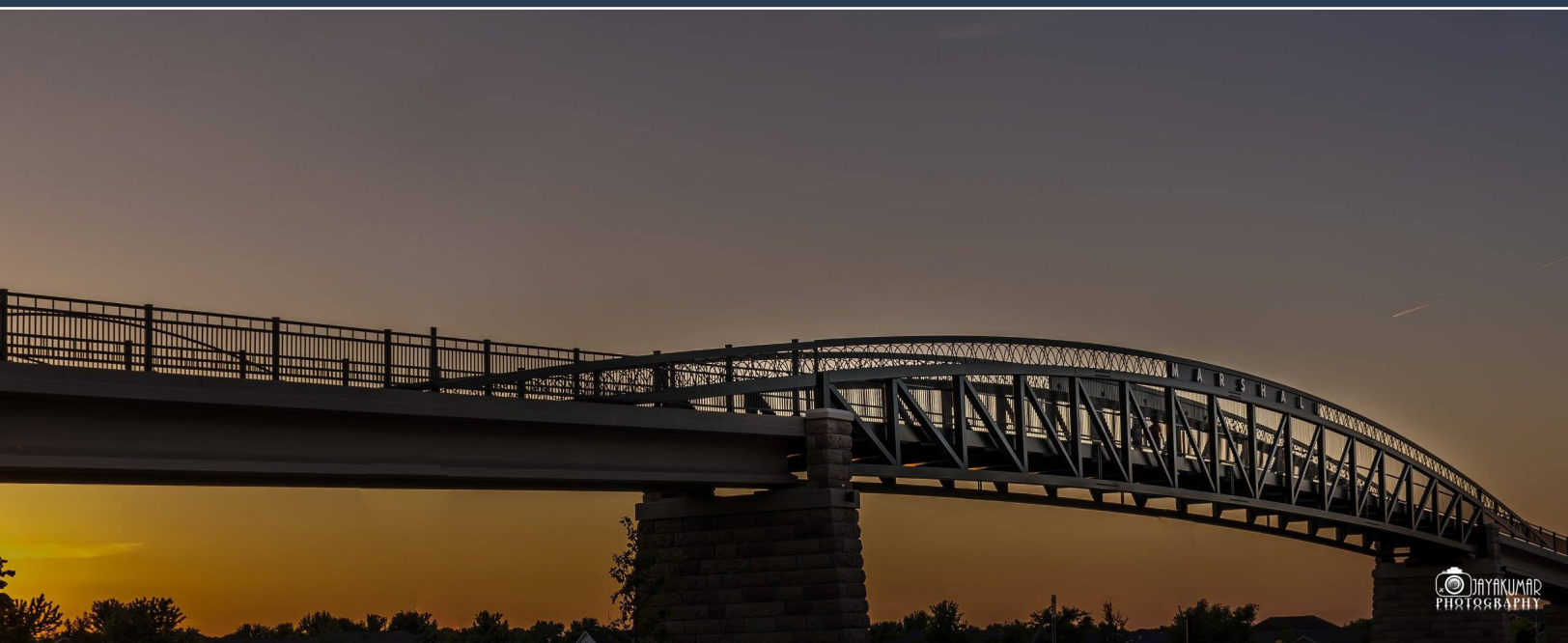


MARSHALL AREA EDA ANNUAL REPORT FY/2016



**"VISION FOR ANY COMMUNITY IS EASY. ACTION TO MAKE IT REALITY IS UNCOMMON."
- AUTHOR UNKNOWN**

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EDA PRESIDENT MESSAGE

This past year we saw the culmination of multi-year efforts by our community with the completion of both the MERIT Center expansion including the driving track and the Red Baron Arena & Expo. Both regional facilities are now being extensively utilized to positive reviews. Exciting projects and opportunities are also slated for 2017. For example, development of the new 140 plus acre Commerce industrial park will begin, and the MARSH baseball - softball complex on Tiger Drive will be completed. While we look forward to the many opportunities on our path to the future, I want to take this opportunity to once again thank everyone who has shared their time, talent, insight and experience to reach our goal of making the Marshall area the regional leader in Southwest Minnesota; a wonderful place where people choose to live, work, and raise a family.

*Greg Bucher,
EDA President*



Nicholas Johnson

EDA EXECUTIVE DIRECTOR

(507) 537-6760

nicholas.johnson@ci.marshall.mn.us



Cal Brink

EDA DIRECTOR

(507) 532-4484

calb@marshall-mn.org



Marcia Loeslie

ASSISTANT EDA DIRECTOR

(507) 337-0802

marcia.loeslie@ci.marshall.mn.us

EDA BOARD OF DIRECTORS

Greg Bucher – President

Chet Lockwood - Vice President

Randy Serreyn - Treasurer

Stacy Frost - Assistant Treasurer

John DeCramer – City Council Rep

Larry Doom – City Council Rep

Dan Herrmann

FINANCIAL SUMMARY

**BEGINNING
FUND
BALANCE**
1/1/16

**ENDING
FUND
BALANCE**
12/31/16

FUND 204 <i>CRIF</i>	555,643.72	556,250.30
FUND 205 <i>PARKWAY ADDITION</i>	784,523.65	219,460.12
FUND 206 <i>PARKWAY ADDITION II</i>	(732,975.82)	(31,725.14)
FUND 207 <i>PARKWAY ADDITION III & IV</i>	515,533.32	1,111,312.91
FUND 208 <i>EDA ADM</i>	160,334.70	139,499.27
FUND 212 <i>STATE EDA CRIF</i>	150,663.34	315,945.16
FUND 213 <i>FEDERAL EDA CRIF</i>	952,690.85	955,268.26
TOTAL	2,386,413.76	3,266,010.88

ECONOMIC TRENDS ANALYSIS

Marshall is a regional center for medical care, retail, trade, education, employment and business. The diverse economic base and strong foundation in agriculture has provided stability to the local economy over recent years. Recent studies illustrate a common labor and retail draw from approximately 40 miles from the City. Marshall's current population of 13,652 doubles its daytime population to 25,000 according to employment estimates. According to the most recent 2014 State Sales Tax Data from University of Minnesota report on local sales tax data, Marshall's taxable retail and service sales increased 33% between 2010 and 2014, reaching an estimated total of \$204 million. And, Marshall has consistently remained at or near the lowest in unemployment rates in the State of Minnesota and is currently at 2.3% as of November 2016 according to the MN DEED website.

NEW BUSINESSES

- Columbia Imports
- Marshall Yoga Shala
- Alness Insurance Service
- Karen Organization
- Marshall Academy of Dance
- No Worries Mind Body Spirit
- NuEar Hearing Center
- D's Thai
- Sundance Auto Repair
- The Health Enhancement Centers
- Maxology Marketing & Design

- Casey's (2nd location)
- Impressions by Chelsea
- Tattle Tales
- Keller Williams Preferred Realty
- Sarah's Pet Grooming
- Einstein Bros. Bagels /Caribou Coffee
- LA Vintage Warehouse
- Mustang Truck & Trailer
- Balanced Health Chiropractic
- Restored Strength

New Business Names:

- Quality Inn (Formerly Comfort Inn)
- United Community Action Partnership (Formerly Western Community Action)
- Great Western Bank (Formerly Home Federal Bank)
- Sole Mates Treads & Threads (Sole Mates)

Closed Businesses in 2016

CrossFit Marshall
Doo Doo No More
Men of Ulam
Many Warm Blessings
TK Brand Steakhouse
Juvenia Biomagnetism
Schweser's

Affordable Fashions & Finds
GracePoint Church
All Aboard Childcare
Dickey's Barbecue Pit
Personal Best Sports & Fitness
Lea's Hallmark
Homeowner's Financial Group

BUSINESS DEVELOPMENT



THE RED BARON ARENA & EXPO

The \$14 million Red Baron Arena & Expo, features two sheets of ice and an exposition center, which was completed by July 2016. The facility is the centerpiece of The Schwan Regional Amateur Sports Center and will be a part of the MARSH, which will include more than three dozen city, school and college sporting facilities in Marshall. The Marshall Amateur Regional Sports Hub (MARSH) is a partnership of the Southwest Minnesota Amateur Sports Commission, the City of Marshall, Marshall Public Schools and Southwest Minnesota State University to make Marshall the regional destination for entertainment and amateur sports.



MERIT CENTER FACILITY EXPANSION & DRIVING TRACK

The MERIT Center facility expansion and driving track has been completed. The Minnesota Emergency Response & Industrial Training (MERIT) Center serves a leadership role as the region's primary provider of high-quality interagency training of law enforcement, public safety, and industrial safety. The facility includes opportunities for driver's skills courses, drivers' classroom simulators, "hands on" personal training, AARP driver safety, drivers' education, bus and truck training, first responders training and more. The state of the art facility consists of a concrete five-story fire training tower, classrooms, offices, training props (confined 8 space, smoke maze trailer, propane burn unit and more) and a driving track.



WESTERN MENTAL HEALTH CENTER

Western Mental Health tore down its old building to build a new two-story \$4,500,000 building which will better serve their clients. The new 14,000 square foot building is expected to be finished in the spring of 2017. This additional space gives Western Mental Health the ability to offer new and expanded services to the Marshall area.



TACO BELL

Taco Bell started construction in 2016 right next door to Taco John's on the old Panda Buffet site. Approximately \$600,000 project.



CARIBOU COFFEE /EINSTEIN BROS BAGELS

Caribou Coffee & Einstein Bros. Bagels opened a new 2,500 square foot building last April costing roughly \$600,000. The newest coffeehouse in Marshall employs approximately 35 employees a mix of college and high school students both full and part-time.



CASEY'S GENERAL STORE

Casey's General Store opened their new \$2,225,000 and 4,400 square foot building giving another option for a gas station on East College Drive. Casey's General Store not only is a gas station, but also serves pizza and donuts.



SCHUNEMAN EQUIPMENT

Schuneman Equipment constructed a 40,000-square foot expansion investing \$2,900,000 in their addition. Schuneman Equipment is a family-owned John Deere Dealership with six stores in South Dakota and Minnesota.



FIRST INDEPENDENT BANK

First Independent Bank started a \$2,700,000 addition to its building by adding a second story to add more office and work space. The addition will also give them room to move their Information Technology department to Marshall. The project is expected to be completed in the summer of 2017.



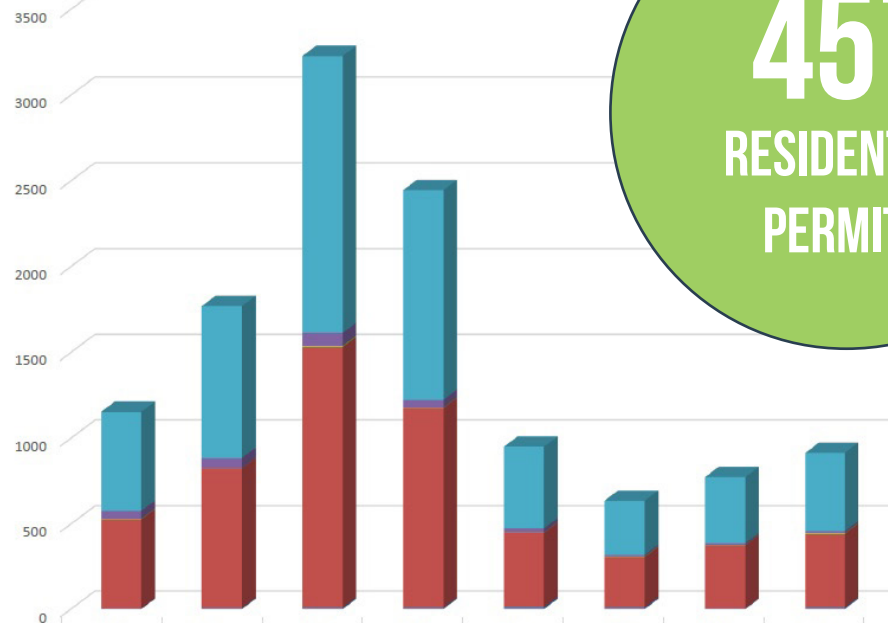
DAVITA

Davita constructed a \$800,000 expansion which included 5,000 square foot remodeling area. DaVita treats patients with chronic kidney failure and end stage renal disease. They strive to improve patients' quality of life by innovating clinical care, and by offering integrated treatment.

