

2022



SIOUX FALLS
DEVELOPMENT FOUNDATION

UNLIMITED *Opportunity*

Annual Report of Developments





MESSAGE FROM THE CHAIRMAN

KURT LOUDENBACK

2022 has been a year of many successes at the Sioux Falls Development Foundation. Strong land sales have resulted in a positive year financially, with over \$4 million in land sold to new and expanding employers. Approximately 2,000 new job opportunities will be created as these and the businesses under construction become operational. We have paid off our term debt associated with previous land purchases and are very close to paying off our line of credit, which should happen sometime in 2023.

All remaining land in Park VIII East has been sold, with new employers bringing strong activity to that area. We graded the balance of Park VIII West, setting the stage for the sale of 86 acres of prime real estate at the juncture of I-229 and 60th Street North. You will also see that Park benefit from the construction of a new Readiness Center for the South Dakota National Guard, as we traded them that property for the tract of land they own at the corner of Benson and Sycamore... again setting us up for future success with a prime tract of land.

Foundation Park continues to grow, with Scherer Holdings' land purchase in Foundation Park South. There continues to be strong interest in Foundation Park North, and we expect the remaining land there to be gobbled up in the next few years – light speed in the world of industrial land sales.

As a result of our success in recent years, the Foundation has moved forward with additional land purchases, tying up 80 acres immediately north of Foundation Park as well as 135 acres east of I-29 across from Foundation Park, to be dubbed Foundation Park East. These purchases will ensure that we continue to attract new business to Sioux Falls to feed our economic engine.

On the workforce front, the team has had great success connecting potential workers with our growing demands. 317 educational systems of primary and higher learning are hearing regularly from the Sioux Falls Development Foundation, with a strong message of opportunity and a fulfilling lifestyle in our community. More than 3,300 students have engaged in a specific workforce strategy, with many of them connecting to and pursuing careers with our member companies. A social media campaign in several states resulted in 9.2 million impressions, meaning Sioux Falls was noticed by a LOT of folks in other parts of the U.S. We're not a very well-kept secret anymore!

At our recent annual Board and Staff Planning Retreat, we cemented a new initiative at the Foundation – the creation of a new 501(c)3 that will seek to spearhead the rejuvenation of tired areas in Sioux Falls that are needing a facelift. Working closely with the City of Sioux Falls, we will seek to purchase available properties that are prime for redevelopment, and partner with the commercial development community to address a critical need in our community – more accessible housing.

While the national scene is entering into a more cautious tone, we are confident our dynamic Sioux Falls community will once again demonstrate that working together we can drive to new heights and achieve greater success.

BEST OF LUCK TO YOU AND YOUR BUSINESSES IN 2023.

BOARD OF DIRECTORS

Kurt Loudenback Grand Prairie Foods, Inc., Chairman

Steve Kolbeck Xcel Energy, Vice Chairman

Kent Cutler Cutler Law Firm, Secretary

Ryan Boschee First Interstate BancSystem, Treasurer

Pat Costello Schoeneman's, Past Chairman*

Clint Ackerman Signature Companies

Dr. Brett Bradfield University of Sioux Falls

Todd Ernst Ernst Capital Group*

Jeff Fiegen Fiegen Construction

Kira Kimball Marsh & McLennan Agency

Randy Knecht Journey Group

Julie Lautt Avera Health

Dave Link Dakota State University

Tim McCarthy Sioux Valley Energy*

Clark Meyer Knife River South Dakota

Tony Nour First PREMIER Bank

Karla Santi Blend Interactive

Keith Severson

Al Spencer CAJ Enterprises, Inc.

Steve Watson ISG

* denotes retiring Board Member

Ex-Officio Members:

Jean Bender Minnehaha County

Erica Beck City of Sioux Falls

Jim Schmidt Lincoln County

Marshall Selberg Sioux Falls City Council

MISSION

TO COLLABORATIVELY CREATE
quality economic growth and workforce development
in the Sioux Falls MSA to improve our quality of life.

SIOUX FALLS DEVELOPMENT FOUNDATION STAFF



Bob Mundt
PRESIDENT & CEO



Dean Dziedzic
VICE PRESIDENT
OF ECONOMIC
DEVELOPMENT



Denise Guzzetta
VICE PRESIDENT OF
TALENT & WORKFORCE
DEVELOPMENT



Cory Buck
VICE PRESIDENT
OF FINANCE &
ADMINISTRATION



Karen Ruhland
DIRECTOR OF RESEARCH,
MEMBERSHIP &
COMMUNICATIONS



Mike Gray
DIRECTOR OF BUSINESS
RETENTION & EXPANSION



Sharman Smith
PROJECT COORDINATOR
FOR TALENT &
WORKFORCE
DEVELOPMENT



Leah Blom
DIGITAL & SOCIAL MEDIA
SPECIALIST



Claire Herbst
TALENT RECRUITMENT
COORDINATOR

ECONOMIC DEVELOPMENT

FOUNDATION PARK

 900 ACRE INDUSTRIAL PARK

 CLASS 1 RAIL FRONTAGE

 I-29 & I-90 ACCESS

 ZONED I-2

 CROSSROAD LOCATION



The Sioux Falls Development Foundation has been in the land development business going back 50 years with most of the development taking place north of downtown around the airport. As the community continued to grow, the Foundation acquired land on the outskirts of the city. Foundation Park is located at the northwest quadrant of I-29 and I-90. Sioux Empire Development Park VIII is located near 60th Street North, just east of I-229.

Foundation Park is the largest industrial park developed by the Development Foundation to date. In total it encompasses 900 acres and is served by BNSF Railway. In just a handful of years Foundation Park has attracted large tenants in Amazon, FedEx, Lineage Logistics and CJ Foods. In total 375 acres have been sold to date, encompassing nine tenants.

As land in the southern portion of Foundation Park has sold, the Development Foundation's primary focus has shifted to providing the infrastructure needed for future development north of the railroad tracks. In 2022 a mass grading project was completed that included 1.6 million cubic yards; opening 270 acres of build-ready sites. In the spring of 2023, the Development Foundation will move forward with underground work for roads, water, sewer, utilities, and fiber. Paving of roads is scheduled for spring/summer 2023.

