



SIOUX FALLS
DEVELOPMENT FOUNDATION



Going Beyond

ANNUAL REPORT OF DEVELOPMENTS

2023



MESSAGE FROM THE CHAIRMAN

A Great Year. A Great Future...with planning

This past year has been a whirlwind for me with my first year as a State Senator, Chair of the Development Foundation and addressing all the changes taking place in the corporate world given inflation, interest rates and the focus on energy and how we produce it. I do need to thank the Foundation Board of Directors and the staff for making tough decisions and for implementing policy and programs that continue to address our challenges and move the organization forward. Aside from the fact that there's never a dull moment, 2023 has been great and the future continues to look bright with proper planning and strategic thinking.

As we reach the end of 2023, the Development Foundation has touted the success of Foundation Park to dispel the myth of “Flopstation” Park when Foundation, State and City leadership announced the park in 2015. With nearly 500 acres sold to date, creating thousands of jobs and millions in new tax base, the activity for land development and companies wanting to expand or relocate to Sioux Falls remains consistent. We have leveraged our partnerships and our relationships with the City to continue to accomplish our mission and expand our strategic thinking. More successes will come.

Our workforce development efforts have revolutionized how we help businesses and the community recruit talent utilizing our relationships with educational institutions, human resource and marketing professionals to promote the Sioux Falls region as “THE” place to have a career. As a community growing by 5,000+ new residents each year, we know our efforts are paying off. While we still have one of the lowest unemployment rates in the country, we continue to do everything we can to make the Sioux Falls region their first choice.

With success, however, comes challenges. The past two months the Foundation Board took time and engaged many of our partners in reviewing our successes and setting a course for the future of the Foundation as it relates to the growth of Sioux Falls. Land development, preferred business targeting, existing industry assistance, resource allocations, continued and improved workforce development initiatives, redevelopment, housing and childcare were all on the radar. As we continue to grow as a community and as an organization, we need to be very aware of our community needs and be flexible and open to utilizing the Development Foundation's assets and expertise to help address these issues.

I have truly enjoyed my time leading the Sioux Falls Development Foundation and thank all of our investors, partners, staff and fellow Board members for their time and talents. We have a strong organization, and I am confident we will continue to grow, problem solve and make a positive difference in our region. Thanks for your support.

Steve Kolbeck

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Randy Knecht Journey Group

Julie Lautt Avera Health

Dave Link Dakota State University

Tony Nour First PREMIER Bank

Karla Santi Blend Interactive

Keith Severson

Al Spencer CAJ Enterprises, Inc.

Steve Watson ISG

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* denotes retiring Board Member

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Marshall Selberg Sioux Falls City Council

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MISSION

To collaboratively create quality economic growth and workforce development in the Sioux Falls MSA to improve our quality of life.



DEMOGRAPHICS

290,000
Metro Area Residents

119,000
Households

18.3 Minutes
Average Commute Time

74.6%
Labor Participation Rate

ECONOMIC DEVELOPMENT

FOUNDATION PARK

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 the largest industrial park developed by the Development Foundation. In total it encompasses over 950 acres, is served by BNSF Railway, and is located at the northwest quadrant of I-29 and I-90. Foundation Park has attracted large tenants in Amazon, FedEx Ground, FedEx Freight, Lineage Logistics, Owens & Minor, Avera Health and CJ Foods. In total 441 acres have been sold to date, encompassing ten tenants.

As land in the southern portion of Foundation Park has sold, the Development Foundation has developed the infrastructure needed for future development north of the railroad tracks. In the spring of 2023, the Development Foundation moved forward with underground work for water, sewer, utilities, and fiber; and paving roads within the Park.

In 2023 the City of Sioux Falls annexed 135 acres east of I-29 adjacent to North Kiwanis Avenue, land the Development Foundation had acquired. This land is viewed as long term inventory to expand industrial development once parcels in Foundation Park are 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 build-ready.

PARK INFRASTRUCTURE DEVELOPMENTS

- \$7.1M in Foundation Park North Roads, Water, Storm Sewer Development
- \$1.8M in Foundation Park South Sanitary Sewer Development

DEVELOPMENT PARKS

~12,000
EMPLOYEES

2,355
TOTAL ACRES

~150
BUSINESSES



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 the Logistics Development Forum
- Attended Area Development's Consultant Forum

LAND SALES

- SETZER PROPERTIES, INC 43 Acres
- BROOKWOOD CAPITAL, INC 23 Acres

LAND SALES & STATS

2023 AT A GLANCE



\$964,300,000

Total Value of Construction

January – October



6,687

Number of Building Permits

January – October



\$705,700,000

Capital Investment

January – October



4,000

Jobs Growth

January – September

ECONOMIC DEVELOPMENT ACTIVITY

- 5** New Projects Initiated
- 12** GOED RFI's Submitted
- 4** Prospect Hostings
- 13** Groundbreakings Hosted



950+ ACRE
INDUSTRIAL PARK



CROSSROAD
LOCATION



I-29 & I-90 ACCESS



CLASS 1 RAIL
FRONTAGE



ZONED I-2

RIVERLINE DISTRICT



FALLS AREA DEVELOPMENT CORPORATION

A year ago, in partnership with the City of Sioux Falls, the Development Foundation Executive Committee recognized an opportunity to leverage expertise, knowledge, and collaboration to achieve new, additional strategic goals. These goals include supporting the community's housing plan, optimizing land use efficiency, and securing the long-term investment potential of the Sioux Falls area for decades to come.

