



# Lake Norden: partnership creates optimism, opportunity and economic growth

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The capacity of Agropur's expanded Lake Norden plant created higher demand for milk. Riverview, LLP responded and began construction of Garfield Dairy. The large-scale farm will include up to 9,500 cows.



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New economic opportunities are forging a renaissance in and around rural Lake Norden, S.D. It's become a region of possibilities – and it stands far from the often-difficult financial norms faced in many corners of small-town America.

The outlook began to change when Agropur announced the expansion of the cheese manufacturing facility.

In 2018, Agropur invested more than \$250 million into the expansion of their Lake Norden plant; the first domino to fall in what's expected to provide a grand-scale economic revitalization for the region.

The Lake Norden facility produces both cheese and whey products. The expansion increased its daily milk processing capacity from 3 million pounds to more than 9 million pounds -- equal to the output of an additional 85,000 cows. The company employed 220 at the facility prior to the expansion and added another 180 workers following its completion.

Tim Czmowski, Vice President of Agropur's Midwest operations, credited the commitment and responsiveness of city leaders from early discussions through completion. The good faith put forth on both sides helped to smooth the complicated nature of such a large and detailed project.

"In many parts of the world, it's not possible to collaborate at this level. In fact, the partnership with local city, county and state governments was very impressive," he said.

It was no small commitment for either the company or the region. For residents in and around Lake Norden, it required some trust



that they'd maintain their way of life while knowing that change would be necessary to support an operation of its size. For Agropur, it required some trust that surrounding communities would rise to the occasion and create a functional and attractive environment for employees and partners.

"I think people here are optimistic," said Lake Norden Mayor Jason Aho. "If you don't have jobs, your community dies. If you don't have jobs, your residents go somewhere else. It's been a blessing for our community, and I hope Agropur feels the same way."

It's still early, though the region's rural character and small-town values remain intact while quality of life has grown and remains on an incline.

Win Noem, mayor of nearby Bryant, S.D., recently led a tour of their unfolding progress. He cited the recent plant expansion in igniting demand for units at its new apartment complex.



Mayor Win Noem stands along the unusually wide Main Street of Bryant, S.D. The street was originally built to accommodate oxen, which needed significant space to turn around.

"There are certainly residents that are supported by the dairy industry, and all of the activity created by the dairy industry," he said.

He spoke with a spark of optimism while pointing out new entities reaching Bryant's tax rolls and conveniences that residents couldn't have expected just a short time ago.

"An automatic car wash," he observed. "Who would have ever thought?"

### ***'There's more to come'***

Dairy has been a major contributor of the region, though the plant expansion supercharged their opportunities. Lake Norden carries a pride in purpose that's clearly set forth in the city motto: "Cheese is our Whey."

Any growth is significant growth in a city of its size. Lake Norden had just 467 residents at the time of the 2010 census. The population was estimated at 522 in 2019.

"Since the announcement of the expansion, we've built multiple homes and four apartment complexes," Aho said. "There's more to come."

It was estimated that the expansion would add an annual \$1 billion economic impact on South Dakota as a whole. And as the dairy industry relies on the proximity of partnering businesses, the biggest impacts start in the Lake Norden area and ripple outward.

The trucking industry, for instance, saw major growth based on the significant hauling demands created by the expansion.

Riverview, LLP saw opportunity and began work on a large-scale dairy farm that's adding 9,500 cows to the region's economy. Just a 10-minute drive from the plant, it's a sight to behold featuring a 106-cow rotary milking parlor, on-site employee housing and a free-stall barn that will house all the cows under one roof.



Garfield Dairy, located outside Bryant, S.D., will provide its milk to Agropur's Lake Norden plant. It's the largest, single-site dairy farm in South Dakota.

Those thousands of cows need to eat, which brings forth another layer of economic impact: increased feed production.

It's been a boon for all of Hamlin County and areas beyond. Employees of Agropur's Lake Norden plant arrive to work each day from more than 30 different communities.

After plant construction was complete, community construction followed. In addition to new housing developments, older, long neglected houses shifted from disrepair to new life in the hands of young residents working





to make comfortable homes. Entrepreneurs took note of the activity and opened small businesses to meet growing needs, and all seem genuinely happy to be working to make this area of South Dakota a better place.

The prosperity of its population has grown by leaps and bounds. A recent Lake Norden housing study found that median income in the community doubled from \$31,000 in 2010 to \$62,000 in 2018.

For community leaders, it's brought on the challenges of meeting new needs and expectations. They welcome those efforts thanks to new capabilities. Overall tax revenues have gone up while individual taxes have declined. In Bryant, they built an industrial park. Its leaders are eyeing recreational improvements including the renovation of their baseball field and swimming pool.

Noem said his optimism is driven by the activity taking place outside of city hall.

"It's not what the city government has done," he said. "It's what the people are investing. The homes that have been fixed up? It's unreal."

Many agriculture-supported communities across the country have had to deal with decline. In Northeast South Dakota, there's the general feeling that their best days are ahead of them.

It's an optimism shared by Agropur's leadership.

Czmowski during a recent visit expressed some amazement at how much had transformed so quickly.

"We're always so busy producing cheese and whey products that we don't always see the community growth," he said. "When you complete a project, you don't always see the immediate impact, however in this case, it has been very noticeable what's taken place in Lake Norden and the surrounding region. It has all been gouda stuff!"

Agropur's expanded Lake Norden presence has quickly brought optimism, development and a higher quality of life to the residents of northeast South Dakota. Their communities continue to grow and so do their opportunities. Agropur is proud of our partnership and excited for their progress. Together, we're able to bring quality dairy products to the world. If you have any specific questions about our Lake Norden facility, please email [tim.czmowski@agropur.com](mailto:tim.czmowski@agropur.com).



Construction of Garfield Dairy has taken more than a year and a half. The operation will include on-site employee housing and a 910,000-square-foot free stall barn.



Jason Aho, mayor of Lake Norden, S.D., stands in front of a recently built housing development. Agropur's major expansion of the Lake Norden plant created the need for additional employees and spurred significant economic development in the city and surrounding region.