

February 26, 2020

Dear Mitchell City Council Members,

This letter is an endorsement of the Ridgeview on Foster obtainable housing development.

The mission of the Mitchell Area Chamber of Chamber is to provide leadership to unify community action that enhances the business environment and the quality of life of the Mitchell region.

Thanks to the generous gift of land from Avera Queen of Peace Hospital to the Mitchell Area Development Corporation, a new neighborhood development is planned to address the need for obtainable housing to support our community businesses whose employees need housing, as well as the individuals who wish to purchase homes.

With unemployment at record lows in this region, Mitchell is in fierce competition to find and retain employees. Low unemployment has deterred corporate growth. Without employees, Mitchell businesses are prevented from taking on new clients and projects. Money is literally being left on the table in our community through lost income and unrealized capital expansions.

A common barrier for our member businesses employees is housing. Not apartments and not low-income housing, but obtainable, attractive single-family homes. Mitchell is currently out of balance, only 54 percent of Mitchell residents own homes, compared to the national average of 64 percent homeownership, this means that we are more likely to lose our workforce to other towns because we have a more transient population. If housing was available, the likelihood of retaining employees would be greatly increased.

Ridgeview on Foster will support our greatest community need: obtainable housing. This aligns with the Forward 2040 surveys which indicated that Mitchell residents, particularly those under 40, see the lack of housing as a negative factor for the future growth of the community. Locals have been vocal, demanding new retail, restaurants and quality of life amenities. National retailers and many chain restaurants will not consider a town with fewer than 20,000 residents. Growth is the solution.

Mitchell area businesses are leaving about \$30 million in market share on the table. Those lost sales could create up to 180 new jobs. Jobs, at an assumed rate of \$18 per hour, which would equate to nearly \$7 million in wages annually. Money rolls over at least 2.5 times within a community when spent on local goods and services; the annual economic impact would be almost \$17 million. Multiply that over 10 years and the impact is just under \$170 million. That's new tax revenue to our community that we aren't currently receiving. Think about the taxes generated from that, the additional services and community amenities that could come with it. More homeowners mean more tax dollars to support growth and services providing a better quality of life for all.

It's clear Ridgeview on Foster will benefit the city and the Mitchell business community.

Sincerely,

Mitchell Area Chamber of Commerce Board of Directors:

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Brad Zimmerman, Vice Chair

Matt Doerr, Treasurer

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Michelle White-Abstain from voting

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Outside expectations