To honor the legacy of the Development Foundation and preserve its mission, this expanded scope of strategic land development is operated by the Falls Area Development Corporation in partnership with the Development Foundation. Today, staff are actively engaged in two significant projects. The first is a collaboration with the Friends of the Riverline District, focusing on the redevelopment of land east of downtown. The second project aligns with the City's 2026 Housing Action Plan to secure infill lots and increase density and available housing units.

With additional projects currently in the discovery phase, excitement grows as the partners embark on this new era of real estate development, dedicated to the betterment of our community. The enduring success of the Sioux Falls area can be attributed to various factors, with a core principle echoed from Forward Sioux Falls: "a rising tide lifts all boats." We firmly believe that transformative regional achievements are realized when private businesses, governmental bodies, and nonprofits unite toward common goals, setting aside competition for the shared good.

Land development endeavors, be it under the Sioux Falls Development Foundation or the Falls Area Development Corporation, rely significantly on strong partnerships. Partners eagerly anticipate the continued fostering of collaborations in the years ahead, recognizing that public-private partnerships yield greater outcomes. These benefits encompass everything from meaningful employment to fostering business growth, supporting families, and enhancing the overall quality of life in the region. The Development Foundation's mission, aimed at fostering collaborative economic growth and facilitating workforce development in the Sioux Falls Metropolitan Statistical Area, remains the driving force behind these initiatives.



GROUNDBREAKINGS

HOSTED BY SFDF



Electronic Systems Inc.



Furniture Mission



Glory House Apartments



Great Plains Zoo Lions Exhibit



Huether Family Match Pointe Expansion



Jacobson Plaza



McCrossan School Addition & Renovation



Northwest Elementary School



Orthopedic Institute



River Greenway Phase III



Sioux Falls Regional Airport Parking Ramp



Society of St. Vincent de Paul



South Dakota One Stop



Startup Sioux Falls empowers founders and ignites innovation by providing innovative programs and a collaborative community for founders.

Startup Sioux Falls has been operational in its new downtown location for eight months and built momentum through stakeholder and facility engagement, membership, and meeting space revenue growth, as well as visibility through community partnerships.

As part of the new operational model, Startup Sioux Falls remained focused on accelerating pre-seed to growth-stage support for the vibrant startup community that has been reinvigorated over the past three years. The mission remains the same - empowering founders with resources to network, launch and grow their ventures here in Sioux Falls.

By September 30, 2034, Startup Sioux Falls will serve 100,000 people and help 100 startups grow. Growth will be measured by both percentage of revenue growth and profit growth, as well as growth in number of employees.

Startup Sioux Falls provides the following programs & services:

- Flexible Office & Coworking Space
- Meeting Space
- Programs that support the entire startup journey
 - Pre-accelerator Bootcamp
 - CO.STARTERS Business Accelerator
 - GROWCO for scaling businesses
- Networking Events & Educational Workshops
- Mentorship Network
- Resource Navigation

Startup Sioux Falls programs & services meet the needs of:

Entrepreneurs seeking to start or expand within the Sioux Falls region.

Remote workers looking for a community-based place to work.

Business leaders looking for space for creative collaboration.

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 a year of change as they capitalize on the momentum gained with the relocation. The team will focus on providing high-quality service to existing clients and continue to innovate events, programs, and services to meet the needs of today's entrepreneurs.

HEALTH SCIENCES CLINICAL SIMULATION CENTER

Southeast Technical College's new state-of-the-art simulation center will allow hundreds of additional students to train for careers in the medical field. The Healthcare Simulation Center will be housed in the former Zeal Center for Entrepreneurship and provide simulated emergency room and clinical settings in training student nurses, sonographers, surgical technicians, paramedic science and laboratory technicians. Three new academic programs – Respiratory Therapist, Behavioral and Mental Health Technician, and Medical Lab Technician will come online when the facility opens. 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 in January 2024.



UNIVERSITY OF SOUTH DAKOTA DISCOVERY DISTRICT

The first building in the USD Discovery District is one step closer to becoming a reality. Bids for the construction of the multi-tenant building which will include office space, laboratories, and other amenities to accommodate both current and future tenant prospects were awarded September 20, 2023.

The collaborative process involving project architect ISG, Construction Manager at Risk McGough Construction and USD Discovery District and USD Facilities Management personnel resulted in a Guaranteed Maximum Price below estimate.

Site preparation began on September 26 with footings and foundation to be completed by the end of the year. Project completion is scheduled for late 2024.

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.



Forward Sioux Falls, the area’s leading economic development program, continues its pursuit to elevate the area’s return on investment.

