

2021 Community Profile

Sioux Falls, South Dakota



Table of Contents . . .

Demographics	2
Business Advantages	6
Transportation	7
Business Climate	10
State / Metro Incentives	11
Business Resources	13
Business & Industrial Parks	15
Utilities	19
Retail Stats & Info	23
Economic Indicators	24
Cost of Living Data	25
Education	26
Government	30
Climate & Quality of Life Info	31

Sioux Falls Metro

Outstanding Educational Opportunities

World Class Healthcare

Midwest Work Ethic . . . in the heart of America

Cultural Opportunities . . .
that stretch the human experience



Pro-business Environment . . .
that improves your bottom line

Engaged Leaders . . .
academic, corporate & political

Crossroads of America . . .
intersection of I-90 & I-29

High Value Location . . . affordable with room to grow

enjoy the benefits . . . **join our corporate community**

Low Crime Rate

Amenities . . . that exceed our size



Sioux Falls
SOUTH DAKOTA
Better business. Better life.

The most successful businesses of the future will be those searching out innovative, creative business solutions today . . . **explore the Sioux Falls metro . . . join our corporate community** . . . where Better Business, Better Life isn't just our motto . . . it's reality!

Population

	<u>Sioux Falls</u>	<u>Metro</u>
1900	10,266	23,926
1920	25,202	42,490
1940	40,832	57,697
1960	65,466	86,575
1980	81,343	109,435
2000	123,975	172,412
2020	190,750	272,379
2021	195,850	272,500

Persons/Households/Families

	<u>Metro</u>
Total Households	107,499
Persons per Household	2.43
Total Families	69,412
Persons per Family	3.02

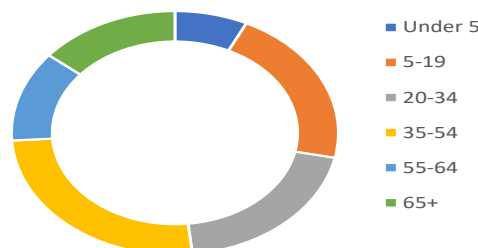
Source: 2019 American Community Survey

Race Distribution

	<u>Metro</u>
One Race	96.7%
White	88.6%
Black	4.9%
Native American	1.1%
Asian	1.7%
Other	0.5%
2 or More Races	3.3%
Hispanic/Latino Origin (of any race)	4.4%

Source: 2019 American Community Survey

Age Distribution



Source: 2019 American Community Survey

Sex Distribution

	<u>Female</u>	<u>Male</u>
Sioux Falls Metro	49.1%	50.9%

Source: 2019 American Community Survey

Demographics . . .



The Sioux Falls Metro Area consists of Minnehaha, Lincoln, Turner and McCook Counties in South Dakota.

at a glance . . . Sioux Falls Metro

4.4% Hispanic / Latino Origin

73.7% Labor Participation Rate

Percent of metro residents 16 and older that are employed

36.0 Years
Median age of residents

\$34,878 Per Capita Income

65,566 Median Household Income

81,629 Median Family Income

92.6% High School Diploma/GED

47.3% Associate's Degree or Higher

34.6% Bachelor's Degree or Higher

Educational Attainment of Metro residents 25 and older

65.3% of Metro Housing Units are Owner-occupied

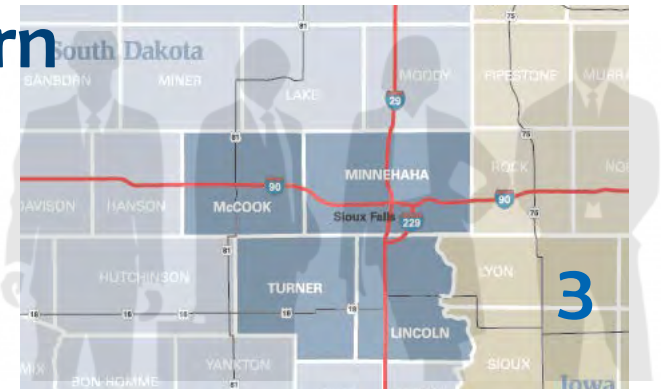
107,499 Households are located within the Metro Area

