

SECOG's director oversees growth in Vermillion region

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Lynne Keller Forbes, executive director of the South Eastern Council of Governments (SECOG), enjoys meeting the planning challenges of six of the fastest growing counties in South Dakota.

"We are the smallest planning district (in area), but we have the largest amount of population," she said in her address to the Vermillion Rotary Club Tuesday, Jan. 13. "While lots of my counterparts are struggling with towns that are dying and people who are moving away and all of those kinds of things, we're struggling to keep up with all of the growth. It's a good problem to have."

SECOG's mission is short and sweet – to facilitate responsible community planning and economic development.

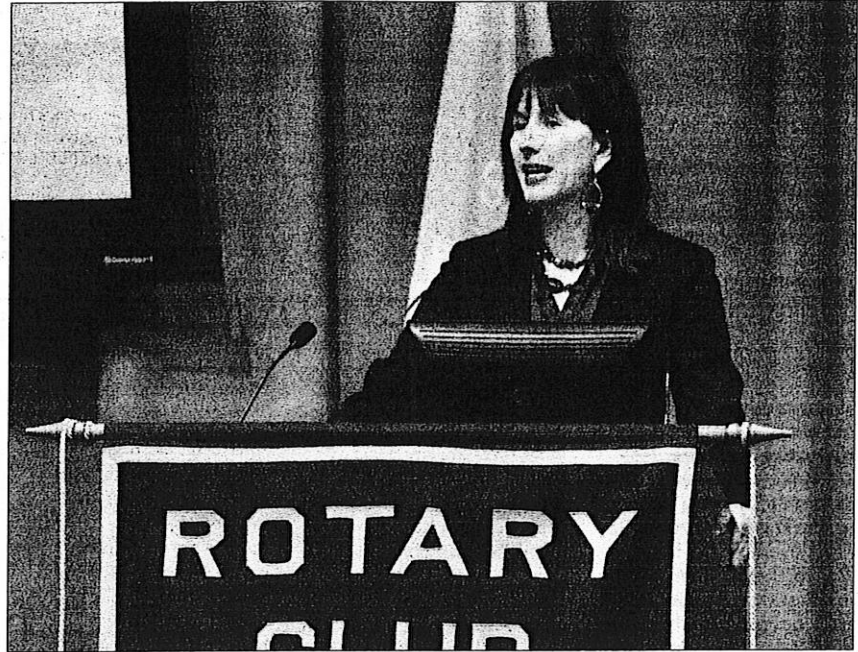
"One of the main things that we do is we work with our cities and our counties to help provide financing for infrastructure – your water system, your sewer system, roads – all of those sorts of things," she said. "We did about \$12.7 million in grants and loans last year in our region."

SECOG's origins go back to 1970, when Gov. Frank Farrar created the boundaries for six regional Planning and Development Districts in South Dakota. Under his plan, District 2 consisted of the following six counties: Clay, Lincoln, McCook, Minnehaha, Turner and Union.

In 1972, the six counties came to an agreement on how the organization would be structured, and the entity was renamed the South Eastern Council of Governments (SECOG).

"We also do comprehensive planning," Forbes said. "We believe that planning is a good thing. We help communities with comprehensive plans in order to enforce zoning, and we work on subdivision ordinances, municipal ordinances, all of those kinds of things, as well."

To better address the needs of the area, SECOG's board was structured into two separate commissions: the Rural Commission and



Lynne Keller Forbes, executive director of the South Eastern Council of Governments (SECOG) addresses the Jan. 13 meeting of the Vermillion Rotary Club, held in the Al Neuarth Media Center on the University of South Dakota campus. (Photo by David Lias)

the Urbanized Commission. The Urbanized Commission eventually became the designated Metropolitan Planning Organization (MPO) for transportation planning.

"If you are a community of 50,000 or more, you are required to have a MPO," she said. "In Sioux Falls, we're the coordinating entity for that."

In the mid-1970s, SECOG had nearly 30 employees, a million dollar budget, and office locations in Sioux Falls and Vermillion. SECOG initially received most of its funding from the federal government. However, federal funds began to diminish and by the early 1980s, the Vermillion office was closed and staff was reduced to five people at SECOG.

As SECOG began to receive more of its funding from local sources, SECOG's focus was modified to meet the needs at the local level. The city of Sioux Falls also assumed a more active role in the transportation planning process with SECOG.

In 2002, SECOG created the South Eastern Development Foundation (SEDF), a regional revolving loan fund designed to assist individuals that want to create or expand a business in the region, and in 2006, SECOG created Dakota BUSINESS Finance (DBF), a

certified development company which offers SBA's 504 loan program statewide as well as to numerous companies in Iowa, Minnesota, and Nebraska. SECOG serves as staff for both SEDF and DBF.

"Essentially, we're running a small bank," Forbes said, describing the SEDF. "We were a loan fund without any money. We went to our communities and asked them to invest – the city of Vermillion invested \$25,000 in this early on, and we've leveraged that over and over and over again. We're up to over \$8 million now in assets."

The SEDF will fund small business and entrepreneurial lending activities that involve land, permanent fixtures, equipment and machinery, and working capital.

The SEDF is also involved in affordable housing, and is involved in performing housing studies in 10 smaller communities in the Vermillion region.

"We're big into trying to get people to plan ahead and think ahead," Forbes said. "We keep hearing about workforce issues, and we believe housing goes hand-in-hand with that as well."

SECOG also plays a role in administering the Governor's House Program on behalf of the South Dakota Housing

Development Authority. The Governor's House Program was begun by Gov. William Janklow, with a goal of getting older people out of houses that may be too big for them, thus freeing those larger homes for younger families with children.

The Governor's House Program originally offered newly built two-bedroom homes for purchase. "It's expanded a little bit; originally, you had to be a senior citizen in order to buy it (a Governor's House)," she said. "Now, it's still income-based, but you don't have to be a senior citizen."

In early 2014, the Governor's House Program began building and selling a larger three-bedroom, two bathroom, 1,200 square foot design option. "We have sold a lot of these this year," she said.

SEDF financial packages in the form of low interest loans usually run from \$20,000 to \$150,000, with some loans below and exceeding that range. The foundation has made several loans to many Vermillion businesses over the years, Forbes said. Local businesses that have received SEDF loans include the Centerville Steakhouse, the Centerville Nursing Home, and the Lumber Exchange Building in Sioux Falls.