

2025



# Annual Report

*GROWing sustainable  
communities through  
housing, community, and  
economic development.*

# A message from the CEOs

## *Lori Finnesand & Marcia Erickson*

As we reflect on 2025, we do so with deep appreciation for the resilience, collaboration, and shared commitment that sustained GROW South Dakota throughout a year marked by uncertainty and change. The progress achieved this year reflects the collective efforts of our staff, Board of Directors, donors, partners, and policymakers. Their leadership, collaboration, and continued support made it possible to advance our mission and respond to evolving community needs across the state.

### **Growth**

Despite shifts in the federal funding environment and broader economic conditions, GROW South Dakota remained financially and operationally strong in 2025. We secured \$13.6 million in funding, including \$3.7 million to support our business and housing lending programs. These resources helped small businesses grow and expand, supported first-time and returning homebuyers, and sustained critical community programming. Continuing to serve communities during a challenging year speaks to the strength of our partnerships and the trust placed in our work.

### **Innovation**

We also took important steps in 2025 to strengthen our organizational capacity. The completion of the first phase of planned technology enhancements is already improving operational efficiency and service delivery, with additional improvements planned for 2026. These investments support our staff, streamline internal systems, and enhance the experience of the communities we serve.

### **Resilience**

Adaptability remained essential throughout the year as funding uncertainties required thoughtful planning and flexibility. GROW South Dakota's ability to remain stable, responsive, and mission-focused during this time reflects the dedication of our team and board.

### **Looking Ahead**

As we move into 2026, we are well-positioned to implement a new five-year strategic plan, expand community outreach, sustain strong lending activity, and grow our financial and digital literacy programming. With a clear vision and a strong foundation, we remain committed to strengthening South Dakota communities now and in the years ahead.

# Housing



## Mortgage Lending & Down Payment Assistance

Our housing lending program supports individuals and families in making their dream of homeownership come true by financing home purchases and providing down payment assistance. In 2025, we were able to assist 28 first-time homebuyers with loans to purchase a home, lending a total of \$1,091,095.

## Homebuyer Education

In the homebuyer education program, we provide information to potential homeowners on purchasing a home, securing financing, understanding credit, and much more. This education is offered through an online platform or one-on-one sessions.

- 69 homebuyers completed homebuyer education training

## Financial Coaching

Individuals are offered one-on-one coaching for pre-purchase, rental, and financial management for homeowners. Coaching includes: creating an action plan, developing a budget, and setting follow-up goals personalized for each individual.

- 37 individuals completed this program



The South Dakota Community Foundation (SDCF) awarded a \$30,000 South Dakota Fund grant to the Northeast South Dakota Community Action Program (NESDCAP). Funding will assist with expanding the Financial Literacy Program by enhancing education, increasing awareness, and providing essential tools and resources for continued learning.



## GROW South Dakota Empowers a Young Couple to Build a Future

When Hannah applied for a mortgage loan through traditional financing, she was denied. Despite having an established credit line, her fiancé had no credit history, and the property they hoped to purchase—a farm site—made securing a loan even more difficult.

Thankfully, the loan officer referred Hannah to the housing lending team at GROW South Dakota. They were able to receive homebuyer education and mortgage assistance tailored to their situation. With this support, Hannah and her fiancé were able to overcome the barriers standing in their way and successfully purchase their dream home.

# ECONOMIC DEVELOPMENT

## Business Lending

The business lending program provides loans to finance new and existing borrowers throughout the state. In 2025, 50 loans totaling over \$5.5M in funding were made to 44 businesses statewide. The average loan amount was over \$110,541.

## Business Coaching

Business coaching is offered to new and existing borrowers to provide them with the knowledge and skills needed to be successful business owners. Our coaching is offered through a virtual platform as well as individually. Topics include QuickBooks, Canva, AI in Marketing, plus many more.

## The Small Business Development Center (SBDC)

The SBDC offers no-cost, confidential business management consulting services to support potential and existing businesses in SD in developing their business plans, preparing financial projections, etc., as well as providing basic business training to help them become more successful. Throughout 2025:

- 155 clients received consulting services
- \$4.93 million in capital was obtained
- 63 jobs were created/retained
- Two businesses were purchased & four new businesses were created
- 530 clients received 741 hours of training



With the challenge of safe and affordable housing affecting many communities, William was determined to make a difference in the town where he grew up. He reached out to GROW South Dakota to inquire about a business loan to purchase and renovate rental homes.

Thanks to funding received through GROW South Dakota's business lending program, William successfully acquired and renovated multiple rental properties within the community.

The financing not only supported the purchase and improvements of these homes, but also enabled him to generate additional income.

