LINDSTAD ALIGNMENT

In 1945, his dad started the business in Belle Fourche, and in 1950, after graduating from high school, Wayne Lindstad attended the Bayer alignment school in Rock Island, Illinois before he joined the family business.

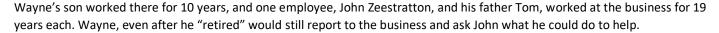
His dad always said, "treat the customer like you want to be treated." Wayne Lindstad kept that philosophy in his training of employees and as he worked the business for 78 years. He only missed 3 years when he served in the coast guard in New Jersey.

Lindstad's Alignment has always been a family business.

Wayne's dad, Emil, worked at the business for many years.

Wayne's mom was the bookkeeper and trained Wayne's daughters to also do the books. His

daughters Sherri and Wendy did the books starting in high school and continued until they closed the business on December 29th, 2023.



Over the years, the business had 4 employees. In recent years, they got down to 2 employees and couldn't get back up to 4.

I heard in Wayne's voice how proud he is of his family. He raised good kids. Wayne was married to his first wife and mother to their 4 kids, for 41 years. They met at boot camp.

Wayne remarried some years later and was with his second wife until her passing 6 years ago.

I asked Wayne how young he was. 92 was the reply. From there, he proceeded to share what his active interests were. Wayne, at 56, I couldn't keep up with your busy lifestyle. He doesn't sit around. During his lifelong career, Wayne was able to vacation and enjoy one of his passions – fishing. He would take 3 trips a year to Canada and guide for fisherman in remote areas accessed by a float plane.

Music is his other love. It started when he was a junior in high school. He and his band, the Rhythmaires, played around the tri state region. He played in the coast guard band and continued with the Rhythmaires when he returned home. Over the years he remained active in bands and after he semi-retired, he was with the Texan Medicare Band. He made and sold CDs of the band's music. During his second marriage, he and his wife went to Oregon, and he played in a jazz band. Music was his medicine.

Waynes kids made him a book on the family for his 90th birthday. Given all that Wayne and his family have done, I bet this is quite a treasure.

Wayne, we are thankful for the years your business served our community. Belle Fourche was blessed to have you and your family here making a difference. Please join me in thanking Wayne Lindstad for his 78 years of business in Belle Fourche.



City Finalizes Sale of Liquor Store

Only 2 Municipally Operated Liquor Store Remain In SD

Lacey Peterson / news@bellefourchebeacon.com

BELLE FOURCHE — After many decades of managing Belle Package Liquor in the community, the city is out of the liquor business.

During its Nov. 20 meeting, the city council approved a resolution to enter a municipal operating agreement for a period of five years with BW Gas & Convenience Holdings, LLC, doing business as Yesway, finalizing the sale. Included with the sale were \$300,000 worth of assets transferred to Yesway, which officially took over Dec. 1.

The city received only one other offer to run the liquor store, from Dacotah Group Inc.

Yesway purchased off-sale liquor licenses for both the liquor store and its current location on Fifth Avenue.

The city also approved offsale operation agreements and licenses for CBH Cooperative and Dakotamart Inc., doing business as Lynn's Dakotamart Belle Fourche. Now, people have four different locations around the community to purchase liquor.

In addition to requiring the four new license holders pay \$35,000 to acquire an initial license, with a \$5,000 annual renewal fee, the entities are mandated to hold general and liquor liability insurance coverage at a minimum amount of \$1,000,000 per occurrence and \$2.000,000 aggregate.

Years in the making discussions about whether the municipality should operate a liquor store have been ongoing for many years and commonly simmered into heated debates. Ward 3 Councilman Larry Schmaltz told the Beacon that he chose to serve as a supporter of the decision to sell, adopting the matter, and its anticipated challenges, upon his April 2022 election onto the council.

"It's something that I came (onto) the council wanting to do when I'd decided to run," he said. "I had the belief ... (that the) government's job is to provide taxpayers what the citizens or business entities can't provide for them."

Having grown up in Belle Fourche, Schmaltz shared an anecdotal memory of an occasion in his adolescence when he accompanied his father on a trip to the liquor store, later inquiring who owned the business.

After his father told him the city owned the operation, Schmaltz recalled feeling puzzled.

"And I said, 'That doesn't make sense; why would they (the city) own a liquor store,'" he said.

And now, approximately 50 years later, Schmaltz said his opinion hadn't changed.

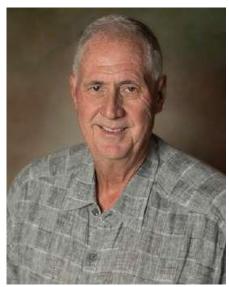
"It's been on my mind that long," he said.