In October 2022 the Development Foundation closed on the purchase of 135 acres east of I-29 adjacent to North Kiwanis Avenue. This land is viewed as long term inventory to expand industrial development once land in Foundation Park is sold and developed.

As the Sioux Falls population exceeded 200,000 and the MSA creeps closer to 300,000, it's crucial to have larger tracts of land with the necessary infrastructure installed so they are plug and play build ready.

DEVELOPMENT PARKS

2,355 **~150** **~12,200**
Total Acres Businesses Employees

PARK INFRASTRUCTURE DEVELOPMENTS

- Foundation Park North rough grading of 278 Acres
- Foundation Park South rough grading of 58 Acres
- Sioux Empire Development Park VIII West rough grading of 86 Acres
- Sioux Empire Development Park VIII West completion of North Bahnson Avenue

LAND SALES & STATS

2022 AT A GLANCE

ECONOMIC DEVELOPMENT January – October



\$1,774,138,229
Total Value of
Construction



10,338
Number of
Building Permits



\$1,419,000,000
Capital Investment



3,700
Post-pandemic Jobs
Growth as of Sept '22

Economic Development Activity

New Projects Initiated:	8
GOED RFI's Submitted:	14
Prospect Hostings:	5
Groundbreakings Hosted:	13

2022 National Marketing Efforts

- Monthly Marketing Campaign to National Site Selectors
- Broker Partner & SFDF Digital Marketing Campaign
- Attended Mid-America Competitive Conference & Site Selector Forum
- Attended Logistics Development Forum

LAND SALES

SIoux EMPIRE DEVELOPMENT PARK VII

First National Bank
1.49 Acres

SIoux EMPIRE DEVELOPMENT PARK VIII EAST

SiteWorks
3.46 Acres

Northern Properties
3.5 Acres

Crusher Investments
5.82 Acres

Soukup Construction
1.28 Acres

FOUNDATION PARK

Scherer Holdings
9.68 Acres



WORKFORCE INITIATIVES



TALENT TOURS

College students tour businesses in the Sioux Falls area to connect them with high-demand industries and jobs.

TALENT NOW

Special events for soon-to-be college graduates to help connect them to employment opportunities quickly.

TALENT DRAFT DAY

One-day event for middle school, high school, and college students to immerse them in opportunities available in Sioux Falls.

TALENT REBOUNDS

Events to reach college alumni who have relocated from South Dakota.

By leveraging collegiate alumni networks, these events connect prospective 'rebounders' to current residents and businesses within the Sioux Falls community who might inspire them to move back.

INTERN SIOUX FALLS

Connects college sophomores and juniors from the upper Midwest to organizations with internship opportunities.

TALENT THURSDAYS

Weekly live stream on social media featuring a Sioux Falls professional sharing their career journey and why Sioux Falls is a great place to live.



CAREER CONNECTIONS

A weekly job shadowing experience that immerses high school juniors and seniors into high-demand careers in Sioux Falls.

YOUR FUTURE STEM

Helps middle school students understand pathways and job opportunities within STEM-related careers that are poised for growth.

OPPORTUNITY AND CAPABILITY WORKSHOPS

A one-day job fair designed for students and adults with disabilities to gain career education and exposure and to raise awareness of the benefits of employing people with disabilities.

SECOND CHANCE JOB FAIRS

Seeks to connect justice-involved persons with employment opportunities upon their release.

UPSKILL SIOUX FALLS

Provides employee training and development in high-demand and hard to fill occupations.



RECRUITMENT COUNCIL

Monthly workshops on the topics of hiring, retaining, and developing the right employees for your organization.

WIN IN WORKFORCE SUMMIT

Annual day-long conference for business executives, HR professionals, and educators to learn trends and best practices for workforce.



WORKFORCE INITIATIVES

Talent and Workforce are fundamental to the health and well-being of the Sioux Falls economy and region. The Development Foundation's commitment to the community, businesses, and Forward Sioux Falls investors has long and short-term outcomes to meet the demands of a growing and diversified economy.

Success is measured annually on commitments to achieve five-year outcomes for our regional economy, including:

Direct Workforce Connections measure how many participants are involved annually in one of Sioux Falls Development Foundation's 12 Talent and Workforce programs. In fiscal year 2022, the Development Foundation connected 18,475 people to 141 Forward Sioux Falls Investor businesses.

Digital impressions are created through recruitment and engagement campaigns measuring the number of touchpoints designed to "lift up" and sell Sioux Falls. In fiscal year 2022, workforce programs created 9.4 million digital impressions.

Relationships created with post-secondary educational partners provide career advice and guidance to early career persons. In fiscal year 2022, the Development Foundation expanded collegiate partnerships to 304 colleges and universities and 2.4 million students due to partnerships with Handshake and the South Dakota Association of College Career Centers.

Experimental programs using job shadows and internships connected early career talent to Forward Sioux Falls Investor businesses. The Career Connections program helped 87% of participating graduating seniors prepare to become first-generation college students, including 8 Build Dakota Scholars. In fiscal year 2022, we connected 838 students to 71 Forward Sioux Falls Investor businesses.

Talent and Workforce programs were created to engage students, employees, businesses, and organizations. Fiscal year 2022 results are 13 programs.

WORK SIOUX FALLS DIGITAL MARKETING CAMPAIGN

9,158,485 IMPRESSIONS
843,260 INTERACTIONS

WEB
TRAFFIC

912 VS **86,890**
JAN-MAR 2022 APR-OCT 2022

6,068
EMPLOYER
CARD CLICKS



2022-2023 OVERVIEW

400

Students in
the program

6

School
districts

300+

Job shadows, internships,
and apprenticeships

58

Businesses
toured

Traditional career connections + accelerated program (skilled and technical occupations)



WIN IN WORKFORCE SUMMIT 2022

The Development Foundation hosted the fifth annual WIN in Workforce Summit 2022 on October 26, welcoming over 600 attendees to the Sioux Falls Convention Center to share and engage community and business leaders from 41 organizations, including Avera Health, Amazon, First PREMIER, Omnitech, Showplace Cabinetry, and Sanford Health.

THANK YOU TO OUR SPONSORS Avera Health, Sanford Health, Sayre & Associates, First Bank & Trust, Journey Construction, MidAmerican Energy Company, Xcel Energy, University of Sioux Falls, City of Sioux Falls, Forward Sioux Falls, Greater Sioux Falls Chamber of Commerce

Startup Sioux Falls helps people start businesses in the Sioux Falls region, providing resources for high-growth startup and small business founders to network, launch and grow their businesses. Startup Sioux Falls empowers founders.