“Without the flexibility and ease of GROW and their staff, I'm not sure that I would own 14 rental properties today.”



The Wells Fargo Foundation announced a \$1 million philanthropic investment to support small business growth across South Dakota, with a focus on empowering entrepreneurs in rural and tribal communities.



GROW South Dakota received a \$1,000,000 loan from Opportunity Finance Network, enabling GROW SD to continue to provide both technical and financial assistance for community development projects.

# Digital Literacy

The Digital Literacy Program had a phenomenal year. Over the course of 2025, our team traveled to 22 communities, delivering in-person classes on Identifying Fraud and Cybersecurity, as well as providing hands-on training to those in attendance. In addition to the in-person classes, nine virtual trainings helped to expand our reach. These trainings reached a combined total of over 900 individuals, resulting in over 1000 hours of training. The Learn to Earn a Device Program continues to distribute devices to individuals who complete and pass 10 courses on the FREE platform, NorthStar.



## From Learning to Earning: Lauren's Story of Professional Growth

Lauren, owner of Oldies Grill and Lounge in Bowdle, SD, took on the challenge of completing and passing 10 digital literacy classes through GROW South Dakota's Learn to Earn a Device Program. Through this initiative, Lauren not only gained valuable digital skills but also received a Chromebook—a tool that is already making a meaningful impact on Oldies Grill and Lounge. "I really appreciate the opportunity to participate and gain new skills," Lauren shared, reflecting on the value found in the digital literacy courses. "This device will be incredibly helpful for running my business."

# HOMEOWNER IMPROVEMENTS

## Home Improvement Program

Our home improvement program provides critical repairs to owner-occupied homes built on permanent foundations for low to moderate income households.

## Weatherization Program

Our weatherization program assists income-eligible households by installing energy-efficient measures that reduce utility costs, improve comfort, and enhance home safety. Eligibility is determined using federal income guidelines.

## Furnace Program

Our furnace program repairs or replaces furnaces that are not operating properly for eligible homeowners. Participants must meet program income requirements and be enrolled in the South Dakota Energy Assistance Program.

## 2025 Program Totals

Over 202 households and 421 individuals received more than \$1.6M worth of home improvement and energy efficiency measures.



**BEFORE**

Jessica, a single mother in Pierre, struggled constantly to keep her house warm and her utility bills manageable.

Her home needed major repairs, including new windows, siding, and roof work, as air was constantly leaking into the house. Before she found help, the windows let air in and never closed all the way. This led to high electric bills, forcing her to wrap the windows in plastic every winter. Additionally, the siding on her house was rotting and no longer protecting it.

The results have been life-changing for Jessica and her family. She reports seeing a difference almost immediately, she no longer feels cold air coming in, even when the wind is blowing, and traffic sounds are also drastically reduced.

Jessica states, "I am so blessed. My house looks and feels like a new home."



**AFTER**

# 2025 COMMUNITY NEEDS ASSESSMENT

## Summary of Key Findings

### COMMUNITY NEEDS & VALUES



**#1 Community Need**  
Affordable Homes



**#1 Housing Need**  
Single Family Homes



**#1 Digital Literacy Need**  
Basic Digital  
Literacy Skills



**#1 Most Valued  
Characteristic**  
Community/Belonging/  
Support System

### HOUSING & BUSINESS CONDITIONS



**64%** reported homes improved or stayed the same in past 3 years



**58%** reported business industry improved or stayed the same in the past 3 years

### ECONOMIC CHALLENGES



**51%** cited low wages as top causes of poverty in community



**45%** cited bad/derogatory credit for loan denial at other financial institutions

### IMPACT OF GROW SOUTH DAKOTA



98% of those surveyed believe GROW South Dakota's programs and services improve lives.