Investors have trusted the program to augment workforce and economic retention, attraction and development efforts for over 35 years. The collective impact which includes robust initiatives taking place within the Sioux Falls Development Foundation are moving the needle in pursuit of the following **five-year program goals**:



Serving as a collaborator/convenor between the public and private sectors, Forward Sioux Falls is helping to bring significant projects to life such as the Health Sciences Clinical Simulation Center, the USD Discovery District and the DSU Cyber Security Research Center.

The success of Sioux Falls has not happened by accident. Deliberate decisions throughout the years have identified and addressed challenges and opportunities, placing our community on a national pedestal, and resulting in countless accolades. Forward Sioux Falls looks forward to building on this success throughout the remainder of the current program and beyond.

SPIRIT OF SIOUX FALLS

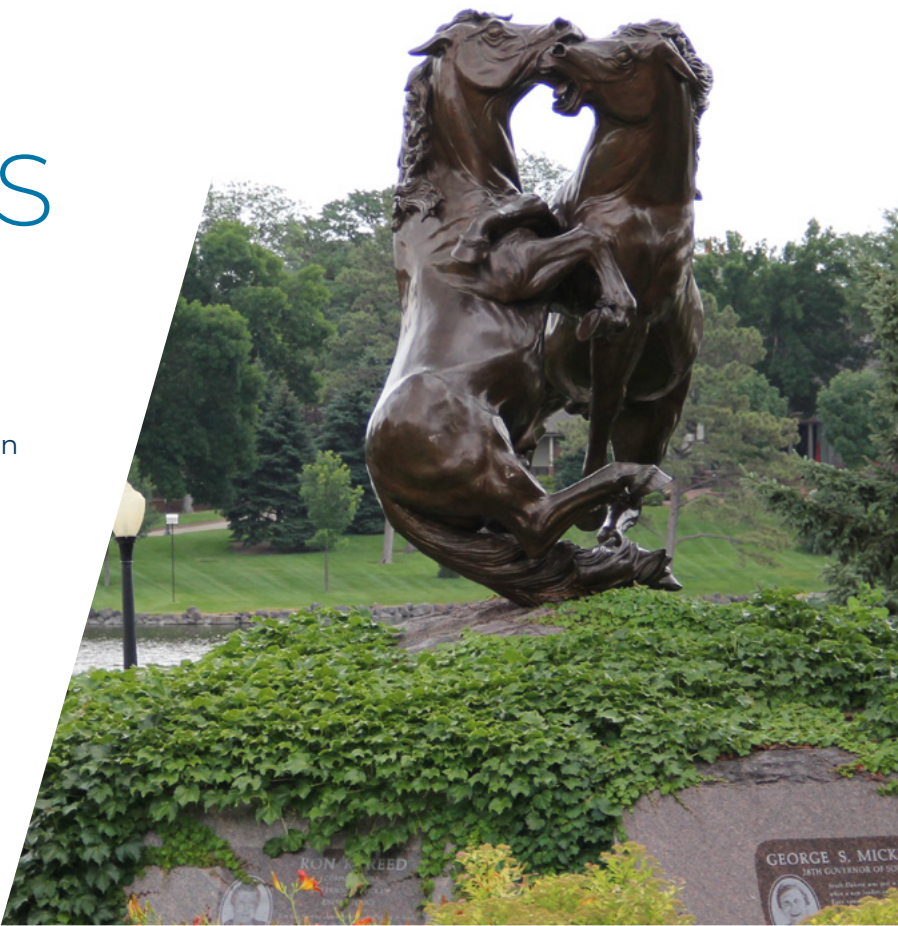
SCHOLARSHIP RECIPIENTS

Each year the Sioux Falls Development Foundation awards up to four 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 2023 Spirit of Sioux Falls \$5,000 Scholarship include:

Kim Ueng, a graduate of Washington High School attending Augustana University. Ueng is majoring in Accounting, Finance, and Business Finance.

Joshua Jackson, a Lincoln High School graduate. Jackson is attending Purdue University majoring in Aerospace Financial Analysis.



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 David Birkeland, Angus Anson, and Roger Hainje who perished in the plane crash along 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 Dykhouse
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
		2022	Mark Shlanta



The Foundation honored the memory of the Spirit of Sioux Falls with a commemoration event on April 19, 2023. Mayor TenHaken proclaimed the day as Economic Development Leadership Day in Sioux Falls.



WORKFORCE INITIATIVES

FY 2023

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 partner organizations has long and short-term outcomes to meet the demands of a growing and diversified economy.

Success is measured annually using Key Performance Indicators to track progress on five-year commitments made to Forward Sioux Falls partner organizations, including:

Talent and Workforce Programs to engage students, employees, businesses, and organizations.

- Managed 14 programs and 389 events to help 141 Forward Sioux Falls partner organizations connect to talent.

Direct Workforce Connections measure how many participants are involved annually in one of Sioux Falls Development Foundation's 14 Talent and Workforce programs.

- 22,536 people were connected to 141 Forward Sioux Falls partners.

Digital Impressions are created through recruitment and engagement campaigns measuring the number of touchpoints designed to "lift" and sell Sioux Falls. Workforce programs made 4.3 million digital impressions.