62.6% South Dakota Born

50 - 50

Percentage of population male vs. female

Source: 2019 American Community Survey



Availability of Labor

Estimated Available Labor Supply . . . 16,540

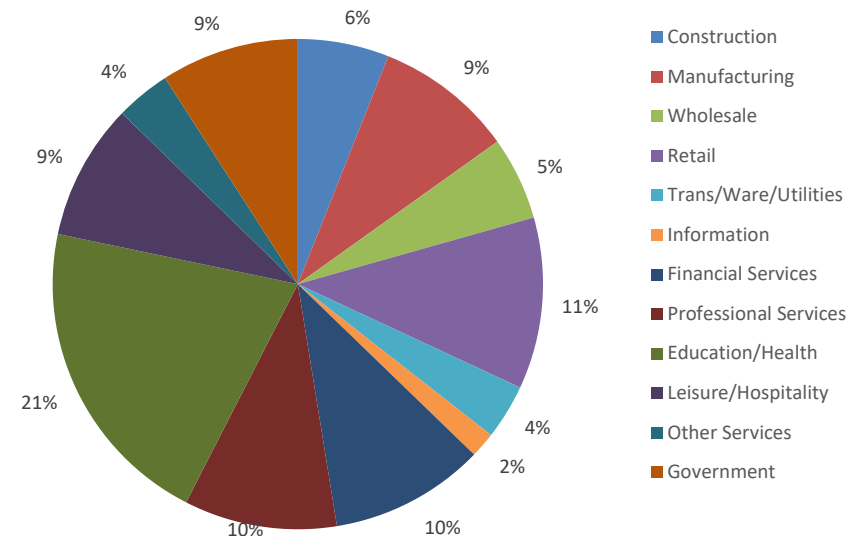
Average Annual Number of New MSA Residents . . . 4,000

Annual College/Tech School Graduates *Statewide* . . . 10,000

MSA High School Graduates 2020 . . . 2,550

Labor Force Growth last 10 years . . . 17%

Non-Ag Wage & Salary Employment - 2020



Civilian Labor Force, Employment & Unemployment - Metro

Year	Labor Force	Employment	Unemployment	% Unemployed
1990	85,970	83,670	2,300	2.7%
2000	111,250	109,125	2,125	1.9%
2010	133,560	127,210	6,350	4.8%
2020	156,310	148,689	7,621	4.8%

Major Employers (1,000+ employees)

9,432	Sanford Health	1,500	Evangelical Lutheran Good Samaritan Society of Sanford Health
8,880	Avera Health		
3,700	Smithfield Foods	1,424	Walmart / Sam's Club
3,688	Sioux Falls School District	1,266	First PREMIER Bank / PREMIER Bankcard
3,009	Hy-Vee Food Stores	1,260	City of Sioux Falls
2,616	Wells Fargo	1,182	Dept of Veterans Affairs Medical & Regional Office
1,586	Citi	1,081	LifeScape

**South Dakota
is a
Right-to-Work
State**

Resources

South Dakota Labor Market Information Center

605.626.2314 or 800.592.1881
dlr.sd.gov/lmic

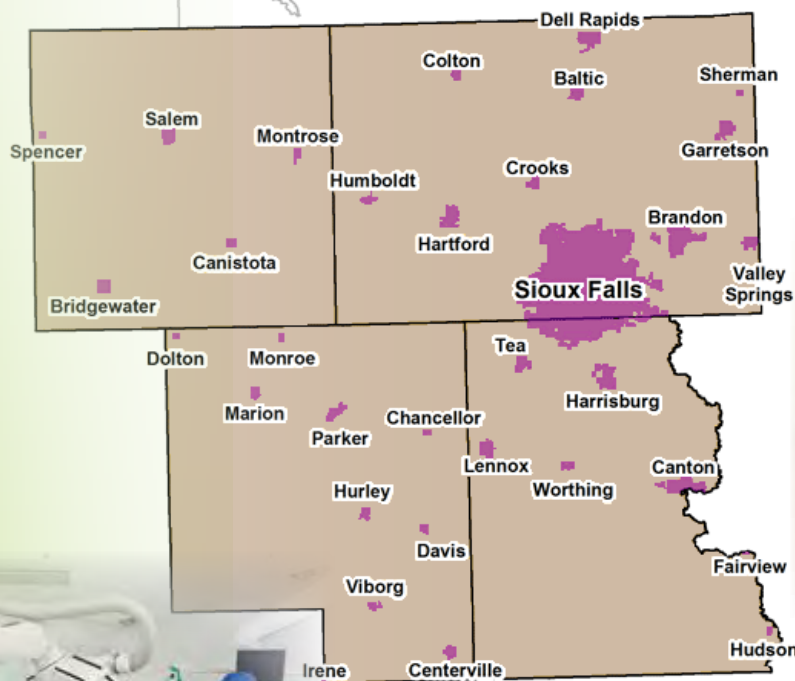
SD Development Foundation Workforce Development Office

