

Board of Commissioners

Kimberly HagenMark RustadCynthia PicBob RostTerry BjerkeGrand Forks, NDGrand Forks, NDNiagara, NDGrand Forks, NDManvel, ND

To: Chairman Wanzek and members of the Senate Appropriations Committee From: Commissioner Kimberly Hagen, Chair, Grand Forks County Board of Commissioners

January 13, 2025

RE: Senate Bill 2018: A BILL FOR AN ACT TO PROVIDE AN APPROPRIATION FOR DEFRAYING THE EXPENSES OF THE DEPARTMENT OF COMMERCE

Dear Chairman, Wanzek and members of the Senate Appropriations Committee,

My name is Kimberly Hagen, and I am the Chair of the Grand Forks County Board of Commissioners. I am writing to express the County's support for the Enhanced Use Lease (EUL) Development Grant (GrandSKY) funding identified in the Department of Commerce budget request.

On February 6, 2015, Grand Forks County executed a historic 50-year Enhanced Use Lease with the United States Air Force (USAF). This created GrandSKY, the nation's first commercial testing and training center devoted to the support and development of the Unmanned Aircraft Systems (UAS) industry. GrandSKY has since put North Dakota on the map in the UAS sector and has become the model EUL for other industries to follow. The USAF cites GrandSKY as its most successful and innovative EUL.

Without the State's investments, GrandSKY would not exist. Thanks to the foresight and investment of the State, necessary infrastructure was installed to host two leading UAS companies, Northrop Grumman Corporation and General Atomics. They will soon be joined by the Department of Defense's Test Resource Management Center (TRMC), who will headquarter its Sky Range mission at GrandSKY and Grand Forks AFB. Here, TRMC's Sky Range mission will convert and operate 24 RQ-4 Global Hawks to aid in DoD future weapons development.

Continued investment into GrandSKY provides hundreds of jobs in North Dakota. To date, Grand Sky has the following impacts:

- Direct Jobs: 269
- Average Salary: \$117,928
- State Investment in Infrastructure (to date): \$33 million
- Private Sector Investment in facilities and equipment: \$159 million
- Investment leverage: \$1 of State investment yields \$4.81 of private investment



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- State and Local Tax impact from Annual Operations: \$2,518,990
- State and Local Tax impact from Construction (2023 and 2024): \$194,625

Such investment from the state also precipitates investments into North Dakota from the private sector through private facilities, internships, and capital assets. This is reflected in \$159 million in private equity created at GrandSKY since 2015.

GrandSKY currently is tracking over \$26.79 million of critical additional infrastructure that is needed to continue growth at the park. These investments include roads, utilities, and aviation support. The expenditures are broken down as follows:

- Utilities: \$8,580,000. (Over 7400 linear feet of utilities)
- Roads: \$7,264,000. (Over 10,000 linear feet of new roads)
- Aviation Support: \$10,351,000. (New vertical takeoff and landing facility and existing pavement repairs)
- Security: \$600,000. (new cameras and sensors throughout the park)

Investments in GrandSKY have strengthened the Grand Forks region and the State's partnership with Grand Forks Air Force Base. Grand Forks County is leading the way in Public-Public-Private Partnerships that positively impact North Dakota, the County, and the Air Force.

Grand Forks County supports GrandSKY's requests that the Appropriations Committee consider funding GrandSKY at the originally requested amount of \$22.5 million.

North Dakota is the nation's leader in UAS, but other states are quickly trying to replicate the GrandSKY model to overtake North Dakota's position as the nation's UAS leader. It is critical to our state's economy that the Legislature continues to invest in GrandSKY so that the State's economy diversifies and grows, securing North Dakota as the nation's UAS leader.

Sincerely,

Kimberly Hagen Chair, Grand Forks County Board of Commissioners