The vision of Startup Sioux Falls is to foster entrepreneurship to build better communities. Thriving startup ecosystems create jobs, attract and retain talent, spur local development, improve quality of life, increase tax revenue, and attract large companies.

PROGRAMS & SERVICES

- Flexible Office & Coworking Space
- Accelerator Program
- Networking & Educational Events
- Mentorship Network
- Resource Navigation

Startup Sioux Falls has an engaged board of directors and a small, dedicated team of five full-time staff members. Internal team capacity is expanded through strong private sector, contractor relationships, and community support.

The Startup Sioux Falls team operated and managed the Zeal Center for Entrepreneurship facility through August 31. The team continues to manage a complex process of moving downtown, with an anticipated opening date of Q2 fiscal year 2022-2023. The size of the downtown space will be approximately 12% of the previous facility. To best support the changing needs of the startup ecosystem and greater Sioux Falls community, programmatically, the downtown space will be dedicated to coworking, meeting space, and limited small office space.

FY 2021-2022 SUCCESSES

- Close to complete execution on relocating from the Zeal Center to downtown Sioux Falls.
- Selected as 1 of 50 grant recipients from over 700 applications for a \$1 million SBA Community Navigator Pilot Program Grant.
- Through grant partnerships, built relationships with organizations, partners, and stakeholders to better support underserved founders.
- Founding Members (Sold Out) for its downtown space.
- Reached 80% goal on capital campaign.
- Narrowed focus to increase impact.
- Established new brand and built awareness about Startup Sioux Falls.
- Published the organization's first ever annual report.
- Continued to develop EOS processes and internal processes.

METRICS

- 7,600+** Members of Startup Sioux Falls online community of area business owners and supporters
- 125** Founding Members (SOLD OUT)
- 3,000+** Number of attendees at events in fiscal year 2021-2022
- 58** Events held for entrepreneurs
- 65+** Mentorship Connections made
- 79** Business Accelerator graduates
- 85+** People served through resource navigation program
- 179** Total individuals provided training on startup resources and tools
- 6** CO.STARTERS cohorts launched through grant partners reaching underserved populations
- 13** Languages spoken in multilingual CO.STARTERS cohort through LSS
- 114** Individuals served representing underserved populations (Women, Person with a disability, LGBTQIA+, Veteran)

Startup Sioux Falls hasn't done this work alone. The support of partners and advocates is how this work is made possible. Startup Sioux Falls is anticipating another year of growth and change as they capitalize on the momentum gained and build upon the success of current events, programs, services, and open the downtown coworking space.



Since 1987, Forward Sioux Falls has lifted the area's economy through a multitude of initiatives—many of which are facilitated by the Development Foundation.

Forward Sioux Falls continues to leverage dollars pledged by investors to move the economic needle within the community. Social media campaigns are underway and public and private sector partnerships continue to advance workforce recruitment and development.

Forward Sioux Falls continues to assist existing businesses with their growth challenges and opportunities, as well as recruit new companies looking to relocate or expand to South Dakota. This is facilitated with a priority focus on high wage jobs within advanced manufacturing, biotech, logistics/distribution, and cyber sciences with the new Dakota State University Cyber IT Campus.

Throughout the next several months, Forward Sioux Falls—working in tandem with the City of Sioux Falls, Sioux Falls Area Community Foundation, Sioux Empire United Way, and the Sioux Falls Public School District, will implement “Vision Sioux Falls,” a community-wide, long-range strategic plan. Every citizen will have an opportunity to participate by sharing their thoughts on ways to elevate the community over the next decade.

FORWARD SIOUX FALLS PROJECTIONS: 2021-26

- \$500M new capital investment
- 300 existing companies assisted
- 25,000 new residents
- 1,000 new housing units

NEW
PERSONAL INCOME

**\$600
MILLION**

ANNUALLY
BY 2026

TOTAL
NEW JOBS

9,222

NEW
BUSINESS OUTPUT

**\$2.15
BILLION**

ANNUALLY
BY 2026

HEALTH SCIENCES CLINICAL SIMULATION CENTER



A new state-of-the-art healthcare simulation center will be housed in the former Zeal Center for Entrepreneurship, allowing hundreds of additional students to train for careers in the medical field. The **Healthcare Simulation Center** will be part of **Southeast Technical College** and provide simulated emergency room and clinical settings in training nurses, sonographers, surgical techs, paramedics, and lab techs with the addition of a new medical laboratory technician program. The project represents a \$10 million investment from Avera Health, Sanford Health, Forward Sioux Falls, and the State of South Dakota. The facility will be operational fall 2023.

CHANGING *Skyline*

THE STEEL DISTRICT DEVELOPMENT

\$200 MILLION

3 BUILDINGS

- 9-story, 160,000 square foot office building
- 216-room Canopy by Hilton hotel
- 930-stall parking ramp with office and retail, 95 apartments and 20 condominiums



CHERAPA II

\$225 MILLION

3 NEW MULTISTORY MIXED-USE BUILDINGS

- 10-story, 200,000 square foot office building
- 2 six-story apartment buildings with 236 apartments
- 650-stall parking ramp



SANFORD HEALTH – MAIN CAMPUS

\$64 MILLION

SANFORD DIGESTIVE HEALTH CENTER

- 237,000 square feet
- 5 stories
- 400-stall parking ramp
- Open early 2024

\$161 MILLION

SANFORD ORTHOPEDIC HOSPITAL

- 205,000 square feet
- 9 stories
- Operational fall 2025



GROUND BREAKINGS

HOSTED BY SFDF



Affordable Housing Solutions



Alloy One & Alloy Two by Enclave



Banner Associates



BritZa Studio



Comfort Inn & Suites Sanford Sports Complex



Great Hall Properties



Hayward Park



Maguire Iron



National Guard BG Dean Mann
Readiness Center



Startup Sioux Falls



Tomar Park Tennis Complex



Veterans Community Project



Voyage Federal Credit Union



Water Reclamation Plant



SPIRIT OF SIOUX FALLS



SCHOLARSHIP RECIPIENTS

Each year the Sioux Falls Development Foundation awards Spirit of Sioux Falls scholarships to Sioux Falls residents or students who have completed at least one year of post-secondary work in business-related areas of study within Sioux Falls. The scholarships were established by the Sioux Falls Development Foundation in 1993 to honor the memory of Roger Hainje, Angus Anson and David Birkeland, Sioux Falls business and economic development leaders.