605.339.0103

Metro Communities . . .

4-County Metro Area . . .

. . . 3-State, 12-County Labor Draw



Metro Income Information

2019 Per Capita Income	\$34,878
2019 Median Household Income	\$65,566
2019 Median Family Income	\$81,629
Source: 2019 American Community Survey	

Non-farm wage and salary employment has increased by 16% in the Metro area over the last decade.

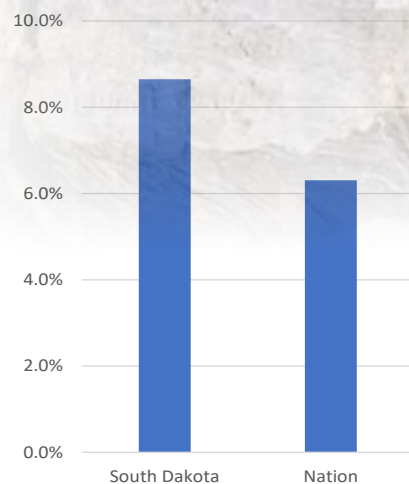
South Dakota . . . One of America's top states for business

- . . . **No** corporate income tax
- . . . **No** personal income tax
- . . . **No** personal property tax
- . . . **No** inheritance tax
- . . . **No** inventory tax
- . . . A Right-to-Work State
- . . . One of the lowest union membership rates



South Dakota has a very attractive business climate

**. . . come share it with us
and enjoy the advantages!**



South Dakota's population growth has outpaced the nation's . . . 8.65% to 6.31% since 2010.

Advantages . . .

Top States contributing to South Dakota's Population Growth (2019)

Minnesota	19.7%
Nebraska	17.0%
Iowa	12.1%
North Dakota	3.9%
California	3.6%
Illinois	3.2%
Texas	3.1%

Interstate Traffic Counts - 2020

	Vehicles per Day
Interstate-29	
Exit 73 (Tea Exit) - I-229	37,790
I-229 Exit - 41st Street Exit	52,290
26th Street Exit - 12th Street Exit	60,300
12th Street Exit - Madison Street Exit	57,610
Madison Street Exit - Russell Street Exit	50,170
Interstate-90	
I-229 Exit - Cliff Avenue Exit	25,940
Cliff Avenue Exit - I-29 Exit	26,760
Interstate-229	
Louise Avenue Exit - Western Avenue Exit	37,480
Western Avenue Exit - Minnesota Avenue Exit	41,998
Minnesota Avenue Exit - Cliff Avenue Exit	42,460
Cliff Avenue Exit - 26th Street Exit	40,350
26th Street Exit - 10th Street Exit	34,190
10th Street Exit - Rice Street Exit	29,610
Rice Street Exit - Benson Road	29,410

Source: South Dakota Department of Transportation

Highways

Sioux Falls is one of America's crossroads cities, located at the junction of two Interstate highways, I-90 and I-29. I-90, joining Boston and Seattle, is one of the five coast-to-coast east-west freeways. I-29 runs north-south and joins Kansas City with Winnipeg. I-229 joins I-29 with I-90 south and east of the city creating an interstate loop to enhance traffic flow. South Dakota 100, a limited access principal arterial roadway mirroring I-229 is currently under construction. It will connect I-90 at Exit 402 east of the city to I-29 at the Tea Exit.