Post Secondary Relationships with colleges and universities includes partnering with career advisors, educators, and college students on one of six talent attraction programs available to Forward Sioux Falls partner organizations.

- Expanded collegiate partnerships with 308 colleges and universities.
- Engaged 3.4 million college students studying skilled and professional areas critical to the community's current and future workforce needs.

Experiential Learning Programs using job shadows and internships connected early career talent to Forward Sioux Falls investor businesses.

- Over 80% success rate in helping graduating seniors prepare to become first-generation college students, including 28 Build Dakota and other significant scholarships.
- Connected 1,096 high school and college students to 90 Forward Sioux Falls partner organizations.

In the fiscal year 2023, the Development Foundation launched two new certificate programs to support health and law enforcement and will launch a third certificate for manufacturing in early 2024.

Career Connections FY 2023 – 2024 Overview

796	STUDENTS	286	GROUP JOB SHADOWS
6	SCHOOL DISTRICTS	202	INTERNSHIPS
90	FORWARD SIOUX FALLS BUSINESS PARTNERS		

UPSKILL SIOUX FALLS

In partnership with SD GOED and Southeast Technical College trained **117 new CDL drivers and managers**, increasing the quality supply of drivers within our community.

INTERN SIOUX FALLS

In partnership with 23 Forward Sioux Falls partner organizations, the Development Foundation welcomed nearly **300 interns** to our community.

WORKFORCE DEVELOPMENT ACTIVITIES

FREEDOM WORKS HERE CAMPAIGN

The Sioux Falls Development Foundation was invited to partner with the Governor's Office of Economic Development on the "Freedom Works Here" workforce recruitment campaign to spread the message that South Dakota is the best state in the country to live, raise a family, do business, and so much more. The Foundation is excited to welcome these prospective new residents to Sioux Falls and South Dakota!

To date, the Development Foundation has received contact information for over 5,000 individuals who've expressed interest in relocating to South Dakota. The Foundation will reach out to these individuals and connect them with jobs and opportunities in Sioux Falls.

WORK SIOUX FALLS

2023 marked the third year of the **WORK Sioux Falls** initiative.

Digital ads across multiple platforms spread the message that Sioux Falls is a great place to live and work by directing viewers to **www.sioxfalls.com/work**, an online listing of local employers with open positions.

May – October 2023

WORK SIOUX FALLS CAMPAIGN RESULTS

4.3M IMPRESSIONS

399.4K INTERACTIONS

29K VISITS TO
SIOUXFALLS.COM/WORK

6.7K EMPLOYER CARD CLICKS



WIN IN WORKFORCE SUMMIT 2023

The Development Foundation hosted the sixth annual WIN in Workforce Summit on November 1, 2023, welcoming over 600 attendees from nearly 150 organizations to share and engage talent and workforce best practices as the community and economy continue to grow and prosper.

Mayor TenHaken kicked things off with Talent Talk: Get to Know the People Changing our Workforce Landscape, before introducing U.S. Olympian, author, and non-profit advocate Nancy Kerrigan as keynote speaker.

THANK YOU TO OUR SPONSORS Avera Health, Sanford Health, Black Canyon, City of Sioux Falls, Forward Sioux Falls, University of Sioux Falls, University of South Dakota, and the Greater Sioux Falls Chamber of Commerce.



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 encompass 145,200 and 94,500 square feet respectively on 19.2 acres within the 80-acre development and represent a \$19.5 million investment.



Construction wrapped up earlier this year on **ARS, a Tecta America Company's** new 40,000 square foot facility. The operation is located on 5.82 acres in Sioux Empire Development Park VIII and represents a \$4.5 million investment.

Black Tie Components, a start-up, is operating out of a new 60,000 square foot state-of-the-art manufacturing facility in the Hartford Industrial Park. The firm created over 30 jobs with plans to ramp up to 70 employees in three years. The facility represents a \$5 million investment.

Construction is underway on three contractor shops in the **Canton Industrial Park** with a total of nine at full build-out over the next year or two. The initial shops encompass 20,000 square feet.

CaveGamers, a vintage video game resale company, will operate out of a new 54,000 square foot warehouse facility west of I-29 between 12th Street and Madison. The development represents a \$7+ million investment for the growing company.



A new facility for the pharmaceutical label printing division of **CCL Label** spans 117,962 square feet. Construction wrapped up earlier this year on the 7-acre site located at 1401 North Terry Avenue. The facility represents an investment of \$30+ million.



A new 40,000 square foot addition to **Dakota Digital** will house the company's sales, tech support, production, warehousing, and shipping departments. The project, located in Sioux Empire Development Park VII, represents a \$10 million investment.

Construction is underway on an additional facility for **Dakota Fluid Power**. Located at 1801 East 39th Street North near Benson Road and I-229, the facility represents a nearly \$6 million investment.

Decker Sales broke ground on a 33,600 square foot facility in the Canton Industrial Park. The heavy machinery repair business will create 20 new jobs in the community when operational.

A new office headquarters, design studio and shop for **Deffenbaugh Homes** will anchor a 44-acre development along Veterans Parkway south of Maple Street. **T&T Granite & Quartz** will be located in the development as well. Road construction and sitework are currently underway.