BUILDING PERMIT ACTIVITY

of Residential Permits

of Residential Permits



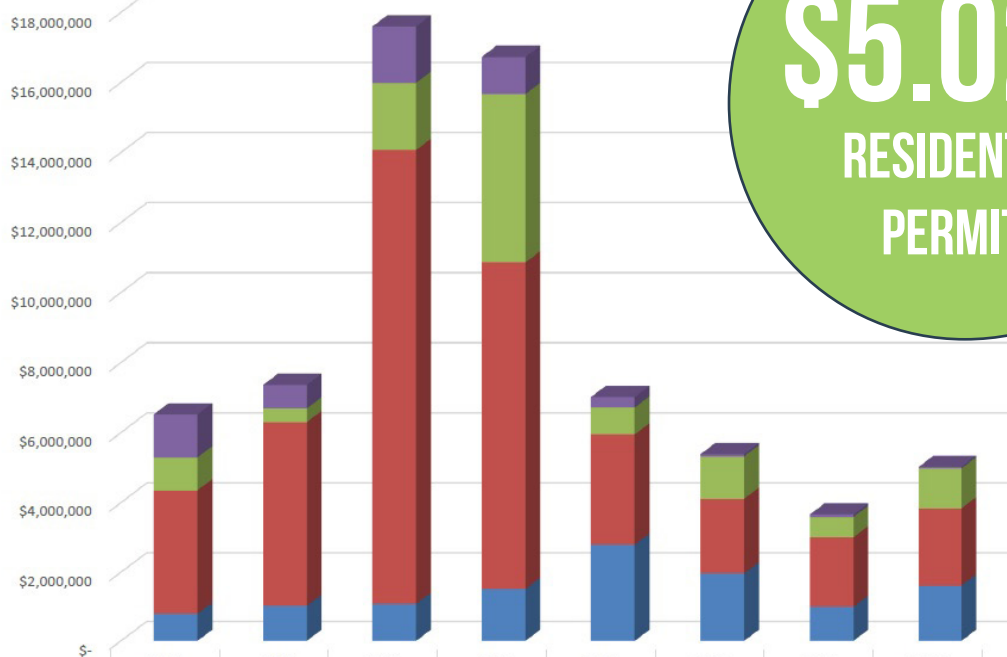
457

RESIDENTIAL
PERMITS

	2009	2010	2011	2012	2013	2014	2015	2016
Total Residential #	577	885	1614	1223	475	318	387	457
Residential Multi-Family Addition/Remodel	46	59	75	44	25	9	10	11
Residential Multi-Family New	4	1	8	3	2	4	2	4
Residential Single Family Addition/Remodel	523	819	1523	1168	436	296	371	433
Residential Single Family New	4	6	8	8	12	9	4	9

Valuation of Residential Permits

Valuation of Residential Permits



\$5.02M

RESIDENTIAL
PERMITS

	2009	2010	2011	2012	2013	2014	2015	2016
Addition/Remodel Multi-Family	\$1,230,000	\$670,000	\$1,610,000	\$1,060,000	\$300,000	\$60,000	\$70,000	\$47,000
New Multi-Family	\$940,000	\$390,000	\$1,920,000	\$4,810,000	\$770,000	\$1,210,000	\$580,000	\$1,140,000
Addition/Remodel Single Family	\$3,560,000	\$5,280,000	\$12,990,000	\$9,350,000	\$3,150,000	\$2,150,000	\$2,020,000	\$2,228,000
New Single Family	\$790,000	\$1,020,000	\$1,080,000	\$1,510,000	\$2,800,000	\$1,960,000	\$990,000	\$1,609,000