Although unsure about theexact time frame related to when the city opened the business, Schmaltz said its been since at least the 1940s or 1950s. He said the liquor store was opened sometime after the repeal of Prohibition, a 1920 constitutional amendment which federally outlawed the manufacture, sale, and transportation of alcohol.

In 1933, approximately four years into the Great Depression, the 13-year ban was lifted with the aim of garnering tax revenues for already strapped federal, state, and local government agencies.

"... with Prohibition ending and so many municipalities, especially smaller municipalities, (opened a liquor store) just to be able to number one, open liquor stores, and secondly to have a cash flow stream because nobody else could do it," he said.

The support infrastructure that municipalities and other governing entities commonly provide for its residents are commonly referred to as "city services." Examples of this refer to basic services that residents of a community expect their local government to provide in exchange for the taxes paid by its citizens. Commonly, those include sanitation services like sewer and refuse disposal, water, streets, public libraries, fire department and police services, etc.



LARRY SCHMALTZ

Schmaltz said he believes that a city's operation of a liquor store does not fall within the types of social infrastructure which should be provided to people by their city governments.

"(Common types of city services) are things that private industries and people cannot provide for themselves, so the city has to," he said. "This is something that I don't feel the city should compete with businesses that want to be in business in Belle Fourche."

After decades of back and forth consideration, Schmaltz said that persistence is what led to closing the deal on the liquor store issue.

But it wasn't easy.

When he and other proponents resurrected discussions related to privatization approximately 18 months ago, Schmaltz said they hit a roadblock immediately. Some members of the public were not in support and created push back onto the city and council.

"People thought, 'Oh, the liquor store makes so much money, how could you possibly do that?'" he said.

However, Schmaltz said that financial figures showed that the city's operation of the liquor store didn't bring in as much revenue as some had previously thought. Although the store retailed around \$1.8 million in recent years, Schmaltz said the actual profit was only about \$100,000, less than 5% of net revenues annually.

Additionally, those net revenues hadn't yet accounted for additional expenses related to the administrative costs of work done within the city's departmental oversight including offices of legal finance and human resources, administrative meetings, etc.

The limited financial reward was not proportionate to the risks associated with operation, he said.

As with private alcohol retailers, city-operated liquor establishments can be held legally and financially liable for instances resulting in death or injury due to alcohol consumption.

Most have heard about cases in which bar or restaurant operators have been held responsible for alcohol-related issue in the context of a DUI or drunk driving incident. However, liquor liability coverage cases can also include assault and battery charges and others not associated with operating a vehicle.

"That's now our liability because we screwed up," he said, referring to a theoretical example like those mentioned above.

Under the new privatized liquor operations, the city still owns the liquor licenses and will employ operation agreements with retailers. Establishments are required by state law to carry liquor liability insurance coverage. Because the city still owns the liquor licenses, the municipality is required to be named on the retailer's insurance policies as an additionally insured party. To protect the interests of the city and its taxpayers, indemnification clauses have been built into the operations agreements to shield the municipality from potential future financial consequences resulting from liability claims filed against a retailer.

Although more commonplace in years past, most municipalities have gotten out of the liquor business.

"Everybody but Belle Fourche, Sturgis and Brookings has moved away from that model and into the private industry model, and its worked out extremely well for all of them," Schmaltz said.

And, he said the city will continue to receive sales tax revenues from the contracted-out sales, with less oversight obligations.

In addition to the host of benefits that privatization would offer, Schmaltz shared a cherry that will soon top off the topic. In the more immediate future, Schmaltz also shared considerable short-term benefits of securing operation agreement incomes from four different sources, a buyout of the existing liquor store, and the opportunity to reallocate approximately \$750,000 worth of funds saved to pay for emergency circumstances related to the store's operation.

As of Jan. 1, 2024, Schmaltz said the city will have \$1.2 million to use on several upcoming projects such as building an addition at the Tri-State Museum and Visitors Center, the construction of a new police station, or upgrades to the wastewater treatment system which will be required in about five years. "The city has one less thing to worry about and we can focus more on things that the public or private industry can't provide for themselves, and I think that's what the city needs to be good at," Schmaltz said.



Belle Fourche Development Corporation

2024 Investment Campaign ~

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MEMBERSHIP FORM

See page 2 for investment benefits and payment options

Page 1

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 - ~ member name listed & social media shout-outs
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 - ~ member name listed

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Page 2