

Minutes
FPDC Board of Directors
Tuesday, June 24, 2025
Municipal League Conference Room
11:30 a.m.

Call to Order at 11:40: President, Shad Ludemann

Board Members Present:

- Michel Williams
- Gary Grittner
- Greg Kenzy
- Kale Urban
- Jody Carter-Clarambeau
- Shad Ludemann

Board Members Absent:

- Beth Henrichsen (excused)
- Dan Baldwin (excused)
- Mike Peterson (excused)

Others Present:

- Mike Weisgram
- Lyle Magorien
- Mayor Gloria Hanson
- Dave Bonde
- Sunny Hannum
- Malinda Hetzel

Mike Weisgram Discussion on Data Centers

Weisgram stated he was a pro-growth Republican but not everyone in Legislature believes growth is good. This is his 5th summer doing Legislative studies and looks to be his busiest. Some issues under study are prisoner employment, pharmacists, death with dignity etc.

He said data centers are not necessarily crypto currency related but more about artificial intelligence. The hyper centers are capable of producing 300-500 megawatts of power. They like to locate in areas that are cooler. North Dakota is a hot spot even though they have a corporate income tax. He has visited a data center in Ellendale, ND that is 760,000 sq. ft. Some are 990,000 sq. ft.

North Dakota is cooler and have energy from wind farms although North Dakota has a corporate income tax. South Dakota does not but does not offer a sales tax rebate. One company is interested in locating a data center near Toronto, SD in Deuel County that would employ 170 workers mostly from the tech field.

Weisgram believes if the State would forgive a percentage of the sales tax, property tax from the company building the data center would make up a portion of the loss and help reduce property taxes overall.

Some of the negatives of the data centers were discussed. They were noise, electric magnetic interference and power usage or demand.

Review & Approval for Filing of April & May, 2025 Financials:

Dave reported that there had been two embezzlement payments, one in April and one in May. The Revolving Loan Fund balance is over \$80,000 and available for use.

A motion was made by Kale and seconded by Greg to accept the review of April and May 2025 Financials for filing. Motion carried by voice vote.

Review & Approval of April, 2025 Board Minutes:

Gary questioned if the Executive Committee had approved the scholarships. Dave responded that was within the actions allowed by the Executive Committee.

Sunny shared the board motion that was made at the April meeting to pay 8 scholarships pending a final review by the Education Committee May 8.

A motion was made by Jody and seconded by Greg to approve the April board minutes. Motion carried by voice vote.

Reports:

City Update: Mayor Hanson

Mayor Hanson reported that 9th Avenue was open to traffic. She said the 40th Anniversary of Sioux Nation Seed Cleaning Facility was successful and touted the Fort Pierre Livestock sales in one day of \$28 million recently.

She talked about the traffic issue that had been caused by the Bad River Bridge Construction during the week of the High School Rodeo Finals. There had been a 30 minute wait that had been solved by DOT opening up another lane. There will be two lanes for 4th of July.

Waldron will have all 4 lanes open for 4th of July for both days. Lineup for the parade will be 8-9:30 a.m. and the parade will start at 10 a.m. The flyover will be at noon. Dennis Hanson and family will be honoree parade marshals. The float categories will remain the same: *Most Patriotic * Best Horse Drawn *Most Humorous *Best South Dakota Pride * Best Fort Pierre Pride *Best Antique Vehicle.

FPDC Committees:

- Housing Committee met May 15. Discussion focused on what type of housing: Four plex? Single family? Entry level? A sub-committee was developed of which Lyle and Mike are members. It was decided to meet more often. Discussed also was where to place the houses and the McCumsey lots on 6th avenue became the focus. He is a willing seller. FPDC does not want to be a landlord.

Five Governor's Houses would fit on the 6th Street property. Down payments on Governors Houses have been raised to \$1,000. Dave said FPDC already has already paid \$500 down payment on one house. An additional \$500 will not be required as SD Housing will honor the \$500 down payment already made. Should FPDC lock in four more Governor's houses and activate the one we have by signing a purchase agreement?

Malinda Hetzel, Central SD Enhancement District, explained the details of the Governor's House Program and base cost of \$150,000 to which the buyer had to add a basement or crawl space, foundation, lot purchase, and interior furnishings. Total cost would be closer to \$300,000. The advantage is that the houses can be sold in advance where a DakotaPlex unit would have to remain a rental property for 20 year.

Lyle said that the Housing Committee had discussed splitting the property between DakotaPlex unit and Governor's Houses. Dave said that Jed Bauman who is on the committee had run some cost estimates on the different options. Mike said the committee needs someone to buy the property by getting a loan or using investing.

- Downtown Development Committee met June 5 but will not meet in July
- Businesses Resources & Retention Committee to be scheduled
- Education Committee met May 8 to review the scholarship applications and concurred with the board to award 8 scholarships

New Business:

1. Approval to proceed with a "purchase agreement" on Governor's House:

Discussion followed on signing the purchase agreement and pre selling the house. Murdo, SD currently has presold two homes and turned them over for 10% above the cost of the project. The house can be put on hold if FPDC not ready to place it when it comes up in two years.

A motion was made by Kale and seconded by Jody to table the action to sign a Governor's House purchase agreement until the July Board meeting and requested a "plan" be prepared for the Board to consider. Motion carried.

2. Approval to deposit and establish a special account for the \$2,500 Grant received from Fort Pierre Tourism for downtown beautification:

A motion was made by Jody and seconded by Michel to establish an account for the \$2,500 grant from Tourism. Motion carried by voice vote.

3. Approval to attend the Economic Development Professionals Association Conference (EDPA) in Mitchell on July 30-31.

Motion was made by Kale and seconded by Greg to approve the \$99 fee to attend the EDPA Conference. Motion carried by voice vote.

4. **Approval to Pay Registration for 2025 SD Housing Conference** in Pierre June 24-25 for one day:

A motion was made by Greg and seconded by Michel to attend one day of the SD Housing Conference. Motion carried.

Old Business:

- None

Other Business/Announcements:

- Amtrak Public Meeting @ Fort Pierre Senior Center, June 25 @ 6-7 p.m.
- Ribbon Cutting conducted at Sioux Nation's New Grain Cleaning Facility June 20th

Around the Table:

- President Shad Ludemann encouraged the Board to be thinking about the housing issues and encouraged the FPDC Housing committee to develop a plan that the Board can address.

Adjourn:

A motion was made by Greg and seconded by Jody to adjourn at 1:15 p.m.