Winners of the 2022 Spirit of Sioux Falls \$3,500 Scholarships:

Austin Metzger - Finance Major attending USD - Sioux Falls

Caleb Schneider - Business Technology Major attending Dakota State University

SPIRIT OF SIOUX FALLS AWARD

The Spirit of Sioux Falls Award is given annually to a person who has demonstrated leadership and commitment to the economic growth and development of our community. The award honors the memory of Foundation leaders who perished in the plane crash with Governor Mickelson and other state officials and staff in April of 1993.

Recipients include:

1994	Al Schock	2008	Mark Griffin
1995	Russ Greenfield	2009	Jim Wilcox
1996	Lyle Schroeder	2010	Steve Crim
1997	Curt Kuehn	2011	Steve Egger
1998	Charlie Kearns	2012	Sylvia Henkin
1999	Gary Olson	2013	Larry Ritz
2000	David Christensen	2014	Dale Froehlich
2001	Jack White	2015	Dana Dykhous
2002	Tony Bour	2016	Tom Walsh
2003	Linda Barker	2017	Craig Lloyd
2004	Steve Kirby	2018	Governor Dennis Daugaard
2005	Governor Mike Rounds	2019	Evan Nolte
2006	Tom Everist	2020	Steve Metli
2007	T. Denny Sanford	2021	Tom Kelley

FALL AREA DEVELOPMENT CORPORATION

Development Foundation Starts New Era of Real Estate Development

Historically, the Sioux Falls Development Foundation has acquired farmland on the northern edges of Sioux Falls and invested in infrastructure to transform the land into business and industrial parks. These investments facilitated the creation of tens of thousands of job opportunities for residents within the region.

Development Foundation staff members take pride in developing parks and managing the inventory of industrial acres available; providing build-ready sites when existing area businesses are ready to expand, and new businesses look to relocate to Sioux Falls. Over the years, Sioux Falls, the surrounding communities, private businesses, and most importantly, area residents have benefited from these efforts. Benefits include meaningful employment opportunities, growing a business, raising a family and pursuing a high quality of life here in the region. Our mission “to collaboratively create quality economic growth and workforce development in the Sioux Falls MSA to improve our quality of life” will continue to guide (and drive) these efforts forward.

As evidenced above, the Development Foundation has a long successful history in strategically developing real estate to accomplish specific goals. Now, in partnership with the Mayor, his Chief of Staff, Director of Planning & Development Services, and Development Foundation Executive Committee

Members, the Foundation has identified an opportunity to leverage expertise, knowledge, and partnerships to strategically accomplish new goals. Goals that include supporting the community's housing plan, slowing development sprawl, increasing land use efficiency, and ultimately keeping the Sioux Falls area investable for decades into the future. In order to preserve our mission and honor the storied legacy of the Development Foundation, this expanded scope of strategic land development will be operated by the newly formed Falls Area Development Corporation in partnership with the Development Foundation.

The Development Foundation is excited to begin a new era of real estate development for the betterment of our community and region. The Sioux Falls area has consistently achieved success for a litany of reasons, but the most important reason can be found in the mantra of our partner, Forward Sioux Falls: “A rising tide lifts all boats.” Transformational accomplishments for our region are achieved when private businesses, governmental bodies, and non-profits pause from competition and unite towards common goals. Land development efforts, for both the Sioux Falls Development Foundation and now Falls Area Development Corporation, rely on partnerships to be successful. More will be achieved by acting together, and the Development Foundation looks forward to continuing to build successful partnerships in the future.

UNIVERSITY OF SOUTH DAKOTA DISCOVERY DISTRICT

The USD Discovery District, an 80-acre research park under development in northwest Sioux Falls, is focused on creating a dynamic and collaborative environment where talent, research and innovative businesses interact to create new ideas, technologies and opportunities impacting our region and our world. As a public-private partnership among the University of South Dakota, the City of Sioux Falls, the State of South Dakota, the South Dakota Board of Regents and Forward Sioux Falls, the USD Discovery District is committed to fostering economic development by creating an environment where university assets, research and the private sector collaborate.

In the 2022 legislative session, the USD Discovery District requested and received funding from the State of South Dakota for the first building. Additionally, the City of Sioux Falls and other supporters helped reach the funding goal of \$25 million. As of September 2022, the USD Discovery District has initiated the planning process by selecting an architecture and engineering firm to lead the design process; a construction manager at risk will be selected by November 2022. The planned multi-tenant building will include office space, laboratories, and core and shell to accommodate both current and future tenant prospects. Building construction and initial tenant build out is estimated to be completed in late 2024.



This rendering is featured for artistic conceptualization only. Final building renderings and plans are subject to change.

INDUSTRIAL & WAREHOUSE DEVELOPMENT



Developed by Enclave, **Alloy One** and **Alloy Two** are concrete tilt-up industrial spec buildings in the master planned Griffith Park development located at the northeast corner of North Career Avenue and West 60th Street North. The facilities will encompass 145,200 and 94,500 square feet respectively on 19.2 acres within the 80-acre development. The facilities are scheduled for completion June 2023 and represent a \$19.5 million investment. Retail development under construction within the park includes **Aldi's** fourth store.

Construction on the **Amazon.com Services, Inc.** facility wrapped up in Foundation Park and operations started in October. The five-story, three million square foot fulfillment center is located on 80-acres in Foundation Park. The facility represents a \$286+ million investment with anticipated employment of approximately 1,000 when fully staffed.

The steel frame has been erected and work continues on a new 40,000 square foot facility under construction for **ARS, a Tecta America Company**, on 5.82 acres in Sioux Empire Development Park VIII. The facility represents a \$4.5 million investment.

Founded and located in California since 1927, doughnut and bakery equipment maker **Avalon Manufacturing** relocated operations to Sioux Falls in March. Their new facility is located at 4301 North Northview Avenue. The move created ten new jobs in the community.