19.4 minutes . . . Average Metro Commute Time

70+ . . . Truck Lines Serving the Region



Express Delivery Services is readily available in the metro area. UPS and FedEx have air cargo facilities located at the Sioux Falls Regional Airport and operate jet freighters on a daily basis.



Commercial Airline Flights

- 7 flights to/from Chicago
- 7 flights to/from Minneapolis
- 5 flights to/from Denver
- 3 flights to/from Dallas/Ft. Worth
- 1 flight to/from Atlanta
- 1 flight to/from Phoenix - Sky Harbor
- 5 Weekly flights to/from Las Vegas
- 5 Weekly flights to/from Phoenix/Mesa
- 2 Weekly flights to/from St. Petersburg/Clearwater
- 2 Weekly flights to/from Orlando
- 2 Weekly flights to/from Nashville (Seasonal-Summer)
- 2 Weekly flights to/from San Diego (Seasonal-Summer)
- 2 Weekly flights to/from Fort Myers (Winter)
- 2 Weekly flights to/from Los Angeles (Seasonal-Summer)

Source: Sioux Falls Regional Airport Authority

Additional Metro Area Airports:

Lincoln County Airport is conveniently located just south of Sioux Falls, adjacent to I-29. The 3,650-foot runway leads to a modern full service FBO providing major aircraft repairs and aircraft fueling. On the airport grounds, repair station and installation services for all manner of aircraft models is available.

Canton Municipal Airport is located less than 20 minutes southeast of Sioux Falls along US Highway 18. The airport features a 3,600-foot hard surface runway, private hangars, and 24-hour fuel service.

Sioux Falls Regional Airport - Joe Foss Field

- ... Located approximately two miles northwest of downtown
- ... Largest airport in South Dakota
- ... 60,500 flight operations in 2019
- ... Over 1,165,000 passengers in 2019
- ... Served by Delta, United, American, Allegiant & Frontier Airlines
- ... Charter First provide charter service out of Maverick Air Center
- ... FBO services provided by Signature Flight Support
- ... UPS and FedEx both have air facilities at the airport; operating jet freighters on a daily basis
- ... 62 million pounds of freight/mail pass through the Sioux Falls Regional