DSG Waterworks opened a new waterworks facility at 5101 North 9th Avenue. The 30,000 square foot building represents a \$5+ million investment for the company that supplies materials for municipal and rural water system projects.

An 18,500 square foot, \$3 million addition was completed earlier this year joining two separate facilities together. The addition increased production floor space for **Electronic Systems, Inc.** by 50 percent. The company plans to add 25 positions.

A new 96,000 square foot manufacturing and office headquarters for **Engineered Truss Systems**, a Lloyd Cos. owned floor and roof truss company, is under construction. Scheduled to open early 2024, the new facility is located within the Rovang Industrial Park in Brandon. The company anticipates employing 75 when fully operational.

A 43-acre site in Foundation Park is under development for **FedEx Freight**. The 54,000 square foot facility and site represent a \$25 million investment. Fall of 2024 is the expected operational timeline.

First Manufacturing in Humboldt expanded with a new facility earlier this year. The expansion provided 22,000 square feet of space to house their sales and marketing teams as well as their warehouse and distribution operations.

A \$30 million, 200,000 square foot industrial spec building located in The Docks, a 52-acre industrial park near I-90 and Marion Road, was completed. The facility was developed by North Dakota-based **Great Hall Properties** of Fargo. **Aerostar International LLC** occupies 78,000 square feet of the facility. The site provides room for two additional facilities of the same size.

Henkel broke ground late 2022 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 and represents a \$30 million investment.

Hegg Cos. is continuing to develop the 108-acre park on the west edge of Brandon. The mixed-use development includes a 127,000 square foot facility for their modular construction division with two production lines employing 125. The campus will have the capacity to store 240 mods. Additional plans for Encore Park consist of 300 housing units in a mix of apartments and town houses, land for industrial uses, and a 21,000 square foot **Fareway Store**.

JDS Industries is undergoing an addition to their warehouse space at the company's 1800 East 57th Street North headquarters. The expansion represents a \$5 million investment by the company that continues to grow.

K&J Trucking, at 1800 E 50th Street North, is expanding with a \$5+ million expansion of their facilities.

L.G. Everist constructed a new \$13+ million ready-mix plant on the southeast corner of I-29 and the Harrisburg interchange. The site encompasses 50-acres for expansion purposes. The new plant will double the company's capacity in the area to 300 yards an hour.



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

A 15,000 square foot addition wrapped up at **Marmen Energy's** wind tower manufacturing plant. The expansion will create 50 new positions, bringing the Brandon facility to 250 employees.



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.

Development is underway on the 35-acre **New Hope Industrial Park** in Crooks with 10 of the 17 lots sold prior to groundbreaking. The Park represents a partnership between the City of Crooks, the Crooks Development Corporation, DGR Engineering, The First National Bank in Sioux Falls, Alliance Communications, Xcel Energy, and the Johnson Family.

North Central International, a truck dealership, is building a new 54,000 square foot facility and repair shop at 5131 North Healy Lane near I-90 and Cliff Avenue. The new building represents an \$8.5+ million investment for the growing company.

Virginia-based **Owens & Minor** and **Avera Health** will share a 330,000 square foot warehouse facility on 23 acres in Foundation Park. The facility is scheduled for occupancy Spring 2025. Approximately 50 people will operate out of the distribution center for PPE equipment coordinating medical supply logistics. The facility will also house Avera's centralized pharmacy services, biomedical engineering department, print shop and courier operations.

P&M Steel added a new painting facility at their 4401 North Westport Avenue location. The addition represents a \$1.3 million investment by the company.

Presidio Components, a San Diego-based manufacturer of ceramic capacitors, purchased 13.66 acres in Sioux Empire Development Park VIII to house their manufacturing campus. The 80,000 square foot multi-facility campus will house 115 employees when operational and represents a \$12 million investment in Sioux Falls.



Construction is wrapping up on a 105,000 square-foot facility for **Scherer, Inc.** in Foundation Park. Located on 10 acres, the company plans to add 20 new jobs when operational. The expansion represents a \$24 million investment in new facilities.

SiteWorks purchased 3.46 acres in Sioux Empire Development Park VIII East for a new 14,200 square foot shop and office facility. The facilities are currently under construction.

Sioux Valley Energy broke ground on a 32,500 square foot expansion of their Brandon facility in June to house additional offices, warehouse, and training space. The project is scheduled for completion by the end of 2024. To meet the expected demand for power, SVE and its power supplier, East River Electric, will be investing an estimated \$55 million in electric infrastructure in Minnehaha County over the next five years.

Smithfield Foods built a new state-of-the-art wastewater treatment system, replacing a majority of their existing infrastructure. The \$45 million investment adds additional processes and capabilities, improving water quality.

A Lennox area business specializing in custom milling services is expanding with a new showroom and mill in the community. The facility for **Southeast South Dakota Rough Sawn Lumber** at 13,500 square feet nearly triples the size of the company's previous footprint.