Black Tie Components, a new start-up, is building a 60,000 square foot state-of-the-art manufacturing facility in the Hartford Industrial Park. The firm will employ 33 when operational mid-2023 with plans to ramp up to 70 employees within three years. The facility represents a \$5 million investment.

Border States Electric has a new facility. The building is located at 1100 North Career Avenue adjacent to Marion Road and represents a \$10 million investment.

A new facility under construction for the pharmaceutical label printing division of **CCL Label** will span 117,962 square feet. Construction is scheduled to wrap up spring

2023 on the 7-acre site located at 1401 North Terry Avenue. The facility represents an investment of \$30+ million.

CJ Foods USA Inc., a U.S.-based affiliate of South Korean company CJ CheilJedang, purchased 141 acres in Foundation Park for a 700,000-square-foot food production facility. The \$500 million development is expected to create more than 600 jobs when operational summer 2024.

Creative Surfaces purchased the former Dakota Millwork facility in the Airport Industrial Park to house their countertop division, freeing up space for the company's growing sign shop.

Site work is underway on a new 40,000 square foot addition to **Dakota Digital** that will house the company's sales, tech support, production, warehousing and shipping departments. The project represents a \$10 million investment and is scheduled for completion late 2023.

A new facility will house **DSG Waterworks** at 5101 North 9th Avenue. The development represents a \$5+ million investment for the company that supplies materials for municipal and rural water system projects.

A **FedEx Ground** distribution center and maintenance garage was constructed on 36 acres in Foundation Park. The 340,000 square foot facility is operational and represents a \$30 million investment.

Graco purchased the former Wells Fargo Operations Center 3 facility adjacent to their current facility to build out a new factory. The company will create 40 new jobs over the next five years with the expansion. The manufacturing campus is located within the Sioux Empire Development Parks at 3401 North 4th Avenue. Construction includes a link between the two facilities.

A \$30 million, 200,000 square foot industrial spec building is under construction on 52 acres near I-90 and Marion Road. The facility is being developed by North Dakota-based **Great Hall Properties** of Fargo and is scheduled for completion April of 2023. The site provides room for two additional facilities of the same size.



Henkel recently broke ground on a 35,000 square foot expansion of its thermal interface material adhesives production facility in Brandon. The expansion will create approximately 20 new jobs. The \$30 million addition is scheduled to be operational fourth quarter 2023.

Hegg Cos. is developing a 108-acre park on the western edge of Brandon. Plans for Encore Park consist of 300 housing units in a mix of apartments and town houses, as well as land for industrial uses including a 127,000 square foot facility for their modular construction division. The facility, currently under construction will include two production lines employing 125. The campus will have the capacity to store 240 mods. Plans include a 21,000 square foot **Fareway Store**.

Development is underway on the new **I-29 Ag & Industrial Park**. The 155-acre park is located at the junction of I-29 and Highway 18 near Canton. **Eparts**, an e-commerce aftermarket farm equipment parts company, will be the anchor tenant with a 100,000 square foot distribution center employing 25-30 when operational.

Landscape Garden Center opened their new complex in April. The 11-acre site at 47238 271st Street houses the garden center and greenhouse, design center, office and storage space providing a footprint twice the size of their previous location.



A new \$30 million campus is under development for **Maguire Iron** and scheduled to open early 2024. The 30-acre development will include three buildings totaling 115,000 square feet – a corporate office headquarters, fabrication facility and maintenance facility. The campus is part of a larger 170-acre development northwest of I-90 and I-229 called Sioux Falls Industrial Park.

Muth Electric and **Muth Technology** will join operations in a new facility in Foundation Park. The company purchased 7 acres of land for a 20,000 square foot facility to house operations and provide room for 100 employees.

Outdoor Gear purchased 6.61 acres in Sioux Empire Development Park VIII. The wholesale distribution company is nearing completion on their new 50,000 square foot office and warehouse facility.

Presidio Components purchased 13.66 acres in Sioux Empire Development Park VIII for a manufacturing campus. Sitework is underway for the 80,000 square foot facility that will house 115 employees when operational.

Renner Corner Meats is expanding with a new facility dedicated to processing beef jerky. The facility is scheduled to be operational spring 2023.

Roodle LLC, known as **Vanilla Bean Kings**, broke ground on a new facility to house their growing business. The 11,000 square foot facility under construction in Hartford's Western Meadows Industrial Park will provide additional warehouse space for the company that specializes in vanilla products and imports vanilla from around the world.

Scherer will be the newest tenant in Foundation Park with the purchase of 10 acres. Construction is underway on a 105,000 square-foot facility with plans to add 20 new jobs when operational late 2023. The expansion represents a \$24 million investment in new facilities.

The **SDN Communications** data center expansion is under construction and will add 25,000 square feet to the Mark Shlanta Technology Park facility.

Showplace Cabinetry underwent a \$3.5 million expansion to their production campus in Harrisburg. The expansion links two facilities and provides additional space for warehousing and shipping.

SiteWorks purchased 3.46 acres in Sioux Empire Development Park VIII East for a new 14,200 square foot facility.

Silencer Central moved into the former Cigna building in Sioux Empire Development Park II, consolidating office, warehouse, and machine shop operations. The 35,000 square foot facility can accommodate another 100 employees as the company continues to grow. The company invested \$8 million with the remodel and furnishings.

Storage Center opened their second Sioux Falls facility at 41st and Ellis Road in July and are constructing their next 75,000 square foot, three-story facility near 77th Street and Cliff. The climate-controlled center will be operational early 2023.

Wholestone Farms purchased 170 acres near Benson Road and I-229 for a \$500 million pork processing facility. A 1,600 square foot custom meat shop has been constructed on the site.

OFFICE, COMMERCIAL & MEDICAL DEVELOPMENT

Allure Health, an expansion and relocation of Storm Clinic, opened earlier this year. The 10,000 square foot medical center and spa is located at 7000 South Lyncrest Place. The facility includes a fitness center, ivClub, and lounge.

