

A Half-Century of Serving South Dakotans

For more than half a century, the three nonprofit organizations comprising GROW South Dakota have fulfilled a vision of “GROWing sustainable communities through housing, community and economic development.” In 1966 the Northeast South Dakota Community Action Program (NESDCAP) was established as a Community Action Agency in the War on Poverty and has served thousands in 17 counties with emergency services as well as various housing programs. In 1978, NESDCAP created the Northeast South Dakota Economic Corporation (NESDEC) as a revolving loan fund to focus on small business lending and job creation in 22 counties. In 2007, Grow South Dakota, was formed to provide housing, community and economic development statewide. Through services to individuals, technical assistance to community and economic development agencies, and loans to small businesses and homebuyers, GROW South Dakota has had broad and lasting impact.



The GROW South Dakota organizations have had a remarkable few years!



- NESDCAP, our founding agency, celebrated 50 years in 2016 and reached over \$73.2 million in housing impact across numerous program areas.



- NESDEC celebrated 40 years in 2018, making over 2,000 business loans worth more than \$71 million that created or maintained over 12,400 jobs.



- Grow South Dakota celebrated its 10th anniversary in 2017 and deployed more than \$5 million in down payment assistance to hundreds of homebuyers in less than two years.



See inside for a snapshot of 2018 and a look at the big picture of more than 50 years.



GROWing sustainable communities through housing, community and economic development.

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CHARTERED MEMBER



Faulkton Elevator Mural



As part of its growing effort to incorporate arts and culture into community and economic development projects, GROW SD sought and received a grant from Rural LISC to support the Faulkton grain elevator mural project. Guido van Helten, an Australian artist who specializes in large public artworks, came to

the small South Dakota community in 2018 to paint a unique vision of life on the prairie on the agricultural landmark. The project received significant local support and garnered widespread media attention.

Rural LISC grants also supported affordable housing and capacity building with GROW SD.

GROW SD Awarded Housing and Business Loan Funds

In fall 2018, GROW SD was awarded \$1.45 million from the U.S. Treasury's Community Development Financial Institutions (CDFI) Fund. Grow South Dakota and the Northeast South Dakota Economic Corporation (NESDEC), both of which are certified CDFIs, received the awards:

- \$950,000 will support direct lending program for housing mortgages, including \$250,000 to focus on South Dakota counties the CDFI Fund identifies as areas of persistent poverty.
- \$500,000 will be dedicated to small business lending to support job creation.

Also in fall 2018, GROW SD received over \$370,000 from the South Dakota Housing Opportunity Fund:

- \$165,000 for rural down payment loans.
- \$98,553 for urban down payment loans.
- \$110,000 for rural home improvement grants.



GROW SD builds three single-family homes in Sisseton.

In 2018, with funding from Project Reinvest, GROW South Dakota built three single-family homes in Sisseton, with a goal of reinvigorating the slow housing market in the community.

Grant Addresses Veterans and Homelessness

In 2018, GROW SD implemented a grant from the Bring Them HOMES Veterans Initiative of the National Equity Fund for a pilot program to support low-income veterans and veterans at risk of homelessness. The grant helped improve five homes with grants averaging \$5,000, which were leveraged with other funds. In addition, 32 households including 40 individuals received emergency assistance for utility bills, rent, and other urgent needs. The grant was funded by the Citi Community Development.

NeighborWorks America Supports GROW SD

GROW SD is a chartered member of NeighborWorks America (NWA), the national affordable housing and community development organization. GROW SD benefits from significant support from NWA in the form of grants, training, and other benefits. In 2018, GROW SD received grants to support business loan automation, cybersecurity, local community development, affordable housing lending, training, travel, and other activities.

Grants from the Wells Fargo Housing Foundation and the South Dakota Housing Development Authority supported GROW SD homebuyer education during 2018.

State Farm® Grant Supports Business Assistance

A Good Neighbor Citizenship Grant from State Farm allowed NESDEC to provide technical assistance (TA) to dozens of business borrowers. Loan officers provided more than 200 hours of TA for 41 businesses. Each business has different needs, but generally, TA comprises support for starting or expanding a business before, during, and after financing.

The TA helped Travas Uthe, owner of Trav's Outfitter in Watertown, to plan for and finance a new building seven times larger than his previous shop to offer the shoes, clothing and accessories required for a range of styles, hobbies and professions. Trav's posted a note on GROW SD's Facebook page in gratitude: "Thank you, @GROWSouthDakota, for your incredible help with our new building!"

BIG Idea Competition 2018

The 2018 BIG Idea Competition, which invites high school students to submit business ideas, drew 244 entries involving 356 students from 35 schools. The winners of the high school business idea competition earned over \$14,000 in cash and scholarships.



The winners received cash prizes and scholarships offered by Northern State University, Presentation College, and the South Dakota School of Mines & Technology. In addition, several other awards were presented.

The competition is coordinated by the Small Business Development Center. Sponsors included Sanford Health, East River Electric, REED Fund, Dacotah Bank, Midwest Ag Supply, First Bank and Trust, Northern State University, Presentation College, Aberdeen Development Corporation, McQuillen Creative Group, Northwestern Energy, Angelhaus, CREATE, MIDCO, the Tom and Danielle Aman Foundation, and GROW SD.

GROW Staff Earn Business Awards



CEO Lori Finnesand received the 2018 "Women Empowerment and Entrepreneurship" award at the Small Business Administration banquet in spring 2018.



Consultant Carla Burns accepted the "Score Resource Partners of the Year" award on behalf of herself and Kelly Weaver for the Small Business Development Center, Aberdeen, for which GROW SD is the fiscal sponsor.

GROW SD Boards Conduct Strategic Planning

All three GROW SD boards of directors—for NESDCAP, NESDEC, and Grow South Dakota—reviewed and updated their strategic plans in 2018. Each board refined the specific goals and objectives for their organization and specified targets in the three-year plans for the business and housing lending programs, real estate and property management, and operational procedures. GROW SD staff will monitor progress toward the goals and report regularly to the boards.











GROW SD in Bush Foundation Report

The Bush Foundation's recent report on Bush Prize Winners featured GROW SD, a 2016 winner.



GROW SOUTH DAKOTA 1966-2018

by the numbers

<p>BUSINESS LENDING</p> <hr/> <p>\$77.9M</p>  <p>in business loans by all agencies</p>	<p>BUSINESSES</p> <hr/> <p>1,320</p>  <p>businesses served</p>
<p>JOBS</p> <hr/> <p>13,120</p>  <p>jobs created</p>	<p>JOBS PER LOAN</p> <hr/> <p>6.11</p>  <p>jobs created per loan</p>
<p>HOUSING LENDING</p> <hr/> <p>\$12.1M</p>  <p>in all housing loans</p>	<p>HOUSEHOLDS</p> <hr/> <p>891</p>  <p>households served</p>
<p>WEATHERIZATION</p> <hr/> <p>7,376</p>  <p>homes weatherized for</p> <p>\$24.6M</p>	<p>HOME IMPROVEMENT</p> <hr/> <p>1,964</p>  <p>homes improved for</p> <p>\$10.7M</p>
<p>DOWN PAYMENT LOANS</p> <hr/> <p>461</p>  <p>loans closed October 2017-September 2018</p> <p>GROW SD received more than \$5 million in grants for this purpose.</p>	<p>HOMEBUYER EDUCATION</p> <hr/> <p>16,151</p>  <p>Households received financial & homebuyer education</p>