A new 109,000 square foot building is under way for **Thornton Flooring**. The new facility, located in the Bakker Landing development is scheduled for completion spring 2024.

A new warehouse and showroom houses **Worthington Ag Parts'** Capello brand corn heads and parts. The \$3 million facility is located at 5400 North Annika Avenue in Sioux Empire Development Park VII.



With the acquisition of property at the intersection of Minnesota and Russell, **Xcel Energy** plans to expand operations to better serve their Sioux Falls service area. The service center expansion includes a renovation of the existing building for warehouse operations and a 51,431 square foot shop expansion to house fleet mechanics. The site will provide additional storage space for materials and fleet equipment. The \$20.5 million expansion is scheduled for completion in December 2024.

OFFICE, COMMERCIAL & MEDICAL DEVELOPMENTS



Avera opened the 3-story, 86,400 square foot medical center at 26th Street and Veterans Parkway in the Dawley Farm Village development. The facility includes a free-standing emergency department, lab, imaging services, urgent care, family medicine and other specialties. The main hospital campus cafeteria is undergoing a \$2.5 million renovation.

The Bancorp Inc. became a South Dakota-based corporation with a national charter and headquarters move. The company will create an additional 80 jobs and is the anchor tenant in the 200,000 square foot The Bancorp at **Cherapa Place** building. The centerpiece ten-story facility includes retail, office space, and luxury condos. The building is 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. **ISG, Eide Bailly** and **MarketBeat** are also anchor tenants. The \$225 million Cherapa Place expansion includes two additional multistory mixed-use buildings. The 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 restaurants, bar, **SiSu Fit, Iv&co**, and other offerings. The development includes a 650-stall parking ramp.

The need for additional space led to a new facility for **Banner Associates**. Located at 3900 North Northview Avenue, the 14,000 square foot, two-story office houses the company's 30-member professional and technical engineering crew and represents a \$6 million investment.

A new two-story office building is under construction for **Boen & Associates** at **81 Gardens**. Located on the former Landscape Garden Center property along South Minnesota Avenue, the 7-acre site will include multiple retail buildings. **Jersey Mike's** and **T-Mobile** have secured locations in the development.

The 50-acre **Brandon 90 Plaza** development includes 27 acres for commercial development with a 17-acre lake. Construction is underway on an 8,800 square foot building for **Heartland Appliance**. Additional tenants will include **Jimmy John's** and **Starbucks**.

Casey's General Store is expanding in the market with another new gas station and convenience store at Benson Road and Louise Avenue. The \$3.5 million store is nearing completion.

Work was completed earlier this year on the two-story 11,500 square foot renovation of the office building at 625 South Minnesota Avenue. The facility was purchased by **Century Business Products** and houses their corporate headquarters.

Comfort Inn & Suites is the newest addition to the Sanford Sports Complex. The four-story, 86-room hotel development nearing completion represents a \$10 million investment creating up to 30 new jobs.

National chain, **Crunch Fitness**, is opening their largest location in Sioux Falls in the former Gordman's store on the Empire Mall campus. The \$6 million buildout is underway.

The **Dawley Farm Village** development in eastern Sioux Falls features new retail and service options with **Buff City Soap, Crumbl Cookies, Cooks & Bakers Kitchen, SafeSplash Swim School**, and **Pizza Hut**, with **Nekter Juice Bar** and **Starbucks** coming soon. Phase 2 of **The Carlton at Dawley Farms**, a mixed-use apartment with 40,000 square feet of commercial space, wrapped-up and a **Blue Tide** car wash is under construction.

Dillard's is scheduled to open spring 2024 in the Empire Mall. Renovations are underway on the former Younkers space and 40,000 square feet of new space will be added. The store will create 100 new jobs in the market.

North Dakota-based **First International Bank & Trust** purchased, renovated and moved into the 18,500 square foot former First PREMIER Bank headquarters on the southwest corner of 14th Street and Minnesota Avenue. The team will grow to 50 employees with the addition of this facility.

The **First PREMIER Bank** operation center is moving to the former Esurance facility at 3509 North Louise Avenue after a \$6+ million remodel of the facility is wrapped up.

Located along Veterans Parkway south of 57th Street, the 200-acre mixed use **Harvest Creek** development will encompass retail, office, multi and single-family housing. The development will include a 10,000 square foot **Dollar Tree** that is under construction and slated to open early 2024, a 25,000 square foot **Nyberg's Ace Hardware**, and two retail strip centers for small shops.



Journey Group moved team members into the 16,000 square foot headquarters office addition at 4500 West 58th Street early this year. The \$20 million expansion doubled the size of the facility.

Kwik Trip is investing nearly \$20 million with six **Kwik Star** brand convenience stores, gas stations and car washes under construction or recently completed in the region. Sioux Falls locations include the northwest corner of East 57th Street and Graystone Avenue, 6301 East 41st Street, 8401 West 32nd Street and 3310 North Cliff Avenue stores. Additional locations include Brandon and Harrisburg.

