

January 30, 2025

Economic Development Merger Committee  
520 3<sup>rd</sup> Street  
Brookings, SD 57006

Dear Members of the Merger Committee,

On behalf of the Brookings Economic Development Corporation (BEDC) Board of Directors, we would like to share key insights and perspectives regarding the proposed merger of BEDC with other local economic development agencies. These insights reflect thoughtful consideration from the Board and our members, and we hope they will assist in guiding the next steps of this process.

Our discussions have underscored both the opportunities and challenges presented by the merger. Many see significant potential for strengthening collaboration, unifying resources, and enhancing the overall economic impact for the region. The vision of serving a broader regional economy is one that aligns with BEDC's mission, provided the merger is approached with care and strategic foresight. However, there are concerns about maintaining focus on local business needs, ensuring the unique strengths of BEDC are not diminished, and avoiding the risk of over-centralization.

Some of the concerns that were brought forward and need to be addressed:

- **Maintaining Mission and Focus:** A major concern is whether the individual needs and goals of each agency would be lost in the merger. Many respondents felt that the distinct missions of BEDC, the Chamber, Visit Brookings, and Downtown Brookings require specialized attention that could be diluted in a single entity.
- **Clarity on Structure and Objectives:** Respondents noted a lack of details on how the merged organization would function. Without clear definitions of the merger's purpose, structure, and end goals, stakeholders are hesitant to fully support the initiative.
- **Potential for Conflict of Interest:** Consolidating agencies under one leadership raises concerns about prioritization, with some fearing that certain groups or programs may be overshadowed or deprioritized.
- **Skepticism Toward City Involvement:** Some stakeholders questioned the city government's role in pushing the merger, expressing concerns about top-down decision-making and potential overreach in controlling the new organization.
- **Impact on Staff and Transition Feasibility:** Concerns were raised about the feasibility of executing such a merger by the proposed timeline, as well as the potential loss of experienced staff who may leave due to uncertainty or misalignment with the new structure.

As we reflect on these opportunities and challenges, we emphasize several critical points for consideration:

- **Defining the Problem:** It is essential that we clearly articulate the problem the merger is designed to solve. Without a well-defined purpose, the process risks starting on “shaky ground.”
- **Flexibility and Accountability:** The merged organization must remain nimble and responsive to economic changes while being accountable to stakeholders, including regional partners who contribute funding.
- **Preserving BEDC’s Expertise:** We strongly support maintaining BEDC’s focus on fostering entrepreneurship, business recruitment, retention, and expansion, and strategic partnerships—elements critical to Brookings’ economic growth.
- **Balancing Regional and Local Priorities:** The new organization must ensure that regional communities receive tangible benefits for their contributions, avoiding a Brookings-centric approach.

We believe the proposed merger represents an opportunity to unify efforts and maximize resources, but it must be executed thoughtfully. Preserving BEDC’s ability to remain responsive and focused on the needs of businesses, while expanding regional collaboration, will be pivotal to the long-term success of the new organization.

Thank you for your dedication to creating a strong foundation for economic growth. We look forward to collaborating with you and supporting this process as it evolves.

Sincerely,

Justin Gray, Board Chair & Brookings Economic Development Corporation Board of Directors