



The Economy of Fairmont

Fairmont has a significant industrial manufacturing base. In the last five years, there has been some moderate decline, not unlike most of the Midwest. Fairmont manufacturing companies have experienced a high rate of physical and financial growth in their companies, while employment numbers have remained stable. This is not unique to Fairmont, but a trend nationally.

Fairmont is host to more than 500 businesses. Over the past 12 years, FEDA's (Fairmont Economic Development Authority) revolving loan fund has helped 42 businesses with loans from \$17,000.00 to \$140,000.00, totaling \$2,002,800.00, and leveraging another \$15,438,893.00 in equity and conventional financing. It has also created 385 new jobs, or about 10 per company, with new payroll of more than \$9 million.

Employment data is reported by Martin County and the Metropolitan Statistical Area. With the county population reported at 21,802, its labor force is 11,477, with an unemployment rate of 4%. More than half of the labor force are Fairmont residents, as Fairmont is over 50% of the county's total population. It is important to point out that the labor force draw area is a 30-mile radius. This includes 7 counties in Minnesota and northern Iowa. This area represents a labor force of about 35,000.

Over the last few years, Fairmont has been gaining momentum as a value-added agriculture processing center and an area beginning to explore alternative fuels. In 2001, Cenex Harvest States, Inc. constructed a \$75 million dollar soybean processing facility. The facility has intentions to add a refinery in the future. In May 2008, BioFuels Energy opened Minnesota's first 100 million gallon, \$150 million dollar ethanol plant. The plant consumes approximately 40 million bushels of corn each year. Each of the two facilities are set on 200 acres and abuts one another in the northwest portion of the community. Both facilities employ 50 individuals, with a combined payroll of just over \$4 million, and adds \$0.05 to \$0.15 center per bushel to the commodity they consume, thus creating an additional \$4 - \$12 million in new revenue for area producers.

Fairmont's retail base is keeping pace by adding a Walgreen's, Wal-Mart Super Center, Kiwk Trip and Arby's. Many other national brand retailers are looking at opportunities that exist within our community.



Additional positive economic indicators include:

- Average hourly wage: \$13.51 (top ten manufacturing employers)
- Average taxes on a \$100,000 home: \$765/year for city/county taxes (excluding assessments)
Fairmont ranks 96 out of 125 communities, making it one of the lowest in Minnesota for taxes
- Sales and use tax gross for the City of Fairmont: \$353,427,287
- Total valuation for property tax purposes for the City: \$362,220,700
- Median household income for Fairmont: \$33,700
- Median household income for Minnesota: \$47,100
- Average market value homes: \$111,689
Of the 156 homes sold in 2007, 50% were valued between \$90,000 - \$200,000; 39% were valued between \$60,000 - \$89,000. The average new home cost for 2007 was between \$180,000 - \$200,000, plus lot costs. Fairmont constructs on average between 12-20 new homes each year.
- Fairmont's economy is very strong and getting stronger. Fairmont draws individuals from a 60-mile radius for their retail and health care needs
- Fairmont Medical Center - Mayo Health Systems is a regional medical facility employing more than 40 doctors. The hospital/clinic completed a \$14.5 million expansion in 2000, and another \$6.8 million expansion in 2002. Another independent clinic completed a \$3.3 million project of approximately 40,000 square feet, out patient surgery center and open sided MRI. A third independent clinic opened in the summer of 2009, specializing in family medicine.
- Fairmont has 6 banks, 4 car dealerships and 2 large farm implement dealers

How does Fairmont compare?

- Median household income:

Worthington	Bemidji	Fairmont	Marshall	Fergus Falls
\$36,250	\$28,072	\$33,709	\$37,950	\$31,454

- Average weekly wage:
 - Martin County/Fairmont: \$551
 - Freeborn County/Albert Lea: \$547
 - Brown County/New Ulm: \$575
 - Nobles County/Worthington: \$531
- Property Tax—\$100,000 home, city tax only:
 - Fairmont \$373
 - New Ulm \$656
 - Hutchinson \$575
 - Worthington \$502
 - Marshall \$468
 - Windom \$685
 - Jackson \$810
 - Average \$625



- Electric Rates, industrial class rate—annual consumption 2.67 mwh:
 - Fairmont \$164,597
 - New Ulm \$261,506
 - New Prague \$172,080
 - St. Peter \$228,603
 - Owatonna \$173,584

Site Selection Magazine ranked Fairmont in the top 36 micropolitans in the country for new and expanding facilities. Escapehomes.com ranked Fairmont in its top ten emerging second home markets in the Country; ranked with Fergus Falls, Minnesota; North Fork, Colorado; Darby, Montana; Pinetop Lakeside, Arizona; Sisters, Oregon and Spearfish, South Dakota.

Fairmont supports business development with a positive attitude, business climate and a wide range of tolls to help facilitate business growth:

- 22 tax increment financing districts
- \$2 million revolving loan portfolio
- 241 acres of JOBZ
- Virtual spec building
- 60 acres full-developed industrial park
- \$250,000 loan availability through the Minnesota Community Capital Fund for businesses looking at long term, fixed rate financing
- 30,000 sq. ft. business incubator to assist new start up businesses get on their feet.

If time is money at your business; one can fly just about any size prop or corporate jet air craft into Fairmont's municipal airport equipped with an ILS system, 5,550 foot runway and 3,300 crosswind runway, 24-hour fuel service, meeting space in the terminal and ground transportation.

Fairmont is half way between Chicago and the Black Hills; 120 miles from Minneapolis/St. Paul; 208 miles from Des Moines, IA; 402 miles from Rapid City, SD; 405 miles from Milwaukee, WI; and 571 miles from Winnipeg, Canada. As you can see, Fairmont is situated geographically to take advantage of numerous regional business facilities. The cost of labor, land and buildings is at a lower cost than most metro and other Midwest areas. There is a good supply of labor, with a strong work ethic not found in other regions of the county. We have a quality of life second to none, for most of the country and specifically the region. Transportation, education facilities, recreation and size all make Fairmont a great place to grow a business and raise a family.

Come join the other 11,250 people and over 500 businesses that call Fairmont "home".

The City of Fairmont Community Development Department is a one-stop shop for all your development needs:

- Site and building inventory
- Planning and zoning requirements
- Business development incentives
- Fast, friendly service

For more information, contact:
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