The newest additions to **Lake Lorraine**, the 130-acre mixed-use development adjacent to I-29 at the 26th Street Exit, include **Jane Lee Studio, Baking up a Storm, Chick n Max, Dairy Queen, The Sonography Studio**, and national retailer **Five Below** occupying 10,000 square feet of a 15,000 square foot building, as well as **Color Splash Studio** and **Starbucks**. Residents moved into **Blu on Lorraine**, a six-story apartment complex that opened mid-summer.

A **Lewis Family Drug Store** is nearing completion. The new store, in partnership with Sanford Health, is located on the northwest corner of Madison and Veterans Parkway.

Makers Exchange is under construction in the Bakker Landing development adjacent to I-29 and the Tea Exit. The 10,000 square foot barn-style facility will provide space for 50 local makers and vendors to display and sell their products.

Midco is moving its corporate office into the Lumber Exchange building at 101 South Reid Street downtown and starting improvements to their facility at 4020 West Cayman Street. Approximately 50 senior executives and teams for marketing, communications, human resources, legal and finance will move downtown spring 2024.

The former 12,000 square foot Monick Pipe facility on East 8th Street downtown was recently renovated. **Monick Yards**, a new event venue that can accommodate up to 400 guests, opened in October.

Orthopedic Institute is constructing a new facility on eight acres in the Bakker Landing development south of 85th Street and west of Interstate 29. The two-story, 70,000 square foot clinic and office facility is scheduled for completion in 2025.

Sanford Health continues to invest millions with major upgrades including a \$1.4 million park for pediatric patients, neighborhood services, and virtual care. 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 mid-2024. A nine-story, 205,000 square foot Orthopedic Hospital is under construction. Operational fall 2025, the \$161 million facility will offer 19 inpatient rooms, 12 operating rooms, medical suites, an intraoperative MRI machine and a 56-room hotel on the top two floors. A new 26,500 square foot clinic is nearing completion 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. Construction continues on the Virtual Care Center scheduled to open in 2024. The 60,000 square foot facility is located at the Sanford Sports Complex.

Stadium Crossing, 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 including one for **Cookie Co., Year Round Brown, Gloss Nails**, and **Starbucks**. The development also includes a **B&G Milkyway** and a **Casey's General Store** that is under construction.



The \$225 million development on the former Sioux Steel site downtown broke ground in August 2021. **The Steel District** will include a 900-stall parking ramp with 20,000 square feet of office and retail including **The Commonwealth** gastropub, the **Pavilion Museum Store** and **Pasque Boutique**. The ramp will be surrounded by 95 apartments and 18 condominiums. The District also includes a nine-story, 174,000 square foot office tower 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, **FNBO** will occupy 3,000 square feet for its loan production office and trust business, **Holmes Murphy & Associates** occupies 10,000 square feet on the third floor and **Lloyd Companies** moved to the office building as well. Additional tenants include **Philadelphia Insurance Cos, Robins Kaplan LLP, IFAM Capital**, with **Burger Dive** and **Smack Shack** scheduled to open next spring.

Vern Eide is expanding operations with a new Indian Honda site at 4800 North Westport Avenue. The facility represents an \$8 million investment.

Redevelopment of the former Gage Brothers 30-acre site on West 12th Street called **The Crossroads**, is home to **Voyage Federal Credit Union's** \$2.2 million, 3,500 square foot relocated branch.

The Willows Edge 180-acre mixed-use development is underway. Thirty-acres designated for commercial development includes a new 12,000 square foot headquarters facility for **Signature Companies** and a **Casey's General Store**. Willows Edge is located at the junction of Arrowhead Parkway and East 10th Street.

Winter-Green Acres is scheduled to open in December. The venue, located in Crooks, can host 425 people, and features a prep-kitchen and bar area with outdoor space for weddings and special events.

OTHER DEVELOPMENTS

Ace Hardware addition (Tea)
Alibi Bar & Grill / Scapegoat (Arrowhead Parkway)
Altered Species Ales (Western Mall)
Anytime Fitness (Marion Road)
Black Hills Federal Credit Union branch (East 10th Street)
Babe Hair Solutions (West 49th Street)
Bluepeak (Bridges at 57th)
BOE Discount Store (Shirley Avenue)
Buffalo Wild Wings addition (Louise Avenue)
Candylicious Allure (41st & Sycamore)
Cattitude Café (Downtown)
Central Dakota Perk (Harrisburg)
Chase Bank (Downtown)
Credo's Pub (University Hills)
CrossFit 605 (Tea)
Dae Gee Korean BBQ (Empire Place)
Dairy Queen (Tea)
Daylily Coffee (East 8th Street)
Dell Rapids Dental
Dollar Tree (East 10th Street)
Drybar (Empire Place)
East Bank Storage (3rd Street)
El Chamoy (West 10th Street)
Empower U (Cliff Avenue)
Falls Dental (Cliff Avenue)
Farmhouse Market (Franklin Avenue)
Fat Kid Pizza (Empire Mall)
Fazoli's (Arrowhead Parkway)
Flourish Wellness & Birth Co. expansion (East 26th Street)
Freddy's Frozen Custard & Steakburgers (Empire Mall)
Hoogendoorn Construction addition (Canton)
Houndstooth House expansion (37th Street)
Hy-Vee additions (multiple locations)
IchiFuji (East 10th Street)
In Flower (East 8th Street)
Jimmy John's (Campus Crossing)
Joy Collective Yoga Studio (East 8th Street)
Kid to Kid (Western Mall)
Kind Find Jewelry & Piercing (57th Street)
Little Learners Academy (Western Avenue)
Les Schwab Tire Center (Arrowhead Parkway)
Los Arcos (Minnesota Avenue)
Lucky's second location (Louise Avenue)
Move U (57th & Tennis Lane)
My Buddy's Garage (10th & Sycamore)
Myrtle's Fur Vault & Bar (Downtown)
Neighborhood Dental (East 26th Street)
Ocean Outfitters (Southeastern Avenue)
Paleta Paradise (41st Street)