\$4,500,000
WESTERN MENTAL
HEALTH CENTER

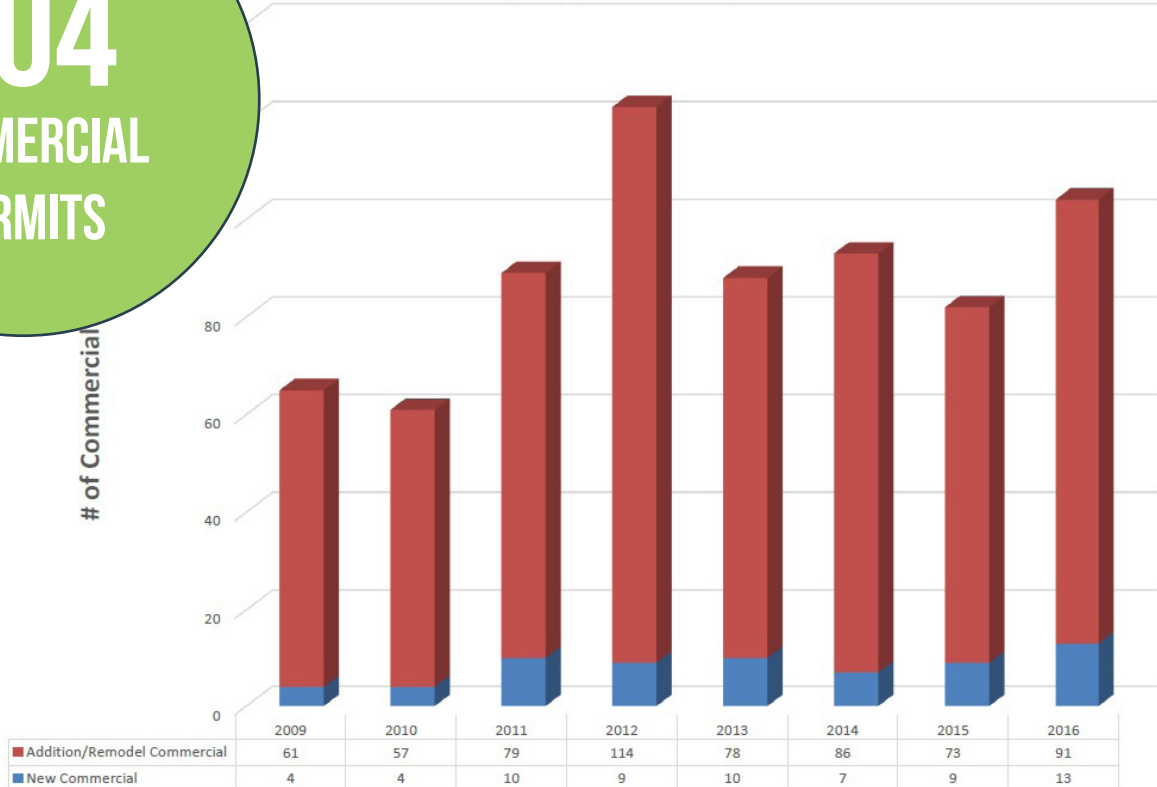
\$2,900,000
SCHUNEMAN
EQUIPMENT

\$2,700,000
FIRST INDEPENDENT
BANK

\$800,000
DAVITA MARSHALL
DIALYSIS CENTER

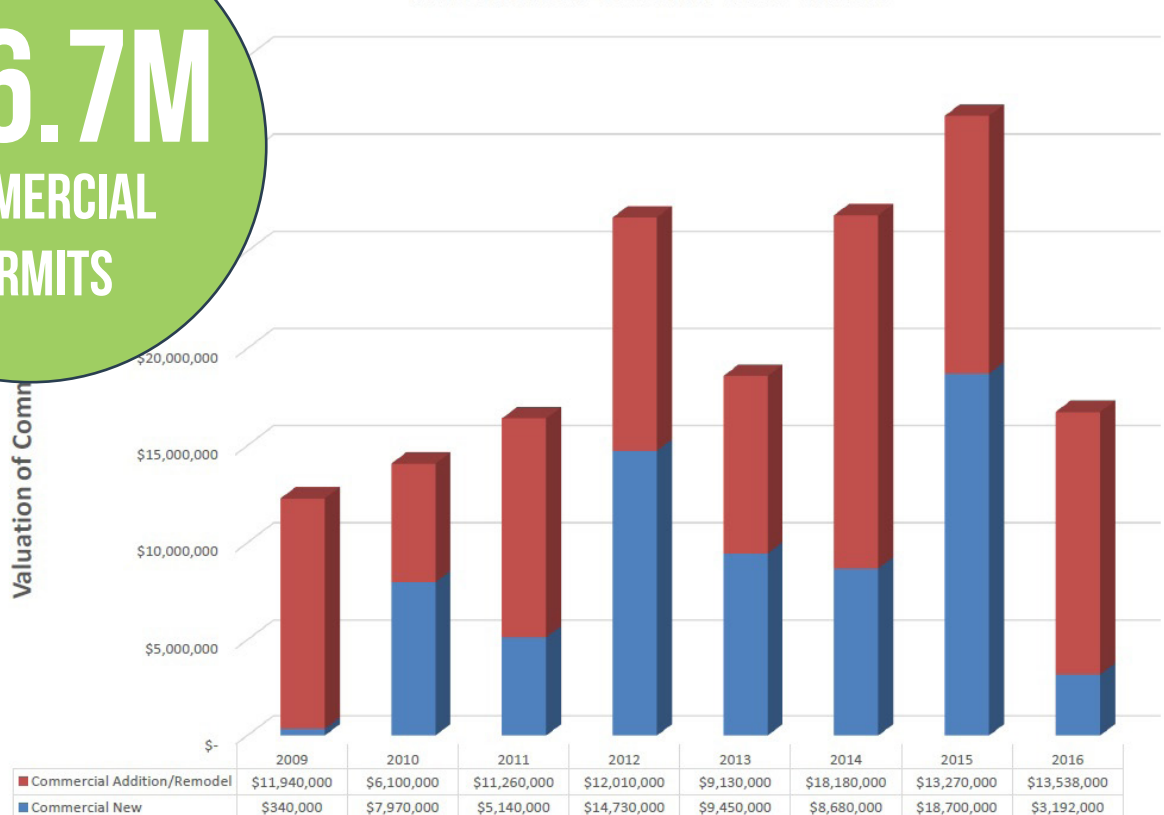
104
COMMERCIAL
PERMITS

of Commercial Permits

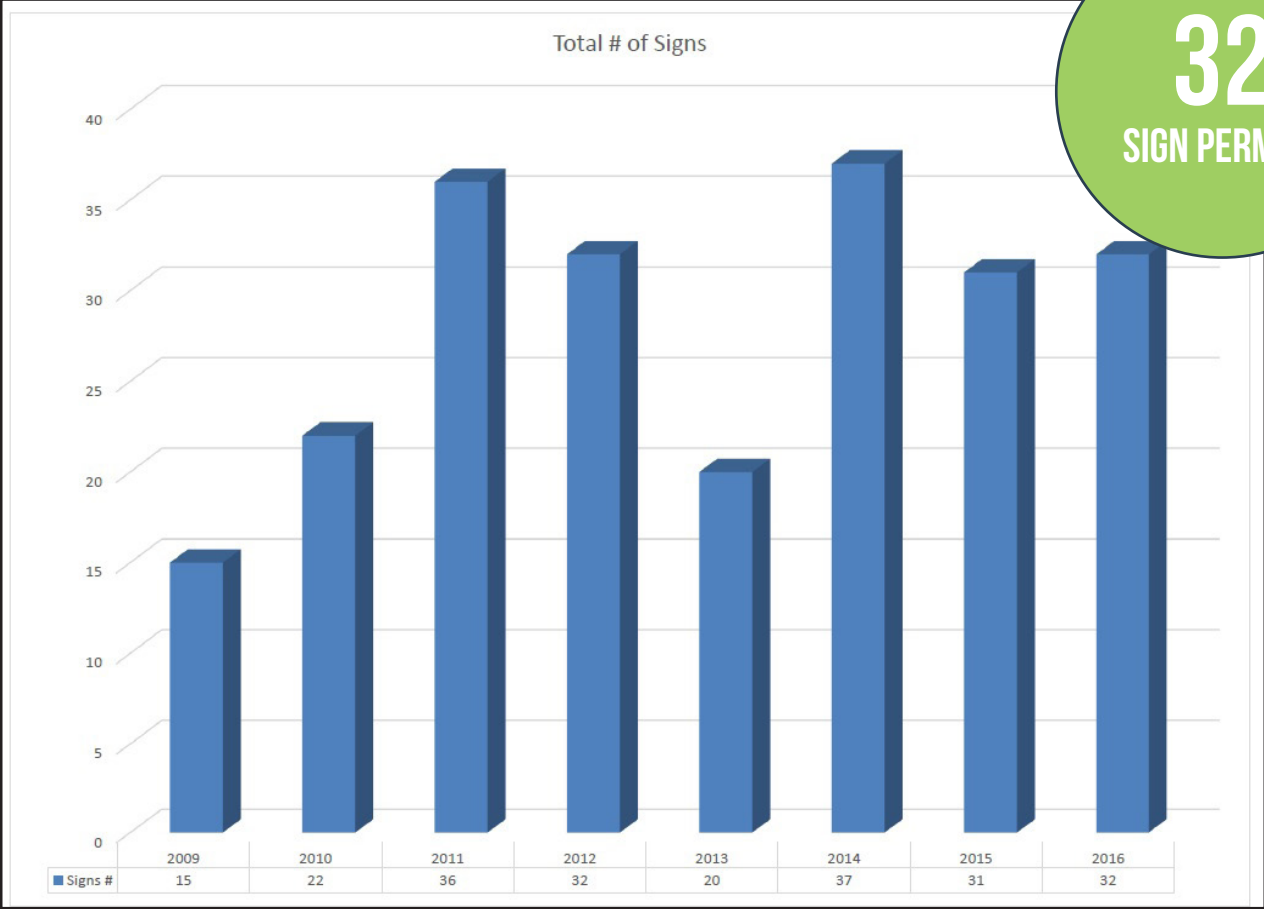


\$16.7M
COMMERCIAL
PERMITS

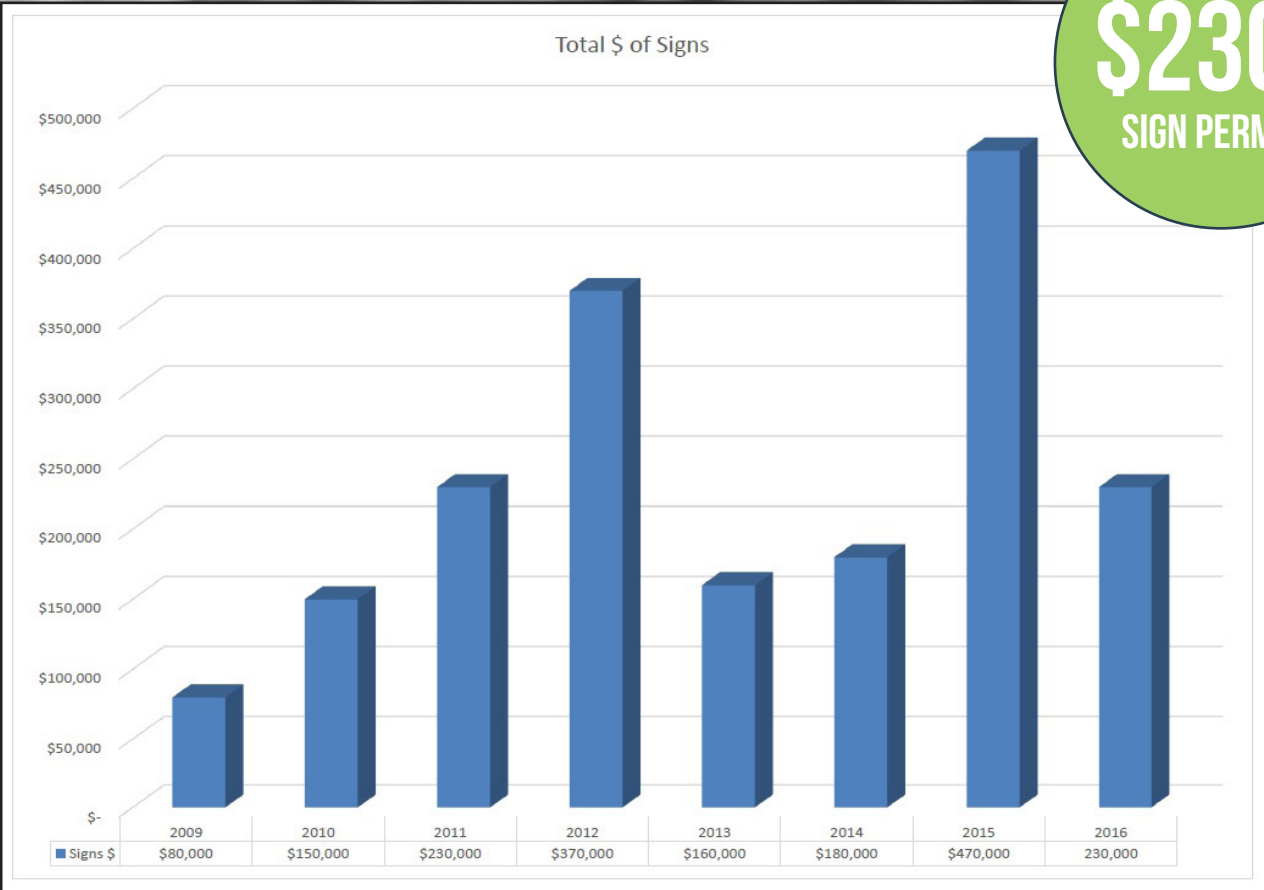
Valuation of Commercial Permits



BUILDING PERMIT ACTIVITY

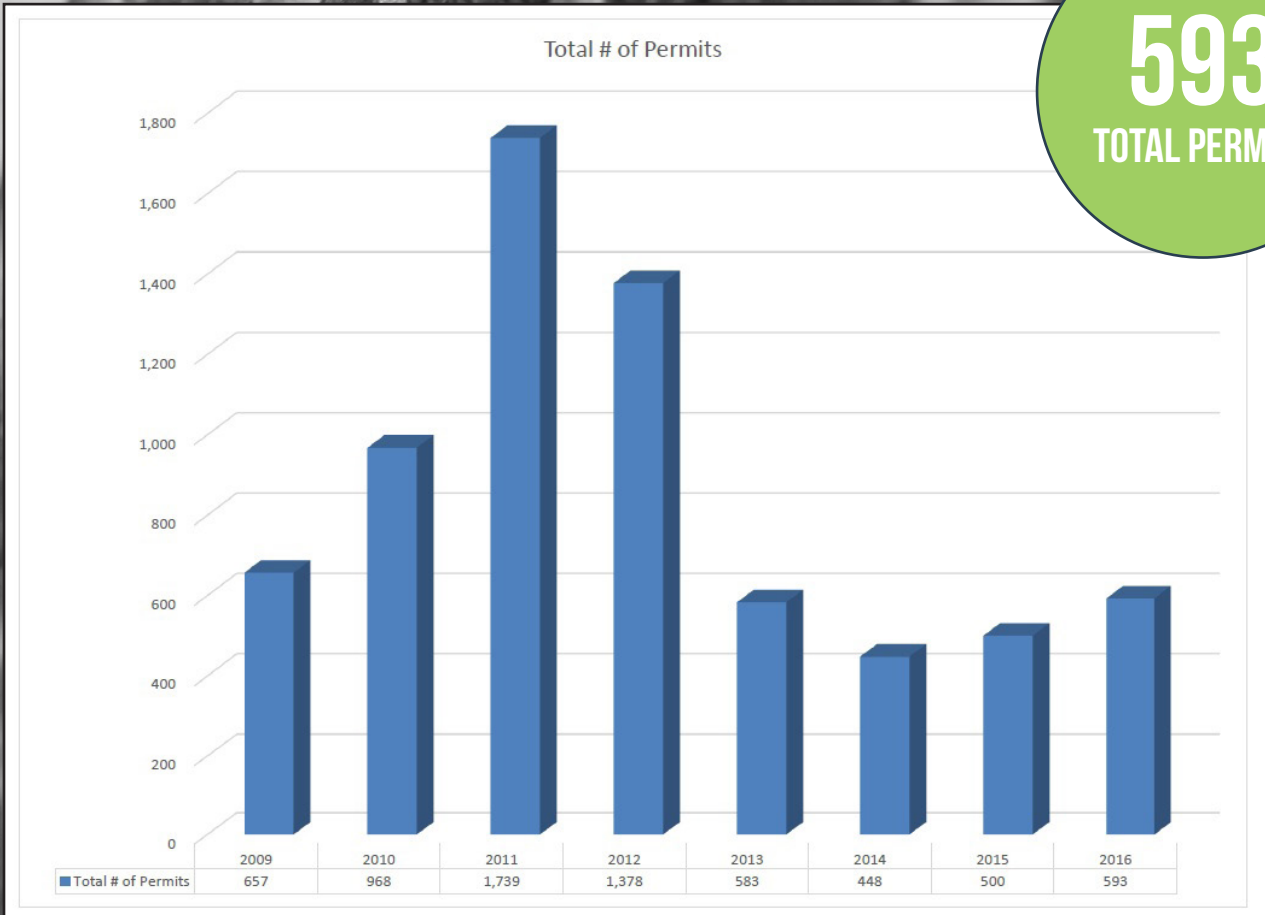


32
SIGN PERMITS

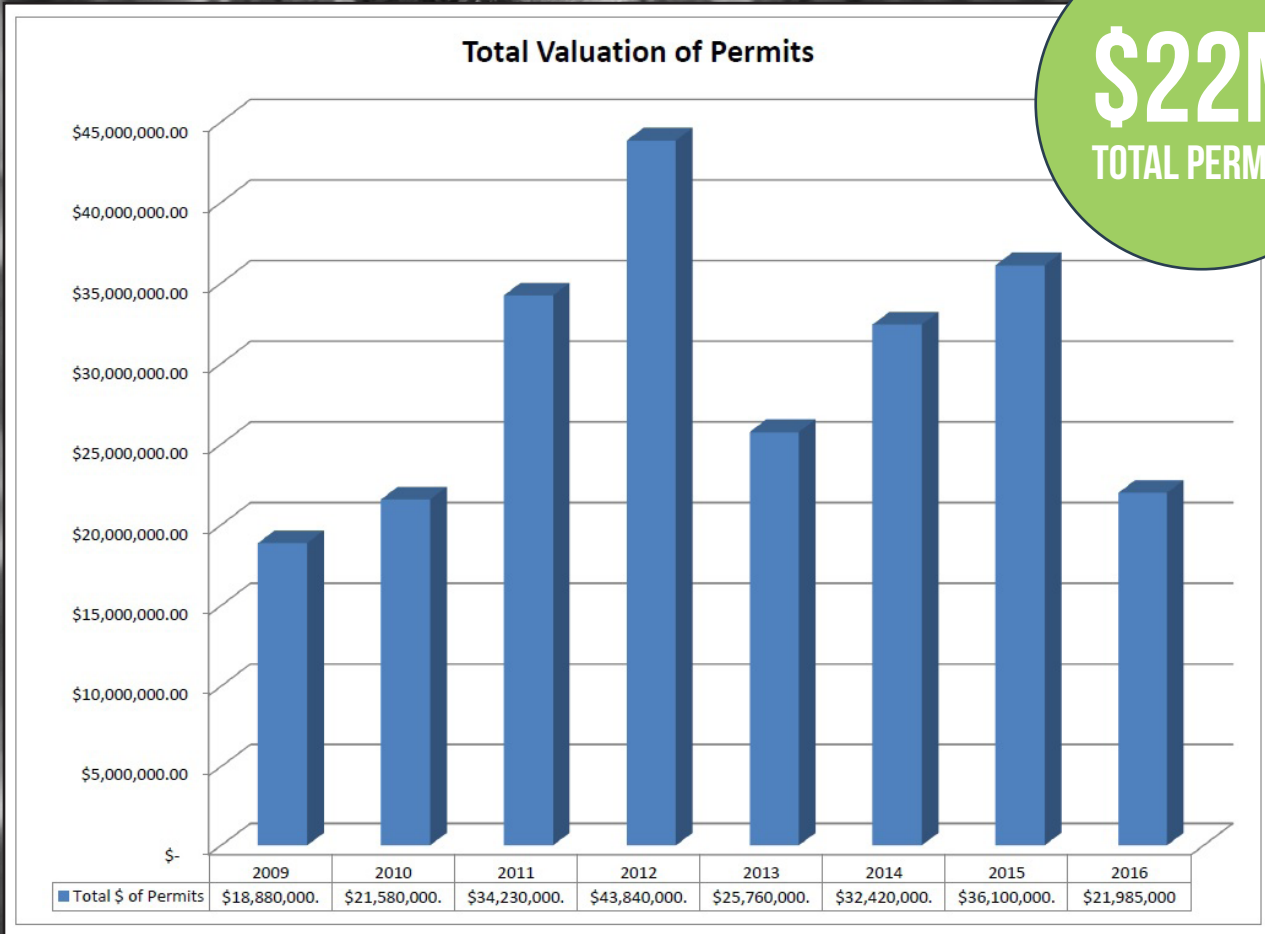


\$230K
SIGN PERMITS

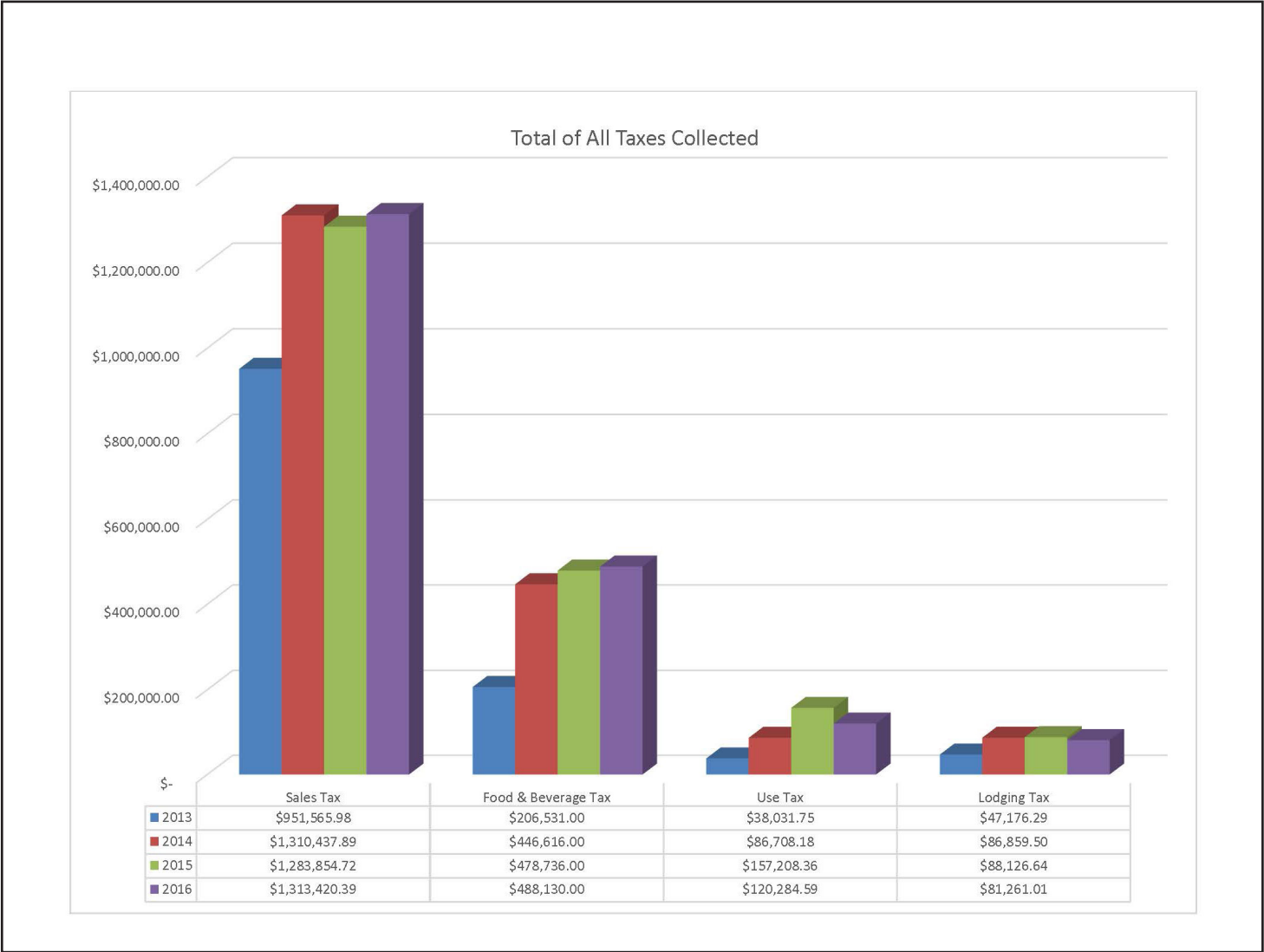
593
TOTAL PERMITS



\$22M
TOTAL PERMITS



LOCAL SALES & USE TAX



RETAIL TRADE ANALYSIS

According to the University of Minnesota Retail Trade Analysis report, the Minnesota Department of Revenue releases sales tax information each spring for the year that ended about 15 months earlier. The latest information indicates that Marshall's taxable retail and service sales increased 33% between 2010 and 2014, reaching an estimated total of \$204 million.

MERCHANDISE CATEGORY

Marshall and Lyon County continue to be a destination for retail purchases in 2014. Without inflation adjustments, taxable sales in Marshall increased 23.8 percent from 2007 to 2014, while the number of firms rose 5.2 percent. Statewide, taxable sales decreased 5.2 percent over the same time period and the number of firms fell 8.8 percent.

Selected Categories	Taxable Sales 2011	Taxable Sales 2014	Dollar Change	Percent Change
Vehicles & Parts	\$10,304,187	\$12,240,400	+\$1,936,213	+18.79%
Furniture Stores	\$6,108,250	\$6,393,505	+\$285,255	+4.67%
Electronics	\$3,079,871	\$3,071,755	-\$8,116	-0.26%
Building Materials	\$61,371,808	\$64,336,381	+\$2,964,573	+4.83%
Food, Groceries	\$16,905,958	\$12,112,909	-\$4,793,049	-28.35%
Health, Personal Stores	\$397,266	\$230,991	-\$166,275	-41.85%
Gas/Convenience Stores	\$2,981,710	\$5,552,349	+\$2,570,639	+86.21%
Clothing	\$1,798,806	\$1,768,178	-\$30,628	-1.70%
Leisure Goods	\$3,104,540	\$3,118,919	+\$14,379	+0.46%
General Merchandise Stores	\$44,425,848	\$43,289,962	-\$1,135,886	-2.56%
Miscellaneous Retail	\$1,370,722	\$2,062,140	+\$691,418	+50.44%
Accommodations	\$5,799,552	\$5,713,908	-\$85,644	-1.48%
Eating & Drinking	+\$26,700,645	+\$30,725,831	+\$4,025,186	+15.08%
Total Retail and Services Sales	\$205,426,230	\$203,662,761	-\$1,763,469	-0.86%

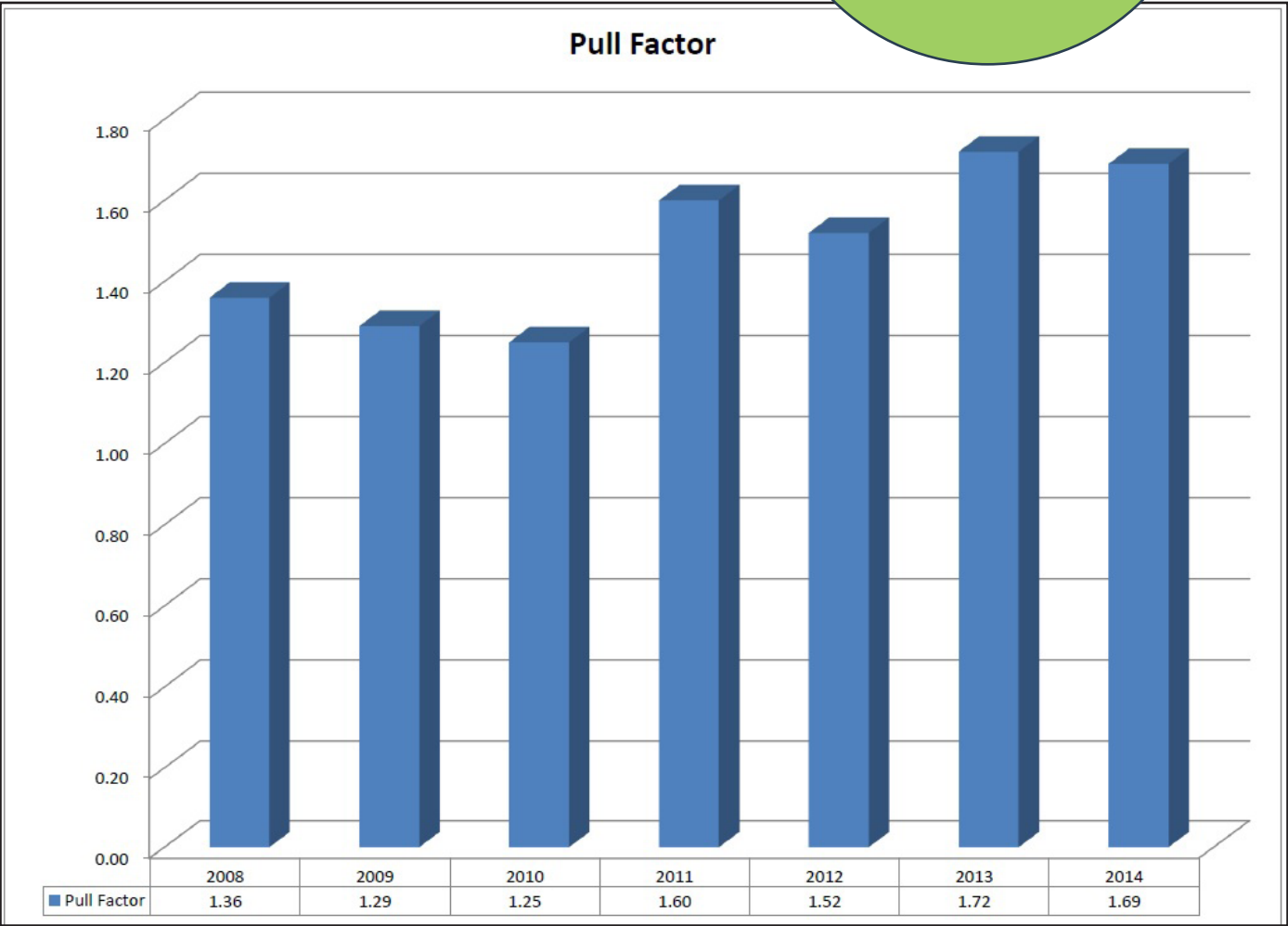
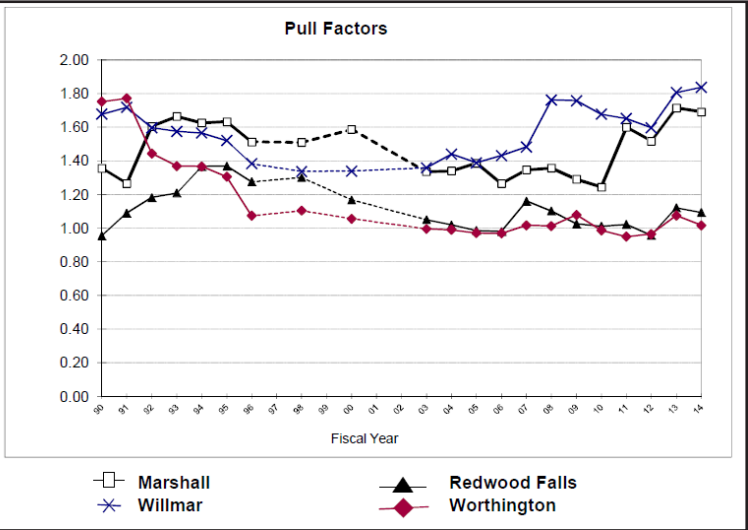
* Figures not adjusted for inflation.

Merchandise Group	Variance Between Actual & Expected				Trade Area Pop. Gain or Loss	Number of Firms	Percent of Total Sales
	Expected Sales (\$millions)	Actual Sales (\$millions)	In Dollars (millions)	As % of Expected			
Vehicles & Parts	\$9.01	\$12.24	+\$3.23	+35.8%	4,912	13	6.0%