### WHO WE HEARD FROM

**Gender:** 71% were female; **Age:** 55% were between ages 40-64

**Race:** 77% were white and 16% were Native American

**Education:** 81% had some college or higher

**Housing Status:** 71% owned their home

**Public Assistance:** 20% were receiving public assistance

**Employment:** 76% were employed full-time

**Low-income HH:** 26% were an individual or household with low-income

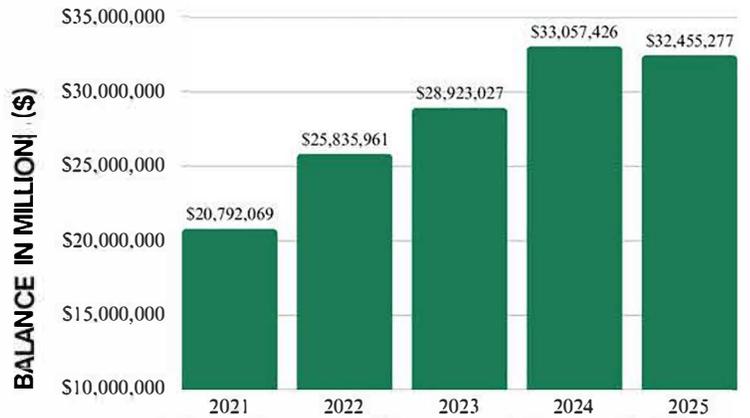
# Impact by the Numbers



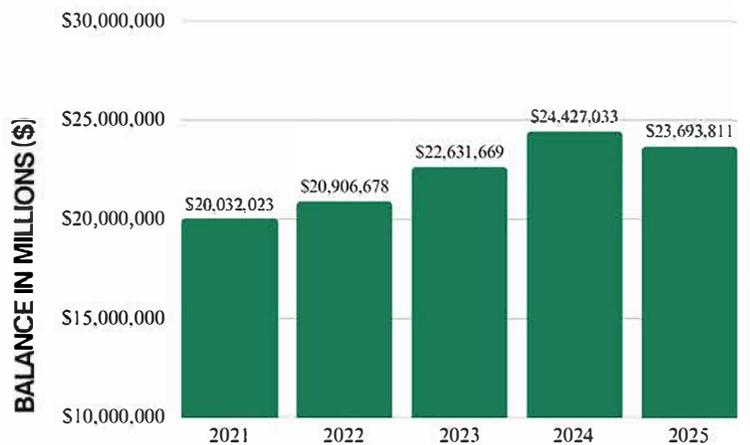
## GROW SD received the Organizational Impact Award

The National NeighborWorks Association recognized GROW South Dakota and the impact of the Agency, which included a record-high loan portfolio of \$54.5 million.

*[Watch our impact video here!](#)*



## Business Loan Portfolio



## Housing Loan Portfolio



Thanks to the generosity of our staff, board, and community supporters, we raised over \$8,500 to support food pantries throughout our Community Action Program service area.

During FY25, 4,035 pounds of food was distributed through the Commodity Supplemental Food Program.

# Outreach



Staff outreach at the Brown County Fair.



GROW South Dakota hosted a regional roundtable meeting made up of 21 area leaders to discuss successful daycare projects and community events.



GROW SD staff visit a newly opened ice cream truck that received a grant after completing requirements on the Initiate platform, an online business training curriculum.



HOMES for South Dakota at the Capitol in Pierre for Housing Day.



Staff and partners attended South Dakota Native Homeownership Coalition's Annual Convening held in Pierre, SD, where leaders gathered to advance Native homeownership efforts across the state.



Hannah Gibson from Sisseton High School interned with GROW SD.



GROW South Dakota was chosen as a finalist in the *Who Powers You Contest*, through Touchstone Energy Cooperatives.



Staff attended the Redfield High School Career Fair, promoting future entrepreneurship and the Big Idea Contest.



Spot the Scam Workshop, a Cybersecurity Hybrid Workshop, was held in November with the SD CEO Women's Business Center at Element in Watertown, SD.



GROW SD donated toothbrushes to local food pantries and the Salvation Army. We were able to access the toothbrushes through Delta Dental of South Dakota.





The Big Idea competition launched in 2007, and was created through the collaborative efforts of many organizations in South Dakota. This competition is about exposing youth to new ideas and innovation in the hopes that they will view entrepreneurship as an option for their future. Homegrown businesses are key to the success of our rural communities.



2025 BIG Idea Competition: James and Katie Washnok, Blackout Industries (sponsor); Dr. Laurie Nichols, Northern State University (sponsor); Bennett Woolverton and Dean Castellano, Warner High School (1<sup>st</sup> Place); Pam Lane, Warner High School (teacher); Nathan Gellhaus, Angelhaus (sponsor); and Kelly Weaver, Small Business Development Center and GROW South Dakota (sponsor)

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## GROW South Dakota Foundation

With the help of friends like you, GROW South Dakota has been successful in expanding housing, community, and economic development across South Dakota. If you donate to the GROW South Dakota Foundation, your donations will be placed in a permanent endowment and the revenue generated comes back to the agency annually. This allows your donations to support our programs and services in the future. Donations may also be made in memory of a loved one or in honor of a special occasion.

[Donate](#)





Cleo the caterpillar was painted by local artist, MJ Derhak, on GROW South Dakota's main office in Sisseton. The public submitted name suggestions to us on Facebook, and the staff voted on the name. This new addition brings a light and cheerful look to the north side of our office.



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