Avera is constructing a 3-story, 86,000 square foot medical center at 26th Street and Veterans Parkway in the Dawley Farm Village development. The facility, scheduled for completion early 2023 will include a free-standing emergency department, lab, imaging services, urgent care, family medicine and other specialties. **Kirby Place**, a \$2.5 million addition to the Walsh Family Village, is operational. The 6,500 square foot facility doubled patient and family lodging with 14 guest rooms for those receiving care at Avera McKennan Hospital & University Health Center. The four-story, \$28 million new **Helmsley Behavioral Health Center** wing wrapped up this past spring. The 59,000 square foot project provides a psychiatric urgent care center and additional services for youths. Twelve pickleball courts were added to the **Avera on Louise Health Campus**, representing a \$1.5 million investment in recreation opportunities open to the public; and build-out of the 5th floor is underway on the campus.

The need for additional space will be addressed with a new facility for **Banner Associates**. Located at 3900 North Northview Avenue, the 14,000 square foot, two-story facility will house the company's 30-member professional and technical engineering crew. Scheduled for completion May 2023, the facility represents a \$6 million investment.

Construction is nearing completion on a 10,000 square foot facility that will house **BritZa Studio's** performing arts classes. The \$3 million studio is located at 1500 East 77th Street.

Casey's General Store opened this spring in the Bakker Crossing development providing area residents and travelers with a gas station, convenience store and trucker's lounge at the I-29/Tea Exit.



The \$225 million **Cherapa Place** expansion includes three new multistory mixed-use buildings. The centerpiece will be the ten-story, 200,000 square foot The Bancorp at Cherapa Place building which includes ground-floor retail, office space, and luxury condos on the top two floors. The building will be connected to the original office complex through a 5,000-square-foot, two-story community event space and deck overlooking a new courtyard and existing riverfront amphitheater. **The Bancorp Inc., ISG, Eide Bailly** and **MarketBeat** are anchor tenants in the new development. The two additional six-story buildings, The Clark and The Dakota, will add 236 apartments. Collectively, the new buildings at Cherapa Place will include over 60,000 square feet of retail space with restaurant, a bar, gym/spa and other offerings. The development includes a 650-stall parking ramp opening in 2023.

CarSwap opened a new headquarters facility near Tea in the Bakker Landing development, consolidating two Sioux Falls locations into the facility on the west side of I-29.

The combined **Click Rain** and **Lemonly** digital marketing agencies purchased the historic Sawtooth Building at 7th Street and Nesmith Avenue on East Bank downtown. The nearly 20,000 square foot renovated facility provides expanded room for the 55-person agency.

Comfort Inn & Suites is under development at the Sanford Sports Complex. The four-story, 86-room hotel is scheduled to be operational spring 2023. The development represents a \$10 million investment creating up to 30 new jobs.



CorTrust Bank relocated their southern branch to a 5,900 square foot facility earlier this year. The newly constructed building is located at 7135 South Santa Rosa Court near 69th and Cliff.

Cresten Property Management is constructing a new headquarters facility in Tea. The office/warehouse building encompasses 12,720 square feet on two acres in Bakker Landing development.

The **Dawley Farm Village** development in eastern Sioux Falls features new retail and service options including **Freddy's Frozen Custard & Steakburgers** and **T-Mobile**, with **Buff City Soap**, **Crumbli Cookies**, **Milan Laser Hair Removal**, **Cooks & Bakers Kitchen**, and **SafeSplash Swim School** opening soon. Phase 2 of **The Carlton at Dawley Farms**, a mixed-use apartment with 40,000 square feet of commercial space, is under construction. A 16,000 square foot, \$5 million facility for **DGR Engineering** is located in the development, as well as a **Midcontinent Communications** customer service center, and the fourth location of **Eye-Site**.

Dillard's is scheduled to open fall 2023 in the Empire Mall. Renovations are underway on the former Younkers space and nearly 40,000 square feet of new space to the west of the existing 100,000-square-foot store will be constructed.

DoorDash Essentials is leasing space at 1220 South Minnesota Avenue for a distribution center. The 11,000 square foot facility was recently renovated prior to becoming operational.

Activity continued at **Empire Place** with the additions of **European Wax Center**, **Nautical Bowls**, **Pizza Shop**, and **Verizon Wireless** joining the mix in 2022.

The **Firehouse 42 Development** includes a **Dunn Brothers Coffee** shop and a 12,500 square foot multi-tenant office building. **Little Tykes University** daycare center with room for 100 children will occupy half of the building. Located along the Tea-Ellis Road at 12th Street, the development represents a \$1.9 million investment.

North Dakota-based **First International Bank & Trust** purchased the former First PREMIER Bank headquarters. Renovation of the building on the southwest corner of 14th Street and Minnesota Avenue is wrapping up. The team will grow to 50 employees with the addition of this branch.

First State Bank Southwest, based in Worthington, Minnesota, opened its first South Dakota branch recently. The 4,300 square foot facility, located at 57th Street and Graystone in southeast Sioux Falls, houses

a staff of six and represents a \$3 million investment.

A major warehouse and office expansion at the Sioux Falls headquarters of **Furniture Mart USA** wrapped up earlier this year. The 300,000 square foot addition doubled the size of the facility. In addition to relocating the existing retail clearance center, the project included a new 40,000 square foot Furniture Mart and a 40,000 square foot Ashley HomeStore. The expansion will create 50 new positions.

Get-n-Go expanded operations with a new gas station/hybrid store and **Blue Tide** car wash at Sycamore Avenue and 57th Street. The \$6+ million investment is nearing completion.

The former Core Orthopedics building at 2908 East 26th Street underwent a multi-million-dollar remodel to house corporate offices of **Hart2Hart Inc.**, the franchise entity of the local **McDonald's** restaurants, which relocated operations from Watertown earlier this year. The company also built a new restaurant on South Minnesota Avenue just north of 85th Street.

Site work is underway on **Harvest Creek**. Located along Veterans Parkway south of 57th Street, the 200-acre mixed use development will encompass retail, office, multi and single-family housing. The development will include a 25,000 square foot **Nyberg's Ace Hardware**.

Journey Group is nearing completion on a 16,000 square foot office addition to their headquarters facility at 4500 West 58th Street. The \$20 million expansion will nearly double the size of the facility.

Kids R Kids Prairie Hills opened earlier this year in a 17,000 square foot facility at 2201 West Trevi Place. The daycare, summer care and learning academy can accommodate up to 255 students from infant to 12 years old. The facility represents a \$4.5 million investment.

Site work is underway on **Kwik Trip's** first **Kwik Star** convenience store. The store will be located on the northwest corner of East 57th Street and Graystone Avenue.