Resources

SD Department of Transportation

605.773.3265
www.sddot.com

Sioux Falls Engineering Department

605.367.8601
www.siouxfalls.org/publicworks

Sioux Falls Regional Airport

605.336.0762
www.sfairport.com

Lincoln County Airport

605.368.2841

Canton Municipal Airport

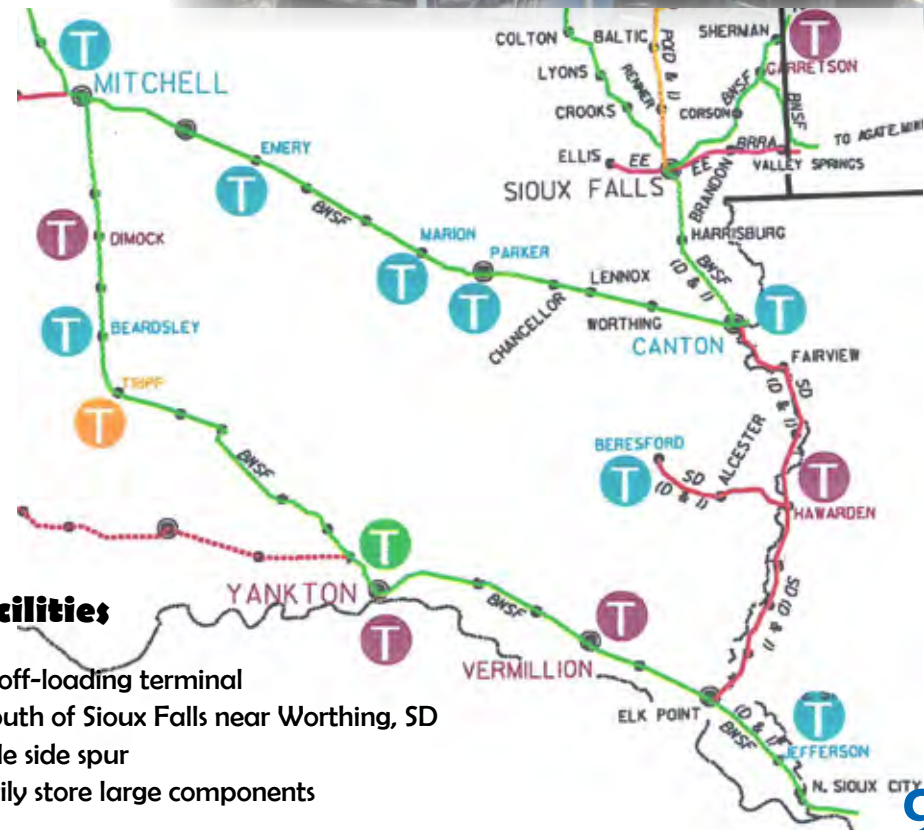
605.987.9010

Railroads

BNSF www.bnsf.com
E&E concretematerialscompany.com
D&I www.lgeverist.com
Rail to Road www.railtoroad.com



Rail Service to and from the area is provided by BNSF. A number of industrial parks throughout the region are served by BNSF; accommodating all types of materials. Foundation Park has multiple sites available with rail access. Two short line railroads serve the region as well - Ellis & Eastern and the D&I, both with transload facilities in the area. Direct connections with dock spurs and freight forwarding service are available from the railroads.



Transmodal Facilities

- ... 175-acre large-site off-loading terminal
- ... Located 10 miles south of Sioux Falls near Worthing, SD
- ... Includes a half-circle side spur
- ... Space to temporarily store large components
- ... 120-foot scale

Reemployment Assistance Tax

	New Employer	Construction
Year 1	1.75%	6.55%
Year 2-3	1.55%	3.55%

Average experienced rating 2020:	1.09%
Wage Base	\$15,000

Employers of 4+ years are assigned an experienced rating based on the employer's benefit and contribution experience in relation to their total taxable payroll for a certain period and the remaining balance in the State fund.

Real Property Tax

Local real property taxes vary from 1 to 4 percent of the actual value of the structure, with most rates falling under 3 percent. The taxable value of a property is currently considered 85% of the market value. Property taxes are then calculated based on the taxable value of the property.

2020 Levy for the City of Sioux Falls (Commercial & Non-owner Occupied Properties)	
Water	0.023
City	4.288
School (Commercial Rate)	12.343
County (Minnehaha)	3.322
Total:	\$19.976 / \$1,000 taxable valuation

Taxable percentages are for the City of Sioux Falls within Minnehaha County. Minnehaha County has taxable percentages of .85 for ag and .937 for non-ag. Lincoln County has taxable percentages of .85 for ag and .942 for non-ag.

Property taxes vary depending on the school district and county.

Motor Vehicle Excise Tax 4% on the purchase price of motor vehicles, recreational vehicles and motor homes.

Worker's Compensation South Dakota has traditionally been known as having one of the lowest workers compensation rates in the country. For detailed information contact the SD Department of Revenue & Regulation.

Sales & Use Tax

State	4.5%
Sioux Falls	2.0%
Sioux Falls Entertainment Tax	1.0%

SD Ranked 2nd Best ... in the
Tax Foundation's 2021 State Business Tax Climate Index



Equipment and inventory are classified as personal property and are not subject to property tax.

Resources

SD Revenue & Regulation

605.773.3563
dlr.sd.gov

City of Sioux Falls Finance Department

605.367.8860
www.siouxfalls.org/finance

Revolving Economic Development & Initiative Fund

The REDI Fund is a low interest revolving loan fund for economic development providing financing assistance for qualifying startup firms, existing businesses, and businesses moving into South Dakota based on the creation of primary jobs.

The REDI Fund can provide financing for the purchase of land and the associated site improvements, construction, acquisition, and renovation of buildings; equipment; fees, services and other costs associated with construction.

The REDI Fund can provide up to 45 percent of the project cost and requires the applicant to secure the matching total funds before applying to the South Dakota Board of Economic Development, including a ten percent minimum equity contribution. The rate is fixed for the entire term of the loan, currently at two percent, unless otherwise determined by the Board of Economic Development. The loans are amortized over the useful life of the assets financed; up to twenty years for real estate and ten years for equipment, with a balloon after five years.