Furniture Stores	\$2.69	\$6.39	+\$3.70	+137.7%	18,887	8	3.1%
Electronics	\$2.88	\$3.07	+\$0.19	+6.5%	896	4	1.5%
Building Materials	\$23.75	\$64.34	+\$40.59	+170.9%	23,452	11	31.6%
Food, Groceries	\$8.19	\$12.11	+\$3.92	+47.9%	6,573	10	5.9%
Health, Personal Stores	\$2.30	\$0.23	-\$2.07	-90.0%	-12,343	7	0.1%
Gas/Convenience Stores	\$3.27	\$5.55	+\$2.28	+69.5%	9,541	7	2.7%
Clothing	\$0.55	\$1.77	+\$1.22	+223.8%	30,708	17	0.9%
Leisure Goods	\$1.23	\$3.12	+\$1.89	+153.3%	21,034	15	1.5%
General Merchandise Stores	\$40.59	\$43.29	+\$2.70	+6.6%	912	6	21.3%
Miscellaneous Retail	\$8.21	\$2.06	-\$6.15	-74.9%	-10,274	25	1.0%
Amusement & Recreation	\$2.07	\$1.47	-\$0.60	-29.1%	-3,991	6	0.7%
Accommodations	\$4.99	\$5.71	+\$0.73	+14.6%	2,005	8	2.8%
Eating & Drinking Places	\$15.81	\$30.73	+\$14.92	+94.4%	12,949	43	15.1%
Repair, Maintenance	\$3.14	\$3.91	+\$0.77	+24.4%	3,352	23	1.9%
Personal Services, Laundry	\$0.55	\$0.62	+\$0.06	+11.6%	1,592	40	0.3%
Total Taxable Retail & Service*	\$95.88	\$203.66	+\$107.78	+112.4%	15,422	366	100.0%

*All retail and service categories are included in Total Sales, including some categories not shown. Therefore, the merchandise groups shown here generally will not sum to Total Sales.

PULL FACTOR

According to the University of Minnesota Retail Trade Analysis report, there are several ways to measure performance other than dollars of sales. Economists expect cities of larger populations to have more sales since their potential customer base is larger. A way to compensate for that in a retail trade analysis is to measure the the pull factor, which compares the local taxable sales per capita to that of the state. A pull factor index higher than 1.0 indicates that businesses are pulling in customers from outside their community. A lower pull factor usually indicates residents are leaving the community to make purchases. Overall Marshall had a retail sales surplus of \$107.8 million in 2014. The City's retail pull factor from the study is at 1.69. The 1.69 pull factor indicates that the City of Marshall is generating 69% more than expected based on population.



DEMOGRAPHIC ANALYSIS

Population and household data allow you to quantify the current market size and extrapolate future growth. Household income data is a good indicator of residents' spending power. Household income positively correlates with retail expenditures in many product categories. Age is an important factor to consider because personal expenditures change as individuals grow older.

Marshall's population continues to slowly increase. Marshall's median age is 31.5 years old with a significant of growth in 45-64 year olds and a noteworthy decline of 35-44 year olds. Marshall's median household income comes in at \$47,042.