The newest additions to **Lake Lorraine**, the 130-acre mixed-use development adjacent to I-29 at the 26th Street Exit, include the **Blu on Lorraine**, a six-story apartment complex under construction, **Dave & Buster's** which opened in April, and **Hotworx**.

A 4,000 square foot **Lewis Family Drug Store** is part of a 20,000 square foot Sanford Health clinic in Harrisburg. The store opened in September at the corner of Cliff Avenue and Willow Street. An additional location

is under construction in partnership with Sanford on the northwest corner of Madison and Veterans Parkway.

After undergoing an extensive remodel, the 9,300 square foot former Discount Merchandise building at 121 South Franklin Avenue will house **Lockwood & Zahrbock Law Office**.

A new branch for **Levo Credit Union** opened on the southwest corner of the intersection of 69th Street and Cliff Avenue. The facility represents a multi-million-dollar investment in the community.

Organic grocery store **Natural Grocers** opened a store at 2601 South Louise Avenue in July. This is the company's first store in South Dakota.

The **Prosper Country Warehouse & Event Hall** is under construction just east of Lennox on 278th Street. The 9,500 square foot venue, capable of hosting up to 375 people, is scheduled to open January 2023.



Sanford Health continues to invest millions with major upgrades to the main campus and neighborhood services. The two-story, 36,550 square foot expansion of the Van Demark building opened earlier this year adding 20 exam rooms with 20 specialists and additional support staff. A new 237,000 square foot five-story MB1 will house gastroenterology services on the main campus and include a 400-stall parking ramp. The \$64 million facility is scheduled to open early 2024. A nine-story, 205,000 square foot Orthopedic Hospital is under construction on the southwest corner of the main campus. Operational fall 2025, the facility represents a \$161 million investment. A 16,000 square foot clinic in Harrisburg opened this fall. A new 26,500 square foot clinic is under construction on the northwest corner of Madison and Veterans Parkway on 12 acres with an additional clinic planned at the northeast corner of 57th Street and Veterans Parkway; both in partnership with Lewis Drug. A second Sanford Psychiatry & Psychology Clinic opened at 7511 South Louise Avenue earlier this year. The 7,000 square foot clinic houses thirteen providers. Sanford broke ground in August on a Virtual

Care Center scheduled to open in 2024. The 60,000 square foot facility is located at the Sanford Sports Complex.

Construction continues on **The Crimson**, a mixed-use facility near 85th Street and Minnesota Avenue. The office and apartment development represents a \$15 million investment.

Redevelopment of the former Gage Brothers 30-acre site on West 12th Street called **The Crossroads**, is home to a new store for **Northern Tool + Equipment**. The facility opened February 2022 providing an additional 6,500 square feet of space. **Voyage Federal Credit Union** is constructing a \$2.2 million, 3,500 square foot facility, relocating a nearby branch; and **Silverstar Car Wash** and **Starbucks** opened new locations in the development.

Stadium Commons, a 20-acre mixed use development on the northeast corner of 69th Street and Cliff Avenue, is under construction. The development includes a 258-unit apartment building with a two-story clubhouse and a combination of retail centers and stand-alone facilities including one for **Starbuck's**.

A nearly \$200 million development on the former Sioux Steel site downtown broke ground in August 2021. **The Steel District** will include a 930-stall parking ramp with 30,000 square feet of office and retail on the main floor surrounded by 95 apartments and 20 condominiums; a nine-story, 160,000 square foot office building with restaurants on the main floor; and a 216-room Canopy by Hilton. **C&B Operations LLC** moved their headquarters to Sioux Falls and will occupy the top two floors of the office tower. Other additions will include the **Bee Loved Kitchen-Healing Food Café**, **Burger Dive** and **Smack Shack**.

Wild Water West added 159 campsites, a convenience store, and a bar with event space to their recreational offerings this summer.

The **Willows Edge** 180-acre mixed-use development is underway. Thirty-acres designated for commercial development will include a new 12,000 square foot headquarters facility for **Signature Companies**. Residential development will include single family, apartment, and townhome units.

Winter-Green Acres, a new event venue, is scheduled to open mid-2023. The 10,000 square foot facility will accommodate 425 people and is located on six acres north of Crooks.

QUALITY OF LIFE DEVELOPMENTS

Active Generations – New \$16.3M, 31,750 square foot facility located on 13 acres in the Dawley Farm Village development

Affordable Housing Solutions – \$1.6M, six-unit affordable housing development

Augustana University – New 53,550 square foot residence hall; renovation of two residence halls & campus green upgrades, \$50M; \$40M, 3,000-seat Midco Arena for Men's Hockey; Bowden Field softball facility upgrades

Brandon Valley School District – 34,000 square foot, \$10M high school addition

Call to Freedom – Marissa's Housing Project expansion, \$1.84M, 12,060 square feet

Children's Home – New \$12M, 48,000 square foot, 96-bed Shelter for Family Safety on the Empower Campus

City of Sioux Falls – \$215M Water Reclamation Plant expansion & rehab; Water Purification Plant additions; Greenway Trail extension; \$55.7M Public Safety Training Campus; \$2.2M Hayward Park upgrade; Orpheum Theater restoration; Jacobson Plaza; Tomar Park tennis courts

Dakota State University - \$50M, 100,000 square foot Cybersecurity Research Center – DSU Applied Research Lab - on 16 acres at the Sanford Sports Complex

Dell Rapids St. Mary's Catholic School – New addition to the high school facility to house elementary school

Great Plains Zoo – Renovation of the black bear & creepy crawlers exhibits; new bobcat & Americas exhibits

Harrisburg School District –\$60M East Middle School & Freshman Academy

McCrossan Boys Ranch - \$3 million addition to the school & athletic complex



Minnehaha County – \$12.9M Highway Maintenance Facility; Extension Building remodel



Sanford Sports Complex – 173-acre, \$50M expansion with 5 baseball fields, 5 softball fields, 8 soccer fields

SculptureWalk 2022 – 62 outdoor sculptures exhibited throughout downtown Sioux Falls

Sioux Falls City Football Club – Elite women's soccer club

Sioux Falls Lutheran School – \$2M Early Childhood Center expansion

Sioux Falls Regional Airport - \$10M Runway reconstruction, Concourse renovation & upgrades, \$62.6M parking ramp