50-State Comparison . . . check it out:

sdgoed.com/tools-resources/50-state-comparison/

Sales Tax Refund

South Dakota charges sales tax on capital equipment purchases. Many of the communities offer a refund of their city's portion (generally 2%) of capital equipment/eligible furnishings. The City of Sioux Falls program allows eligible expenses to be incurred within 36 months of the project start date.

City of Sioux Falls - Sales Tax Refund Parameters:

- New construction project - must add at least \$5 million to property tax base, or
- Non-realty capital assets investment of not less than \$10 million, or
- a combination of new construction & non-realty capital assets exceeding \$10 million

Property Tax Abatement

A City of Sioux Falls ordinance allows owner-occupied new industrial, distribution or research structures, or additions to these types of existing structures, to be taxed at a lower rate. This abatement ordinance results in a savings of property tax normally paid during the first five years following construction.

The following chart illustrates the percentage of taxable value used through the first five years.

Years following construction	% of taxable value used
1st	-----
2nd	20%
3rd	40%
4th	60%
5th	80%
6th+	100%

A number of Minnehaha and Lincoln County communities have enacted property tax abatement ordinances. For information, contact the Lincoln or Minnehaha County Economic Development Associations at 605.339.0103.

South Dakota Reinvestment Payment Program

This program is available to assist companies in offsetting the up-front costs associated with relocating or expanding operations and/or upgrading equipment in South Dakota. The program allows for project owners to receive a reinvestment payment, not to exceed the South Dakota sales and use tax paid on project costs, for new or expanded facilities with project costs in excess of \$20,000,000, or for equipment upgrades with project costs in excess of \$2,000,000.

South Dakota Jobs Program

This program is available to assist companies in offsetting the up-front costs associated with relocating or expanding operations and/or upgrading equipment in South Dakota. The program allows for project owners to receive a South Dakota Jobs Grant for new or expanded facilities with project costs less than \$20,000,000, or for equipment upgrades with project costs less than \$2,000,000.



Port of Entry / U.S. Customs

Sioux Falls is South Dakota's US Customs & Border Protection's Port of Entry. It has the unique distinction of being the only air cargo port in South Dakota. The Port's U.S. Customs Office allows freight and passengers to clear U.S. Customs in Sioux Falls. Persons interested in accessing Port Services are encouraged to contact the Sioux Falls International Marketing Director.

Foreign Trade Zone

The Federal Government approved a Foreign Trade Zone in Sioux Falls. FTZ #220's current activated General Purpose Warehouse site is Nordica Warehouses, Inc., located at 801 South 6th Avenue. The site consists of a 125,000 square foot public dry goods heated warehouse, freezer building and cooler building. For more information, contact Nordica Warehouses at 605.336.9152. Rosenbauer-America, Inc. is FTZ #220's only Manufacturing Foreign Trade Zone site and it is located in Lyons, South Dakota. This site consists of approximately 10 acres.

Resources

Governor's Office of Economic Development

800.872.6190 or 605.773.4633
sdgoed.com

Port of Entry / Customs

605.338.3424 or 605.941.6696

City of Sioux Falls Finance Department

605.367.8860
www.siouxfalls.org/finance

Resources

Governor's Office Of Economic Development

800.872.6190 or 605.773.4633
sdgoed.com



Sioux Falls Development Foundation

As a non-profit development corporation, SFDF provides a variety of professional services including industry and business specific location assistance for new and expanding firms, and information on available industrial park land, buildings and sites. SFDF works in partnership with the Governor's Office of Economic Development, local municipalities, county officials, the Minnehaha County Economic Development Association, the Lincoln County Economic Development Association, Zeal Center for Entrepreneurship, USD Discovery District, as well as real estate brokers and financial institution representatives to assist you.

The Foundation owns and operates the Sioux Empire Development Parks and Foundation Park. Established in 1970 and 2015 respectively, the park developments total nearly 2,200 acres, and are zoned I-1 or I-2. In addition, SFDF owned and initiated the Campus Crossing commercial development located near the junction of I-90 and Marion Road.