Data accuracy related to the graphs in this section is indicated as follows: **BLACK** indicates a coefficient of variation < 12%; **ORANGE** (preceded with one dot) indicates between 12 and 40%; and **RED BOLD** (preceded with two dots) indicates a coefficient of variation > 40%. If data have consistently low accuracy throughout a report, we suggest running another demographics report at a larger geographic scale.

POPULATION TRENDS

Population, 2000-2014*

	Marshall city, MN	Lyon County, MN	U.S.
Population (2014*)	13,609	25,724	314,107,084
Population (2000)	12,735	25,425	281,421,906
Population Change (2000-2014*)	874	299	32,685,178
Population Percent Change (2000-2014*)	6.9%	1.2%	11.6%

* The data in this table are calculated by ACS using annual surveys conducted during 2010-2014 and are representative of average characteristics during this period.

Population by Race, 2014*

	Marshall city, MN	Lyon County, MN	U.S.
Total Population	13,609	25,724	314,107,084
White alone	11,908	23,169	231,849,713
Black or African American alone	580	692	39,564,785
American Indian alone	125	138	2,565,520
Asian alone	442	813	15,710,659
Native Hawaiian & Other Pacific Is. alone	0	0	535,761
Some other race alone	485	756	14,754,895
Two or more races	69	156	9,125,751

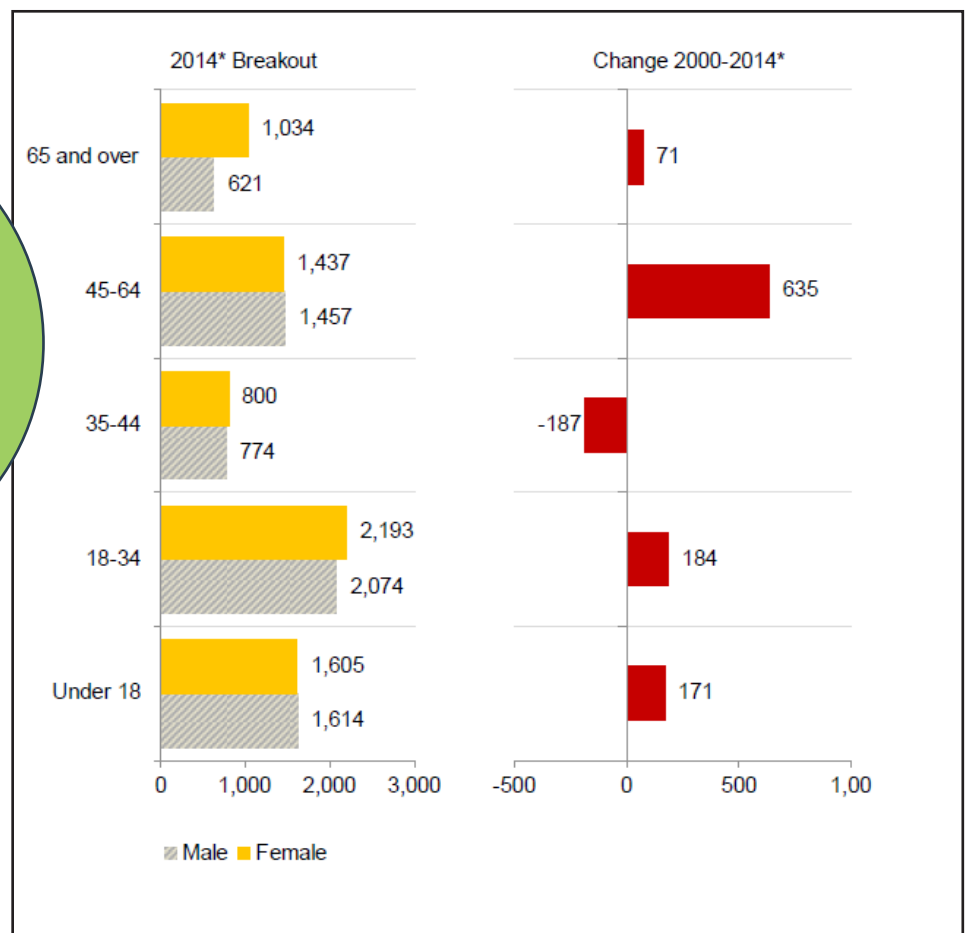
Percent of Total

White alone	87.5%	90.1%	73.8%
Black or African American alone	4.3%	2.7%	12.6%
American Indian alone	0.9%	0.5%	0.8%
Asian alone	3.2%	3.2%	5.0%
Native Hawaiian & Other Pacific Is. alone	0.0%	0.0%	0.2%
Some other race alone	3.6%	2.9%	4.7%
Two or more races	0.5%	0.6%	2.9%

* The data in this table are calculated by ACS using annual surveys conducted during 2009-2014 and are representative of average characteristics during this period.

AGE & GENDER DISTRIBUTION

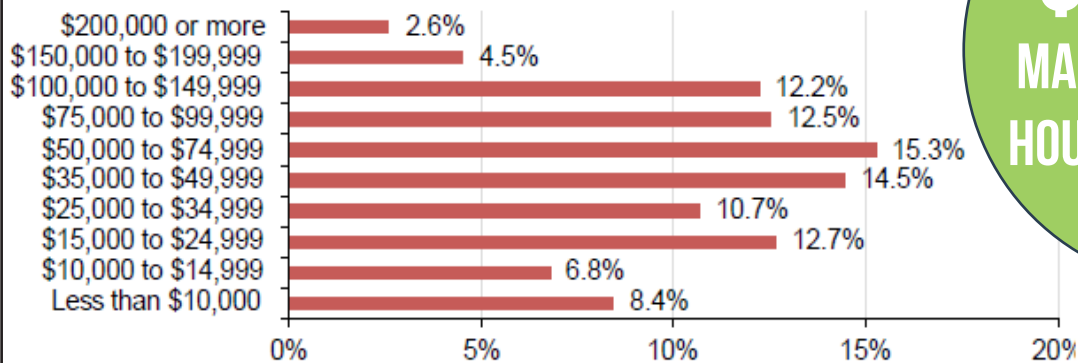
31.5
MEDIAN AGE



HOUSEHOLD INCOME

\$47,042
MARSHALL MEDIAN
HOUSEHOLD INCOME

Household Income Distribution, Marshall city, MN, 2014*



POVERTY LEVEL

Poverty, 2014*

	Marshall city, MN	Lyon County, MN	U.S.
People	12,817	24,577	306,226,394
Families	3,095	6,387	76,958,064
People Below Poverty	2,421	3,433	47,755,606
Families below poverty	332	519	8,824,660

Percent of Total

People Below Poverty	18.9%	14.0%	15.6%
Families below poverty	10.7%	8.1%	11.5%

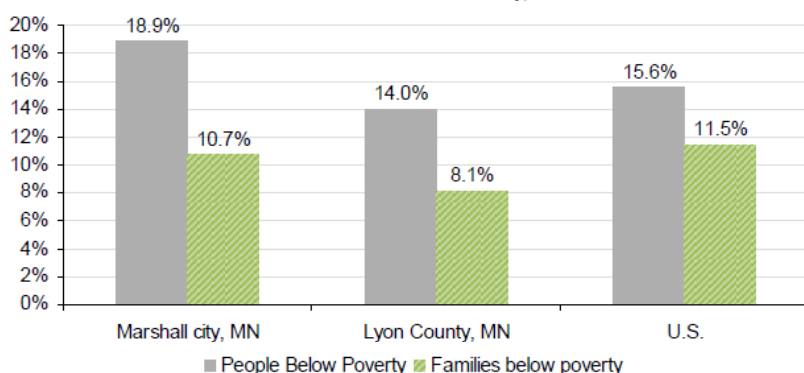
* The data in this table are calculated by ACS using annual surveys conducted during 2010-2014 and are representative of average characteristics during this period.

Poverty Rate by Age & Family Type~, 2014*

	Marshall city, MN	Lyon County, MN	U.S.
People	18.9%	14.0%	15.6%
Under 18 years	23.5%	17.9%	21.9%
65 years and older	13.1%	10.1%	9.4%
Families	10.7%	8.1%	11.5%
Families with related children < 18 years	18.3%	13.7%	18.1%
Married couple families	3.7%	3.6%	5.7%
with children < 18 years	6.8%	5.8%	8.4%
Female householder, no husband present	42.8%	36.2%	30.9%
with children < 18 years	50.8%	43.0%	40.5%

~Poverty rate by age and family type is calculated by dividing the number of people by demographic in poverty by the total population of that demographic.

Individuals & Families Below Poverty, 2014*



332
FAMILIES BELOW
POVERTY LEVEL

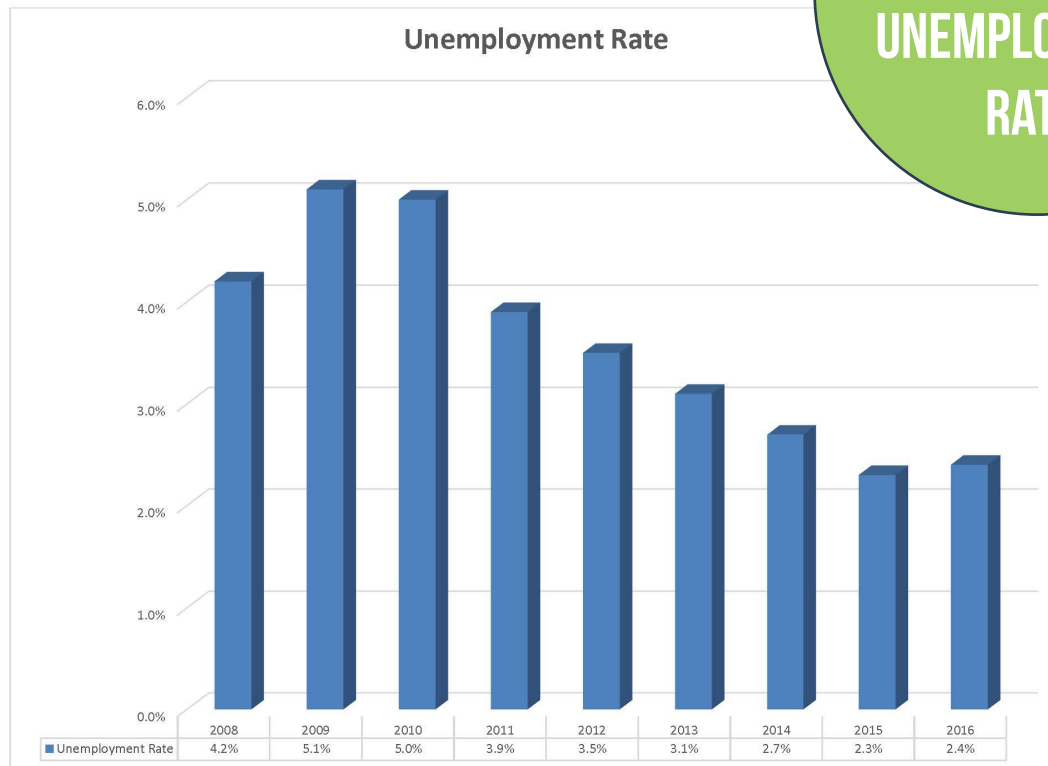
WORKFORCE ANALYSIS

The Schwan Food Company, one of Minnesota's largest private companies; US Bancorp Business Equipment Finance Group, a business equipment leasing company; Avera Marshall Regional Medical Center, a 49-bed regional hospital, Affiliated Community Medical Center (ACMC) a medical clinic and surgery center; Southwest Minnesota State University, the top-ranked public liberal arts college in the Midwest, along with many other public and private companies --- large and small --- call Marshall home. Marshall has consistently been below the state and county unemployment rate over the past nine years.

Data accuracy related to the graphs in this section is indicated as follows: **BLACK** indicates a coefficient of variation < 12%; **ORANGE** (preceded with one dot) indicates between 12 and 40%; and **RED BOLD** (preceded with two dots) indicates a coefficient of variation > 40%. If data have consistently low accuracy throughout a report, we suggest running another demographics report at a larger geographic scale.