Sioux Falls School District – All City Elementary, Cleveland, & JFK expansions; Roosevelt HS & Washington HS additions (\$8.3M)

Sioux Falls Skatepark Association - \$1.5M state-of-the-art skateboard park

South Dakota National Guard BG Dean Mann Readiness Center – \$21.7M, 41,522 square foot facility

Startup Sioux Falls - \$1M remodel of downtown facility for new location

Sunnycrest Village – \$6M, 60-unit apartment complex with services for Independent Seniors

Tri-Valley School District – \$9M build out of the Early Learning Center to serve as the new elementary school

Tuthill House - \$375,000 restoration of historic home in Tuthill Park

Veteran's Administration Medical Center – 15,000 square foot addition to outpatient services; 11,115 square foot VA Hospice Cottage

Veterans Community Project – 2-acre tiny home-village with a community center & up to 35 units; \$5M

Washington Pavilion – restaurant renovation, Kirby Science Center updates

OTHER DEVELOPMENTS

2nd Avenue Salon Suites (Downtown)
605 Florista (Downtown)
605 Ninja expansion (Western Mall)
605 Prep Montessori Learning Center (39th & Phillips)
9999 Boba (East 10th Street)
Annie's (Garretson)
Anytime Fitness (Canton)
Archer's Addiction (Renner)
Auntie J's American Soul Food (Lennox)
Autonaps
Bargain Bin 605 (Brandon)



Bender Commercial expansion/remodel (57th Street)
Blue Dragon Academy expansion (Garretson)
Boho Bougie Style Co. (57th & Western)
Bricks & Minifigs (41st & Kiwanis)
Brix Wine Bar (Downtown)
Brosia Bowl (Downtown)
Caribou Cabin (East 26th Street / East 10th Street)
Caribou Coffee (West 12th Street)
Casetta (37th & Phillips)
Century Business Products new headquarters (Minnesota Avenue)
Charlie's Pizza (Old Village Place)
Chef April Cakes, Confections & Celebrations (East 10th Street)
Chick N Max (Lake Lorraine)
Child's Play Toys (The Bridges)
Chipotle (Arrowhead Parkway)
ClubHouse Hotel & Suites expansion (Louise Avenue)
Crate (Carolyn Avenue)
DaaBin Store (East 10th Street)
Daily Thread (Empire Mall)
Dairy Queen (Brandon)
Dart Boutique (The Bridges at 57th)
Dell Rapids Dental new clinic
Dell Rapids Lumber Company showroom
Dial N Style (Empire Mall)
Dollar General (Cleveland Avenue)
DQ Grill & Chill (Hartford)
El Chamoy (West 10th Street)
El Mexicano No. 7 (Cleveland Avenue)
Encompass Mental Health (77th Street)
Fair Market (North Kiwanis Avenue)

Fazoli's (Arrowhead Parkway)
First Stop Coffee Shop (12th & Ellis)
Fit Body Boot Camp (26th & Ellis)
Flatland Trucking expansion (National Avenue)
Flying Santo (Downtown)
Flynn Wright (Downtown)
Freddy's Frozen Custard & Steakburgers (Empire Mall)
Get-N-Go (Hartford)
Gibby's (Empire Mall)
Hausmood Interiors (Brandon)
Haygood's Palisades Art Gallery (Garretson)
Heartland Spaces Market (Canton)
HireClick relocation & expansion (Downtown)
Holiday Gas Station (26th & Cliff)
Holiday Inn renovation (Downtown)
J&L Harley-Davidson renovation (60th Street North)
Jacqueline Joyce Stitch Studio (Shirley Avenue)
JJ's Axes & Ales expansion (57th Street)
Josephine's Floral Designery (69th & Western)
Kota Café (Downtown)
La Plaza Fiesta (85th & Minnesota)
Lauriebelles (Empire Mall)
Little Wings Preschool (West 51st Street)
Live Hydration Spa (57th & Louise)
Lovisa (Empire Mall)
Lucky's renovation/224 Bar (Downtown)
Maribella Ristorante (Downtown)
Mason Jar Boutique relocation & expansion (57th & Western)
Matchbox Candle Co. (Downtown)
MB Coffee & Grill (Minnesota Avenue)
Oppa Chicken (41st & Western)
Pandora (Empire Mall)



Papa Woody's relocation & expansion (Downtown)
Parker's Bistro expansion (Downtown)
Pizza Hut (West 12th Street)
Plaza Azteca (69th & Louise)
Preach-es (Downtown)
Rack City Billiards (Bahnsen Avenue)
Remedy at 611 (West Avenue)
Revival (Empire Mall)
Revive Boutique (Tea)
RightWay Commercial Cleaning

Roots of Brasil (Downtown)
Scooters Coffee (Tea / Marion Road)
Silverstar Car Wash (41st & Ellis)
Simon's Tacos (Louise Avenue)
Sinless Sweets (57th & Western)
Sioux Valley Coop C Store (Harrisburg)
Slim Chickens (East 10th Street)
SoDak Soda (85th & Western)
Starbucks (multiple locations)
State Storage (Brandon)
Step-N-Style (Sycamore Avenue)
Swamp Daddy's Cajun Kitchen expansion (Downtown)
T-Juanita Street Food & Cheladas (8th Street)
Tea Play Place (Tea)



The First National Bank in Sioux Falls renovation (Downtown)
The Gruff, Plates + Pours (Brandon)
The Stork Shoppe (Harrisburg)
The Tavern Grill (57th & Louise)
True Health Chiropractic & Wellness (Sertoma Avenue)
Tullabee (Empire Mall)
Turf37 (Brandon)
Wild Rustic Home (57th & Western)
Year Round Brown (57th & Western / 69th & Cliff)
Your Nurtured Baby (85th & Western)

ACCOLADES

Most affordable place to live and work.
GoodHire

Top city to live for new parents.
New York Times

Best place to live and retire.
AARP

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POLICOM

Top twenty-five cities with the most resilient economy.
SmartAsset

2nd best state tax climate.
Tax Foundation





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The developments highlighted in this progress report reflect regional growth, not just Development Foundation projects.
Space and deadline constraints do not allow us to list all developments.



A special thank you to Xcel Energy for sponsoring
the Sioux Falls Development Foundation Annual Meeting.