Development Foundation services include:

- ... Information on Industrial Park Land, Available Sites & Buildings
- ... Connections to Local Municipal & Business Service Providers
- ... Business Retention & Expansion Services
- ... Workforce Development Services
- ... Demographics, Utility & Labor Information
- ... Area Business Listings/Directories
- ... Business & Tax Climate Data
- ... Quality of Life Information

200 North Phillips Avenue, Suite 101, Sioux Falls, SD 57104
605.339.0103 or 800.658.3373

Governor's Office of Economic Development

The Governor's Office of Economic Development's main objective is to expand primary job opportunities and enhance the quality of life for all South Dakotans. GOED works to retain and expand existing businesses, foster new businesses, facilitate business succession and recruit out-of-state businesses. The office works closely with community economic development corporations to help prepare communities for development and to expand and diversify the state's industry and economy. Additionally, GOED administers a variety of financing opportunities available to new and expanding businesses.



Sioux Metro Growth Alliance

The Sioux Metro Growth Alliance represent a two-county economic development cooperative between 13 incorporated communities surrounding Sioux Falls, two county governments and multiple private investors. The organization provides staff and resources to add leadership and expertise to local economic development efforts. Working with local governments, community leaders and volunteer economic development boards, the organization assists communities with business attraction, business expansion, land development, workforce development and community development issues. SMGA provides companies with a focused, single point of contact to explore expansion or relocation opportunities within the region.

Startup Sioux Falls

Startup Sioux Falls programs and resources help early-stage founders, including high-growth startups and small business owners. The organization welcomes all area entrepreneurs.

In addition to physical coworking and meeting space, SUSF offers:

- CO.STARTERS, a business accelerator

- Online community with 7,300 area entrepreneurs

- Networking and educational events such as Startup Socials, Startup Pitch Nights, Morning Marketing Parties, and Entrepreneurship Day

- Mentorship Network that matches mentees and mentors

- Resources and support

Join the online community to connect with founders, opportunities, and resources. All startup founders and small business owners are welcome to apply for the quarterly CO.STARTERS Accelerator Program, become a mentor or mentee through the Mentorship Network, and attend a host of educational and networking events.



SIOUX METRO
GROWTH ALLIANCE

Resources

Sioux Metro Growth Alliance

800.658.3373 or 605.339.0103

www.sioxfallsdevelopment.com

Startup Sioux Falls

605.275.8000

www.facebook.com/zealsiouxfalls/

www.startupsiouxfalls.com

Additional Resources

Enterprise Institute

605.697.5015

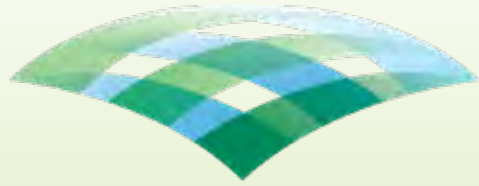
www.sdei.org

South Eastern Council of Governments

605.367.5390

www.secog.org

www.dakotabusinessfinance.com



Foundation Park

Home to . . .

. . . Amazon, Win Chill, Nordica & more



Sioux Falls Development Foundation

200 North Phillips Avenue, #101
Sioux Falls, SD, 57104
605.339.0103 or 800.658.3373
info@siouxfalls.com
www.siouxfallsdevelopment.com

South Dakota's 1st Mega-site
I-29 & I-90 Access
Crossroads Location

900+ Acre Park
430+ Acres Available Now

Class 1 Rail Frontage
Northern Gateway to Sioux Falls

Zoned I-2

~~ est. 2015 ~~

15



And . . .



**An 111-acre Research Park
in Northwest Sioux Falls**

**A resource to help grow companies in South Dakota & connect
universities with innovation-driven businesses**

A master-planned, high density innovation district

The USD Discovery District is an innovation community bringing together research, education and business to capitalize on the region's significant and growing medical and biotech capacity. The 111-acre District is being developed in partnership with the South Dakota Board of Regents, the University of South Dakota, the State of South Dakota, Forward Sioux Falls and the City of Sioux Falls.



USD Discovery District

4800 North Career Avenue, # 100

Sioux Falls, SD, 57107

info@usddiscovery.com

www.usddiscovery.com