UNEMPLOYMENT RATE

2.4%
UNEMPLOYMENT
RATE



INDUSTRY EMPLOYMENT

Employment by Industry, 2014*

	Marshall city, MN	Lyon County, MN	U.S.
Civilian employed population > 16 years	7,654	14,119	143,435,233
Ag, forestry, fishing & hunting, mining	391	1,169	2,807,292
Construction	490	946	8,843,718
Manufacturing	1,477	2,403	14,955,235
Wholesale trade	268	551	3,937,598
Retail trade	911	1,614	16,598,718
Transportation, warehousing, and utilities	210	519	7,066,666
Information	36	99	3,064,078
Finance and insurance, and real estate	603	1,074	9,467,555
Prof, scientific, mgmt, admin, & waste mgmt	475	695	15,618,627
Education, health care, & social assistance	1,642	3,137	33,297,237
Arts, entertain., rec., accomodation, & food	797	1,124	13,610,162
Other services, except public administration	184	465	7,112,579
Public administration	170	323	7,055,768

Percent of Total

Ag, forestry, fishing & hunting, mining	5.1%	8.3%	2.0%
Construction	6.4%	6.7%	6.2%
Manufacturing	19.3%	17.0%	10.4%
Wholesale trade	3.5%	3.9%	2.7%
Retail trade	11.9%	11.4%	11.6%
Transportation, warehousing, and utilities	2.7%	3.7%	4.9%
Information	0.5%	0.7%	2.1%
Finance and insurance, and real estate	7.9%	7.6%	6.6%
Prof, scientific, mgmt, admin, & waste mgmt	6.2%	4.9%	10.9%
Education, health care, & social assistance	21.5%	22.2%	23.2%
Arts, entertain., rec., accomodation, & food	10.4%	8.0%	9.5%
Other services, except public administration	2.4%	3.3%	5.0%
Public administration	2.2%	2.3%	4.9%

EMPLOYMENT OCCUPATION

Employment by Occupation, 2014*

	Marshall city, MN	Lyon County, MN	U.S.
Civilian employed population > 16 years	7,654	14,119	143,435,233
Management, professional, & related	2,388	4,727	52,234,574
Service	1,211	2,171	26,053,338
Sales and office	1,675	2,952	34,935,133
Farming, fishing, and forestry	305	508	1,050,726
Construction, extraction, maint., & repair	382	737	7,169,365
Production, transportation, & material moving	1,426	2,464	17,336,254

Percent of Total

Management, professional, & related	31.2%	33.5%	36.4%
Service	15.8%	15.4%	18.2%
Sales and office	21.9%	20.9%	24.4%
Farming, fishing, and forestry	4.0%	3.6%	0.7%
Construction, extraction, maint., & repair	5.0%	5.2%	5.0%
Production, transportation, & material moving	18.6%	17.5%	12.1%

* The data in this table are calculated by ACS using annual surveys conducted during 2009-2014 and are representative of average characteristics during this period.

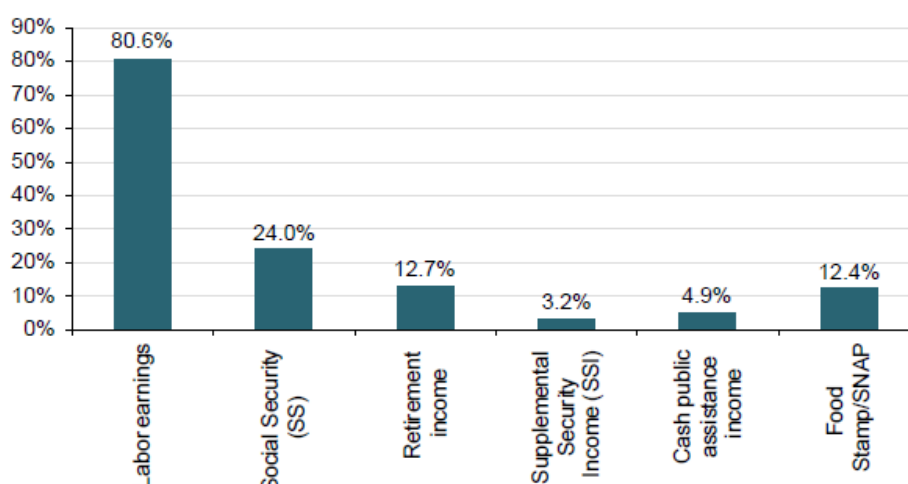
HOUSEHOLD EARNINGS

Number of Households Receiving Earnings, by Source, 2014*

	Marshall city, MN	Lyon County, MN	U.S.
Total households:	5,342	10,076	116,211,092
Labor earnings	4,308	8,201	90,513,367
Social Security (SS)	1,283	2,684	34,082,501
Retirement income	681	1,255	20,738,512
Supplemental Security Income (SSI)	173	333	6,160,788
Cash public assistance income	263	354	3,274,407
Food Stamp/SNAP	660	984	15,089,358

80.6%
LABOR EARNINGS

Percent of Households Receiving Earnings, by Source, 2014*



MAJOR EMPLOYERS

The Schwan Food Company - 1,500
Avera Marshall Regional Medical Center - 575
U.S. Bancorp Business Equipment Finance Group - 545
Turkey Valley Farms - 470
Southwest Minnesota State University - 420
Hy-Vee Food Stores - 420
Marshall Public Schools - 400
Wal-Mart Supercenter - 280
Mid Continent Cabinetry - 230
Archer Daniels Midland - 230
Runnings - 185
North Star Mutual Insurance Company - 180
REM Southwest Services - 160
Affiliated Community Medical Center - 150
Menards - 140
Ralco Nutrition - 130
Cliff Viessman Inc. - 130
Vishay HiRel Systems LLC - 130
City of Marshall - 100
United Community Action Partnership - 100
BH Electronics - 75
Reinhart Food Service - 70

20
100+ EMPLOYEES

Southwest MN is one of the fastest growing regions in rural Minnesota, with Marshall at the center that serves as a hub. In addition to having a growing and balanced local economy featuring manufacturing, agriculture, healthcare, education, service and retail, the region features a quality of life and access to broadband infrastructure that few micropolitan communities (populations of 10,000-50,000) can equal.

COMMUTING PATTERNS

Marshall is a labor importer – drawing workers from surrounding cities and counties. In addition, Marshall is home to four major highways intersecting: Highway 59, Highway 23, Highway 19, Highway 68. The population of 13,652 residents grows daily to 25,000 people as a result of a multitude of opportunities for employment, education, and retail shopping in the City of Marshall.

13,925
LYON COUNTY
WORKERS

79.2%
LESS THAN 24
MINUTES

41.2%
LESS THAN 10
MINUTES

Commuting Characteristics, 2014*

	Marshall city, MN	Lyon County, MN	U.S.
Workers 16 years and over	7,556	13,925	141,337,148
PLACE OF WORK:			
Worked in county of residence	7,003	12,689	102,383,695
Worked outside county of residence	553	1,236	38,953,453
TRAVEL TIME TO WORK:			
Less than 10 minutes	4,248	5,739	17,926,611
10 to 14 minutes	1,587	2,431	19,118,214
15 to 19 minutes	472	1,414	20,908,743
20 to 24 minutes	275	1,429	19,975,565
25 to 29 minutes	43	482	8,356,337
30 to 34 minutes	243	759	18,463,798
35 to 39 minutes	15	66	3,769,500
40 to 44 minutes	48	90	5,037,201
45 to 59 minutes	120	198	10,409,233
60 or more minutes	199	417	11,200,355
Mean travel time to work (minutes)	12.1	14.3	24.6
Percent of Total			
PLACE OF WORK:			
Worked in county of residence	92.7%	91.1%	72.4%
Worked outside county of residence	7.3%	8.9%	27.6%
TRAVEL TIME TO WORK:			
Less than 10 minutes	56.2%	41.2%	12.7%
10 to 14 minutes	21.0%	17.5%	13.5%
15 to 19 minutes	6.2%	10.2%	14.8%
20 to 24 minutes	3.6%	10.3%	14.1%
25 to 29 minutes	0.6%	3.5%	5.9%
30 to 34 minutes	3.2%	5.5%	13.1%
35 to 39 minutes	0.2%	0.5%	2.7%
40 to 44 minutes	0.6%	0.6%	3.6%
45 to 59 minutes	1.6%	1.4%	7.4%
60 or more minutes	2.6%	3.0%	7.9%

EDUCATIONAL ANALYSIS

Marshall is well known for its high quality education. Marshall is home to Marshall Public Schools, 3 Parochial Schools (True Light Christian School, Holy Redeemer School and Samuel Lutheran School), and Southwest Minnesota State University. Marshall is well known for its high quality education. Our students are provided countless opportunities and services to develop them into successful men and women in our community.

Data accuracy related to the graphs in this section is indicated as follows: **BLACK** indicates a coefficient of variation < 12%; **ORANGE** (preceded with one dot) indicates between 12 and 40%; and **RED BOLD** (preceded with two dots) indicates a coefficient of variation > 40%. If data have consistently low accuracy throughout a report, we suggest running another demographics report at a larger geographic scale.

EDUCATIONAL ATTAINMENT

Educational attainment can be used as a measure of the quality of the resident labor force, and Minnesota is well known for the quality of education. Unlike the other counties in Southwest Minnesota, Lyon County has competitive educational attainment rates with the state of Minnesota, thanks to the presence of Southwest Minnesota State University in Marshall. Estimated 92.4% percent of the adult population had at least a high school diploma or GED, while estimated 27.2% had a bachelor's degree or higher.

