

9 Ellsworth Development Authority FY13 Annual Report

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Ellsworth Development Authority

FY 2013 Annual Report

FY2013 Activities Review

During FY2013, SDEDA implemented several initiatives consistent with its legislative purpose and mission,

- "To make sure that the Great State of South Dakota is always a Great Place for the U.S. Department of Defense to conduct its essential national defense mission at Ellsworth Air Force Base.
- To work hand in hand with local governments, the private sector and property owners to promote the health and safety of those living or working near the base.
- To protect and promote the economic impact of Ellsworth Air Force Base and associated industry.
- To work with the Base and local communities to prepare for additional growth in missions at Ellsworth Air Force Base."

To these ends, SDEDA execute the following projects

Regional Wastewater Treatment Plant (RWWTP)

SDEDA finalized design plans, received bids and awarded the construction of the Regional Waste Water Treatment Plant. Construction of the Wastewater Treatment plant began in February 2013. The plant will be a 3 million gallon per day treatment plant and will serve the long term bulk sewage treatment needs of EAFB and the City of Box Elder. Both the EAFB and Box Elder current lagoon systems are out of compliance with EPA standards and must be replaced. It is estimated that one 3 million gallon per day plant will save 8.8 million dollars versus building two 1.5 million gallon per day plants – one for EAFB and one for the City of Box Elder.

In addition, SDEDA finalized the design, received bids, and awarded the construction of a sanitary sewer interceptor line that will carry wastewater from EAFB to the new treatment plant as well as extending the Box Elder water system out to the treatment plant. Construction of these projects will begin in July 2013.

Compatible Use Project

During FY 2013, SDEDA applied for and received a Readiness and Environmental Protection Initiative Grant for \$1 million to both protect the health and safety of those currently living within APZ1, APZ2, and high noise contours as well as remove incompatible development that is currently within these areas. These funds will be spent in early FY 2014 to purchase properties of residents that are currently incompatible with EAFB. SDEDA will put easements on the properties to ensure they remain compatible and then, in the future, redevelop those properties

with a compatible use. During FY 2013, the State of South Dakota legislature contributed \$200,000 to use as matching funds toward the purchase of these properties.

Additionally, SDEDA worked to support local jurisdiction efforts to establish updated rules and regulations for compatible civilian development surrounding EAFB. SDEDA worked with the City of Box Elder to establish zoning and overlay districts to restrict incompatible development in accordance with the Air Installation Compatible use Zones Guidelines (AICUZ).

SDEDA regularly meets with EAFB and local jurisdictions to plan and encourage compatible development consistent with AICUZ guidelines.

Land Development

SDEDA completed the transfer of just over 170 acres of land to SDEDA from the Department of Defense via U.S. Congressional legislation which passed and was signed by President Obama during 2009. Approximately 20 acres of this land has been transferred to the Douglas School District to expand its educational campus and another 5+ acres has been sold to the city of Box Elder for future compatible development. Two of the smaller parcels totaling approximately 5 acres, known as South Nike and 11000 Communications Annex, have been sold.

One Hundred Twenty (120) acres known as Renel Heights is designated for a commercial development and the city of Box Elder has approved a request to change the zoning from Residential to Commercial. In addition, SDEDA currently has a 2 acre parcel within Renel Heights platted and under contract to be sold to a retailer.

Freedom Estates

During FY 2012, SDEDA purchased 230 Acres known as Freedom Estates on the southeast corner of I-90 and exit 67 using funds from HUD's Neighborhood Stabilization Project. This land has been planned as a multi use development including residential, commercial, and industrial. During FY 2013, SDEDA completed a 12 home residential development for low income housing. These houses are now for sale to families that meet certain income criteria and during FY 2013 SDEDA sold the first 2 houses. The remaining 10 homes are anticipated to be sold during FY 2014.

In addition to the 12 homes completed, SDEDA applied for and received a grant from the South Dakota Mortgage Settlement Fund for \$270,777. SDEDA is using these funds to develop 12 additional lots within the Freedom Estates development. These lots will be sold to further assist low income residents.

Urban Training Center

During FY 2013, SDEDA partnered with EAFB and the SD National Guard to build an Urban Training Center in northwest South Dakota. The Air Force designed the training center, the State of South Dakota contributed \$50,000 for the purchase of materials, and the SD National Guard transported the materials and constructed the center.

Financial Overview

During FY2013, SDEDA did not receive any funds from the South Dakota General Budget. Funding source for projects were received from grants or funding that was specifically designated for individual projects. Funds for general operations came from multiple sources including a \$150,000 grant from the Governor's Office of Economic Development, a \$100,000 donation from local businesses via the Future Foundation, sale of land received from the Department of Defense, and funds carried over from FY 2012.

Signed: _____
Patrick Burchill, Chairman

Signed: _____
Kent Mundon

Signed: _____
Kenny McNenny

Signed: _____
Michael Bender

Signed: _____
Stanley Porch

Signed: _____
Mark Roby