2,470

MARSHALL PUBLIC
SCHOOL ENROLLMENT

89%

HIGH SCHOOL
GRADUATION RATE

7,112

SMSU
ENROLLMENT

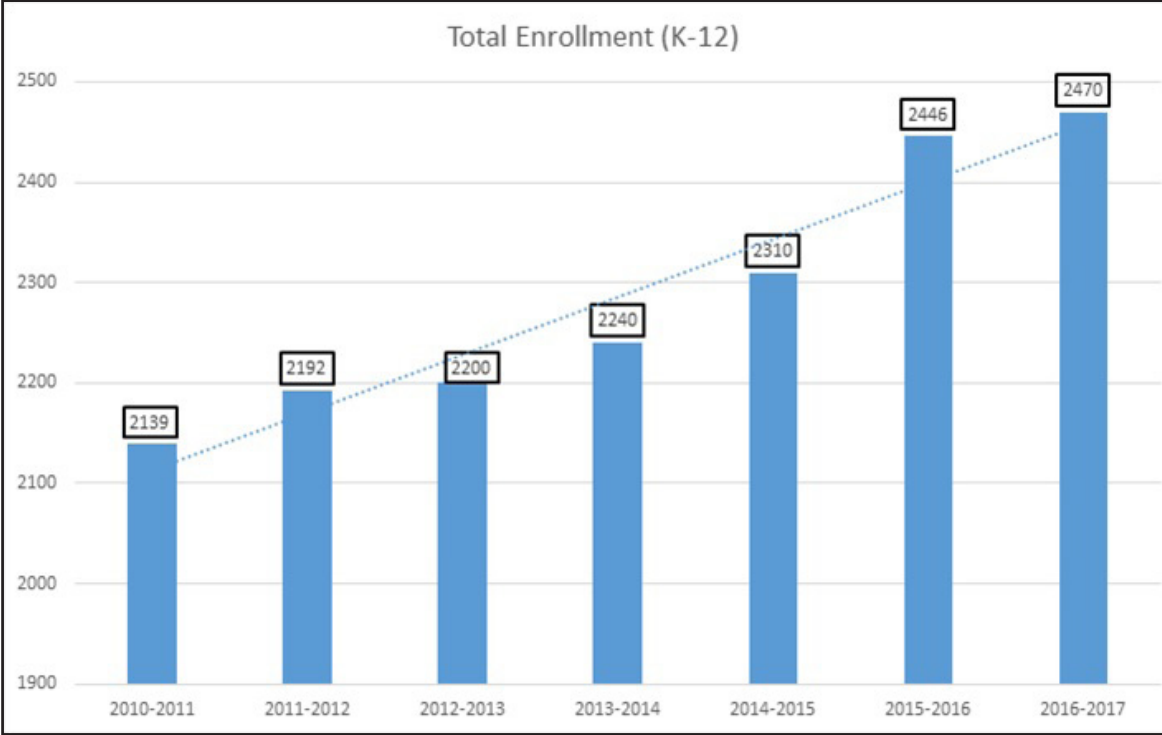
SCHOOL ENROLLMENT

School Enrollment, 2014*

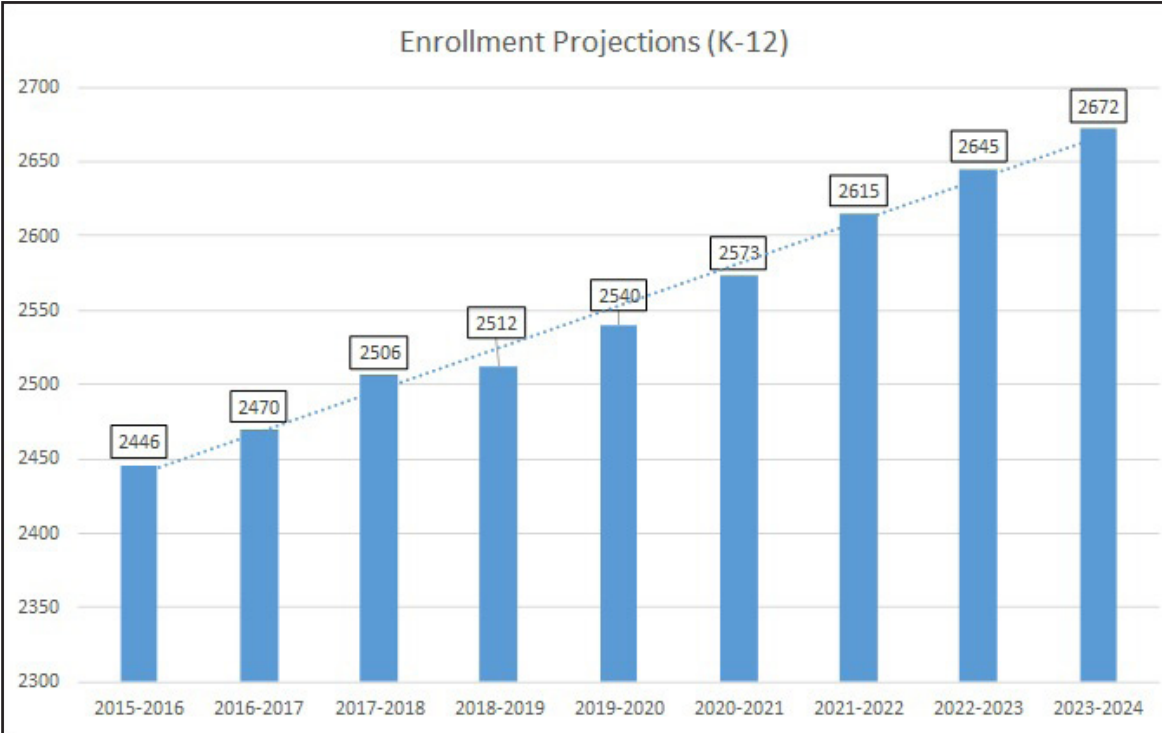
	Marshall city, MN	Lyon County, MN	U.S.
Total Population over 3 years old:	13,072	24,703	302,459,217
Enrolled in school:	4,216	7,198	82,735,509
Enrolled in nursery school, preschool	328	552	4,996,054
Enrolled in kindergarten	228	437	4,214,718
Enrolled in grade 1 to grade 4	684	1,350	16,313,067
Enrolled in grade 5 to grade 8	504	1,233	16,529,309
Enrolled in grade 9 to grade 12	682	1,317	17,053,876
Enrolled in college, undergraduate years	1,634	2,077	19,482,655
Graduate or professional school	156	232	4,145,830
Not enrolled in school	8,856	17,505	219,723,708
Percent of Total			
Enrolled in school:	32.3%	29.1%	27.4%
Enrolled in nursery school, preschool	2.5%	2.2%	1.7%
Enrolled in kindergarten	1.7%	1.8%	1.4%
Enrolled in grade 1 to grade 4	5.2%	5.5%	5.4%
Enrolled in grade 5 to grade 8	3.9%	5.0%	5.5%
Enrolled in grade 9 to grade 12	5.2%	5.3%	5.6%
Enrolled in college, undergraduate years	12.5%	8.4%	6.4%
Graduate or professional school	1.2%	0.9%	1.4%
Not enrolled in school	67.7%	70.9%	72.6%

MARSHALL PUBLIC SCHOOLS

Student enrollment is one of the biggest factors in completing our budget each year, so the number of students we have each month, and where they are going to and coming from, is something we pay close attention to. At the end of the 2015-2016 year, we received funding for 2,446 students in kindergarten through 12th grade. At the start of January for the 2016-2017 year, there were 2,470 students enrolled in those same grades, which is a 1% increase in student enrollment over last year. This follows increases of 5.9%, 3.1%, 1.8%, and 0.4% in the past four years. The enrollment growth has created space challenges for our district, which is the main reason we will be asking residents to vote on a building bond referendum on April 18th, 2017.



As the graph to the left shows, student enrollment in kindergarten through grade twelve has grown significantly over the past six years. During the past three years, we have seen a 3.1% increase from 2013-2014 to 2014-2015, a 5.9% increase from 2014-2015 to 2015-2016, and a 1.0% increase from last year to this year. Based on several factors, we anticipate that this enrollment growth will continue.



As shown in the graph to the left, student enrollment in kindergarten through 12th grade is projected to continue to increase from a low of 2,466 students in 2015-2016 to a forecasted enrollment high of 2,672 in 2023-2024. For the 2015-2016 school year we are at record enrollment numbers for the school district. In 2014, at the request of the school district, Hazel Reinhardt, a former Minnesota State Demographer, studied enrollment

history and other factors to develop a comprehensive enrollment projection based on a variety of factors. Ms. Reinhardt's projections include births, kindergarten 'capture' rate, and incoming 9th grade increases due to tuitioned in and non-public schools/students. Her projections indicated an increase of anywhere between 18.6% and 23.3% from 2013-2014 and 2023-2024. Interestingly, Ms. Reinhardt's most aggressive projection was for 2,331 students during the 2015-2016 school year – and enrollment exceeded her most aggressive projection by 115 students. The increasing enrollment, along with the district's commitment to manageable student to teacher ratios, has created a need for additional classroom and learning space.

SOUTHWEST MN STATE UNIVERSITY

Southwest Minnesota State University serves approximately 7,112 students across the State of Minnesota and throughout the upper Midwest through a variety of undergraduate, graduate and concurrent enrollment programs. Approximately 2,249 undergraduate degree seeking students are served on-campus.

Recent economic study estimate that SMSU has a regional economic impact of \$141 million and an estimated 1,898 jobs in southwest Minnesota. SMSU generates approximately \$8 million in tax revenues for state and local government according the study conducted by Wilder Research. SMSU is recognized for its affordability, quality and lifetime return on investment.

Enrollment Figures from Fall 2015

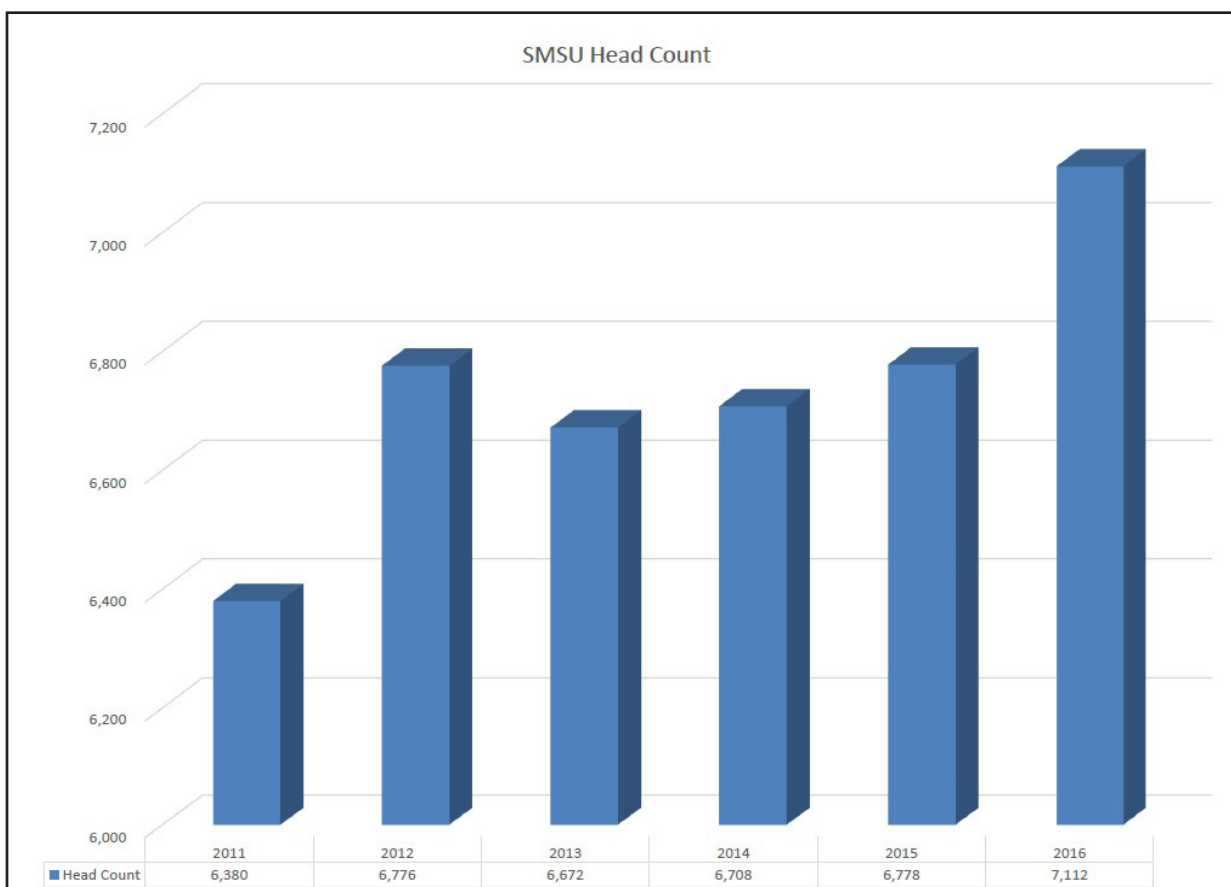
Total Headcount	7,112
Degree-seeking (undergrad)	2,249
Non-degree seeking	4,463
Graduate	400
Female	58%
Male	41.9%

Minnesota Residents	78.1%
Counties Represented	78
Out of State	16%
States Represented	30
International	5.3%
Countries Represented	22

98.7%
EMPLOYED SMSU
GRADUATES

92.3%
EMPLOYED IN FIELD
OF STUDY

11.9%
CONTINUING THEIR
EDUCATION



HOUSING ANALYSIS

According to the Marshall Comprehensive Housing Needs Analysis report, the demographic characteristics of Marshall and the Primary Market Area show a growing demand for a variety of housing products, including: rental housing targeting the young adult (25 to 34) age group as well as the empty nester population (55 to 74 age group); entry-level ownership housing for first-time home buyers (25 to 39); move-up housing for the 35 to 44 age group; and, senior housing. In total, we find demand to support 608 general occupancy housing units between 2015 and 2025. Demand is expected to favor rental housing, with 371 rental units and 237 for-sale housing units needed in Marshall by 2025.

Data accuracy related to the graphs in this section is indicated as follows: **BLACK** indicates a coefficient of variation < 12%; **ORANGE** (preceded with one dot) indicates between 12 and 40%; and **RED BOLD** (preceded with two dots) indicates a coefficient of variation > 40%. If data have consistently low accuracy throughout a report, we suggest running another demographics report at a larger geographic scale.

HOUSING CHARACTERISTICS

Housing Characteristics, 2014*

	Marshall city, MN	Lyon County, MN	U.S.
Total Housing Units	5,780	11,122	132,741,033
Occupied	5,342	10,076	116,211,092
Vacant	438	1,046	16,529,941
For rent	139	245	3,105,361
Rented, not occupied	0	3	609,398
For sale only	182	244	1,591,421
Sold, not occupied	0	32	616,027
Seasonal, recreational, occasional use	0	64	5,267,667
For migrant workers	0	0	34,475
Other vacant	117	458	5,305,594
Year Built			
Built 2005 or later	6	21	1,315,426
Built 2000 to 2004	718	1,177	19,803,260
Built 1990 to 1999	713	1,081	18,512,067
Built 1980 to 1989	834	1,169	18,346,272
Built 1970 to 1979	1,028	1,867	20,978,482
Built 1960 to 1969	844	1,296	14,626,326
Built 1959 or earlier	1,637	4,511	39,159,200
Median year structure built[^]	1974	1968	1976

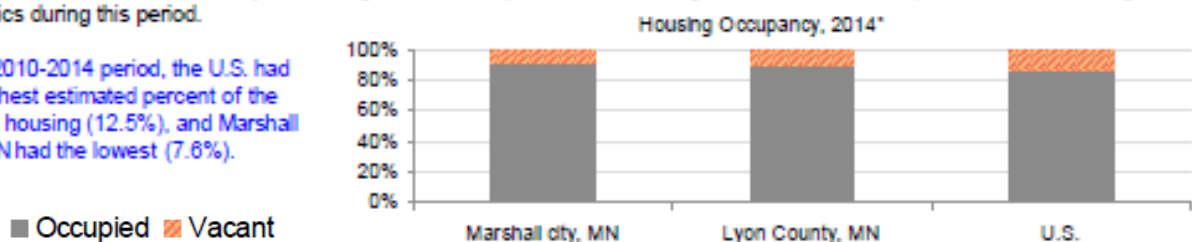
Percent of Total

Occupancy			
Occupied	92.4%	90.6%	87.5%
Vacant	7.6%	9.4%	12.5%
For rent	2.4%	2.2%	2.3%
Rented, not occupied	0.0%	0.0%	0.5%
For sale only	3.1%	2.2%	1.2%
Sold, not occupied	0.0%	0.3%	0.5%
Seasonal, recreational, occasional use	0.0%	0.6%	4.0%
For migrant workers	0.0%	0.0%	0.0%
Other vacant	2.0%	4.1%	4.0%
Year Built			
Built 2005 or later	0.1%	0.2%	1.0%
Built 2000 to 2004	12.4%	10.6%	14.9%
Built 1990 to 1999	12.3%	9.7%	13.9%
Built 1980 to 1989	14.4%	10.5%	13.8%
Built 1970 to 1979	17.8%	16.8%	15.8%
Built 1960 to 1969	14.6%	11.7%	11.0%
Built 1959 or earlier	28.3%	40.6%	29.5%

[^] Median year structure built is not available for metro/non-metro or regional aggregations.

* The data in this table are calculated by ACS using annual surveys conducted during 2009-2014 and are representative of average characteristics during this period.

- In the 2010-2014 period, the U.S. had the highest estimated percent of the vacant housing (12.5%), and Marshall city, MN had the lowest (7.6%).



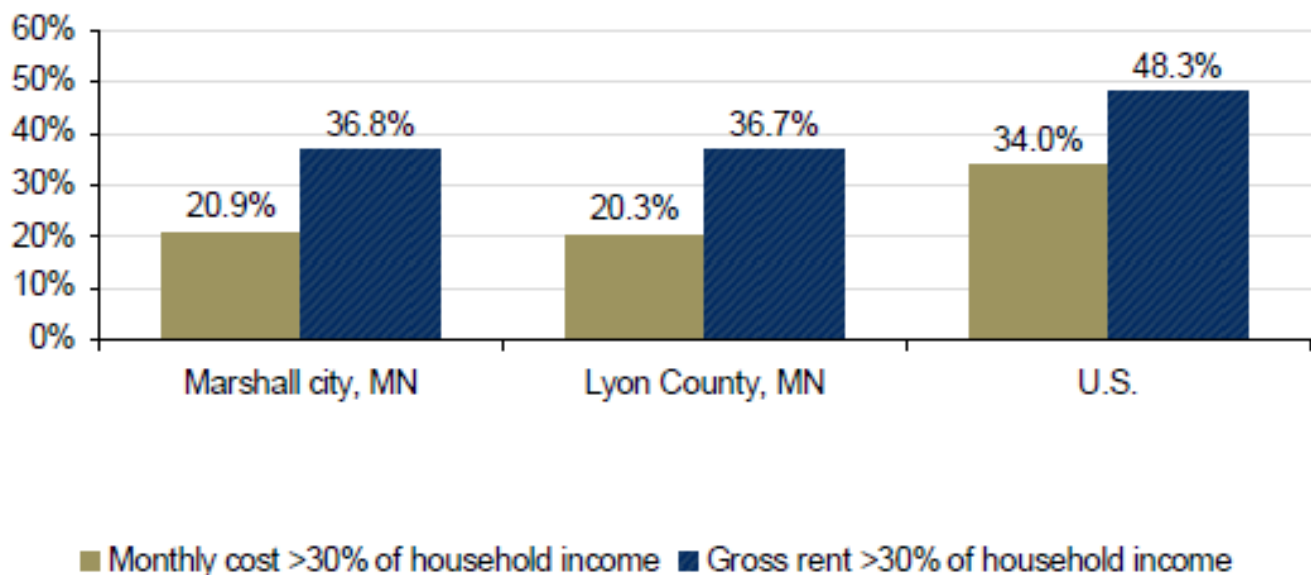
92.4%
OCCUPIED

2.4%
FOR-RENT VACANT

3.1%
FOR-SALE VACANT

AFFORDABLE HOUSING

Housing Costs as a Percent of Household Income, 2014*



Housing Costs as a Percent of Household Income, 2014*

	Marshall city, MN	Lyon County, MN	U.S.
Owner-occupied housing w/ a mortgage	1,864	3,957	49,043,774
Monthly cost <15% of household income	630	1,178	9,630,439
Monthly cost >30% of household income	389	802	16,687,628
Specified renter-occupied units	2,379	3,271	41,423,632
Gross rent <15% of household income	432	594	4,472,954
Gross rent >30% of household income	875	1,202	20,011,827
Median monthly mortgage cost[^]	\$1,209	\$1,179	\$1,522
Median gross rent[^]	\$609	\$609	\$920

Percent of Total

Monthly cost <15% of household income	33.8%	29.8%	19.6%
Monthly cost >30% of household income	20.9%	20.3%	34.0%
Gross rent <15% of household income	18.2%	18.2%	10.8%
Gross rent >30% of household income	36.8%	36.7%	48.3%

[^] Median monthly mortgage cost and median gross rent are not available for metro/non-metro or regional aggregations.

* The data in this table are calculated by ACS using annual surveys conducted during 2009-2014 and are representative of average characteristics during this period.

1,864

OWNER OCCUPIED
HOUSING WITH MORTGAGE

\$1,209

MEDIAN MONTHLY
MORTGAGE

\$609

MEDIAN GROSS
RENT

DEVELOPMENT OPPORTUNITIES

The City of Marshall has over 200+ acres of industrial park land available for development opportunities. In addition, the City of Marshall also has redevelopment property available for interested parties.

BLOCK 11

Block 11 consists of 7 parcels located on one of the busiest corners of Marshall at the intersection of College Drive and Main Street. Block 11 is within limits of the Downtown Central Business District.

Block 11 is part of the Central Business District which intends to preserve and enhance the city's central business district as the prime center for office and government employment, shopping and cultural activities.

The City of Marshall last year demoed two old buildings on this site and most recently purchased two additional parcels on Block 11.

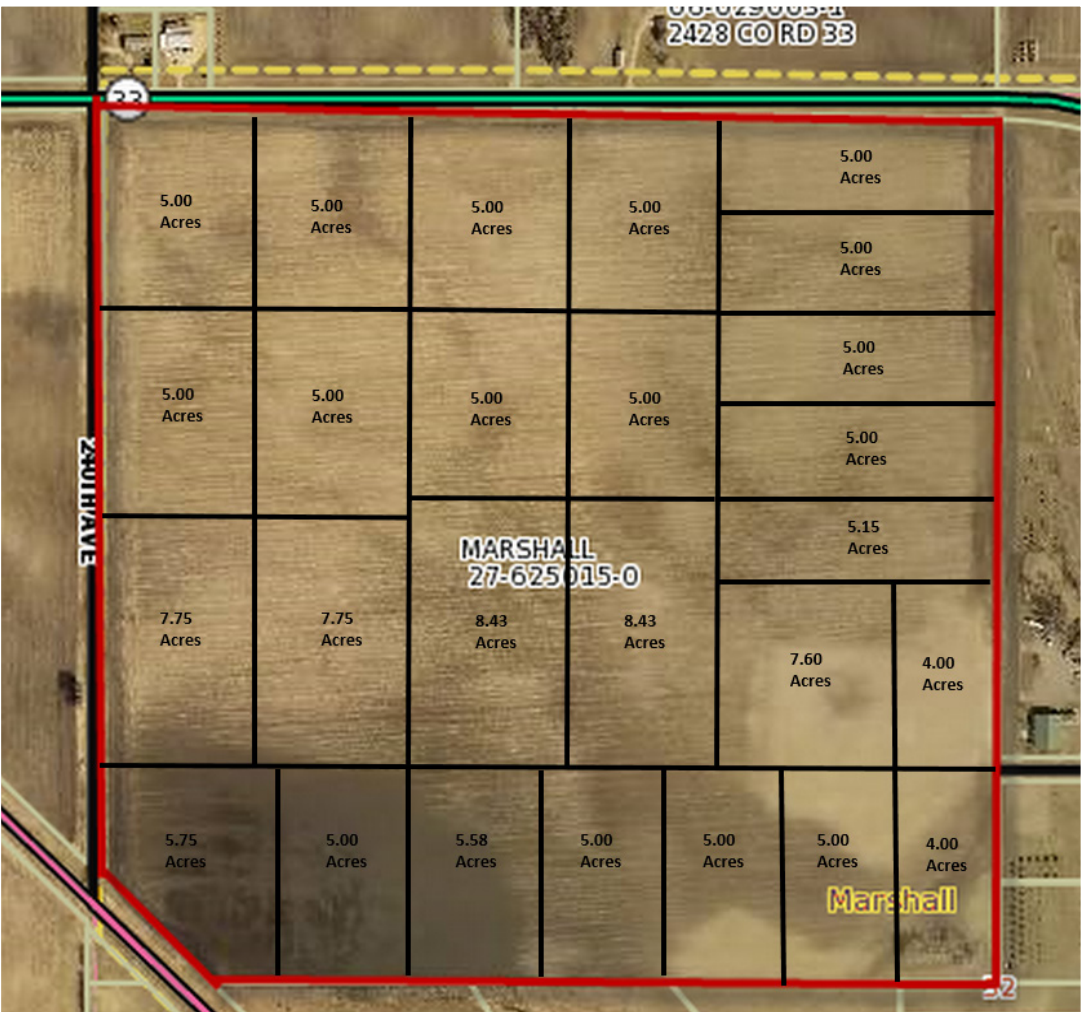


COMMERCE PARK

Commerce Park spans across 156.25 acres and can be subdivided into 5 acre lots.

Commerce Park is located west of Highway 59 North and is centrally located in the industrial district of Marshall.

Commerce Park is currently zoned agriculture, but will transition to general industrial district.



SONSTEGARD SUBDIVISION II

Sonstegard Subdivision II was initially 64.266 acres. The majority of the industrial park was filled within two years. Only 1 acre is still available.

Sonstegard Subdivision II is located between Trunk Highway 68 and County Road 33 and is located at the heart of Marshall's industrial district. It is currently zoned general industrial.



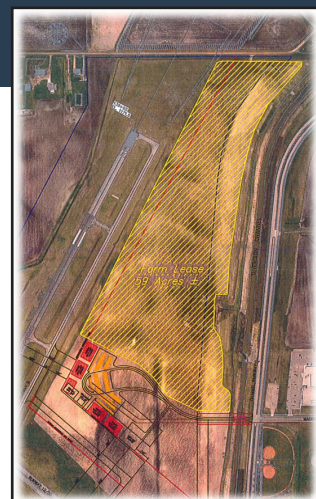
AIRPARK EAST

The Southwest Minnesota Regional Airport-Marshall/Ryan Field is a growing area and at present has over 25 developable acres. Located within easy access to air transportation, railroads, and the interstate, the airpark offers a prime location for businesses.

Located within easy access to air transportation, railroads, and highway systems, the airpark offers a prime location for businesses. We encourage developers and businesses to explore the development opportunities on the airpark and in the airport environs.

Southwest Minnesota Regional Airport-Marshall/Ryan Field's features include:

- 7,220-foot primary runway in length to handle corporate/commercial aircraft and possible future scheduled air service
- 4,000-foot crosswind runway
- BEACON, VOR/DME, ILS, weather computer
- Flight training and repair service
- Charter flights available to any point in North America and Canada



PARKWAY II

Parkway II Addition provides single-family housing opportunities of all kind. Parkway II is zoned single family residential and has a variety of building options for home buyers. Parkway II has 51 lots available that range from \$17,500-\$39,700/lot. Step by step information about Parkway II is listed on our website at: www.ci.marshall.mn.us/parkwayhousing



PARKWAY III

Parkway III consists of 18.405 acres located on Legion Field Road/10th Street. Parkway III is currently zoned residential. In the past, the City of Marshall has also considered rezoning to light industrial; however, the preliminary access review determined this was not feasible. The City of Marshall has also researched multi-family units including townhomes which may be an option to fill a need down the road.



PARKWAY IV

Parkway IV consists of 31.10 acres located on London Road. Parkway IV is currently zoned general business and single-family residence. The City of Marshall has considered rezoning the property to light industrial. Parkway IV's recent infrastructure can be designated for high tech or bio businesses.



SCHWAN'S REGIONAL AMATEUR SPORTS COMPLEX

Building off of our newly constructed Red Baron Arena & Expo, which features two sheets of ice and an exposition center, Victory Park has adjacent properties available for retail and restaurant development opportunities. Marshall is seeking hospitality, restaurant and retail enterprises that would complement each other and reach the amateur sports crowd along with the Southwest Minnesota State University population and our own community members.



K-MART BUILDING

95,000 SF | Working to find redevelopment opportunities are underway and those actions may require City participation to bring to fruition.



COUNTY FAIR BUILDING

32,000 SF | Also will work with owner on redevelopment opportunities.



DISCOVER SOUTHWEST MN

▶ As a leader in industry, education, and technology, Marshall enjoys a regional reputation for economic vitality.

▶ Marshall is taking an active role in developing strategies for hiring, retaining, and training the workers who will give businesses a competitive advantage by strengthening industry and education partnerships.

▶ We boast many big-city amenities without the hassles. In Marshall, you'll find a safe community, cultural and recreational activities, and most importantly, the time to enjoy them all, because there is no such thing as commute time in this town we call one of the biggest small towns in Minnesota.

▶ Our business community is more wired than most metropolitan areas and we have competitive services. Southwest MN is a forward thinking, business-friendly region with shovel ready sites welcoming you to join us.

▶ **#27** on Newsmax's
50 Best Small Towns in America

Marshall is one of only 120 towns to be recognized as "One of America's Best Small Towns" by author Norman Crampton. Marshall is a great place to live, work, and raise a family.

▶ WCCO Best Hockey Rink in Minnesota

Discover



SOUTHWEST MN

WWW.DISCOVERSWMN.COM