Perch (9th & Grange)
Pizza Ranch expansion (East 10th Street)
Planet Fitness (East 10th Street)
Polar Bites (Downtown)
Pulse Dance Studio (Harrisburg)
Prairie Dental Center (73rd & Cliff)
Rack City Billiards (Bahnson Avenue)
Rose + Eugene (Downtown)
Sampson House expansion (Downtown)
Scooter's Coffee (Sanford Sports Complex)
Shake Rattle Sew (West 5th Street)
Smoothie King (Empire Place)
Southeastern Electric addition (Lennox)
Starbucks (Marion & Pineridge)
StretchLab Sioux Falls (57th Street)
Sub Zero Desserts (Downtown)
Sugar Palace by Emily (Harrisburg)
Taichi Bubble Tea (Empire Place)
Taqueria Los Primos (Marion Road)
The Cookie Jar Eatery (Eastbank Downtown)
The Den (North West Avenue)
The Dive (Park Ridge Galleria)
The Meeting Nook (Dell Rapids)
The Orion Pub (Downtown)
The Scapegoat (Arrowhead Parkway)
The Smoked Culture BBQ & Brews (49th & Westport)
The Tavern Grill (57th & Louise)
The Wine Bar at Allure Bar (73rd & Cliff)
Today's Family Dentistry (Brandon)
Valentino's (41st & Ellis)
Valvoline (East 41st Street)
Vital Flows (Downtown)
Walmart remodel (Louise Avenue)
Windy City Bites Bar & Grill (8th & Indiana)
Ziggi's Coffee (East 57th Street)

ACCOLADES

- Top 25 most resilient economy**
SmartAsset
- No. 2 best state tax climate**
Tax Foundation
- Best small cities for remote work**
The Forage
- No. 5 best city for new college grads**
Stacker.com
- Top 25 city to retire**
Forbes
- Most affordable state to get a college degree**
Forbes
- No. 2 best job market**
SmartAsset

QUALITY OF LIFE DEVELOPMENTS

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

Allegiant Air – Seasonal flights to Los Angeles



Augustana University – Renovation of two residence halls & campus green upgrades; \$60M, 3,000-seat Midco Arena for men’s hockey; \$1.5M Chick-fil-A in Morrison Commons

Baltic School District - \$21.2M high school

Brandon Valley School District – 35,000 square foot, \$10M high school addition

City of Dell Rapids - \$3.5M renovation of former bank into new facilities for City Hall, Chamber, Sheriff deputies and event space

City of Hartford - \$23.5M Wastewater treatment facility

City of Sioux Falls – \$215M Water Reclamation Plant expansion & rehab; \$55.7M Public Safety Training Campus; \$17.2M Jacobson Plaza, Pawsible Park & T. Denny Sanford Splash Pad; McKennan Park Band Shell renovation; \$14.5M Downtown River Greenway Phase III Riverwalk & Lloyd Landing; Mary Jo Wegner Arboretum History Plaza; Mini-pitch soccer fields

Dakota State University - \$70M, 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 – Addition to the high school facility to house elementary school

Ellis & Eastern – Rail line rehabilitation in western Sioux Falls & rebuild line east of Brandon

Furniture Mission of South Dakota – 27,000 square foot warehouse/office

Glory House – 51-unit housing expansion; \$7.2M

Great Plains Zoo – New \$8.1M lion & meerkat exhibit; Splash Pad

Harrisburg School District –\$30M East Middle School; 151,483 square foot, \$36M Freshman Academy; Greenhouse

Huether Family Match Pointe – \$3.7M, 28,000 square foot four-court expansion

Huset’s Speedway – New shop & office space

Inter-Lakes Community Action Partnership – Renovate former Children’s Inn to serve homeless families

Let’s Skate - \$2.4M, 20,000 square foot state-of-the-art skateboard park at Nelson Park

McCrossan Boys Ranch - \$3 million, 8,000 square foot addition to the school

Minnehaha County – \$12.9M Highway Maintenance Facility

Outdoor Campus - \$7M expansion & remodel

REACH Literacy – 3,000 square foot expansion; \$200K

SculptureWalk 2023 – 67 outdoor sculptures exhibited throughout downtown Sioux Falls

Sioux Falls Christian – Classroom addition

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



Sioux Falls Regional Airport - \$63M, 4-level, 975 stall parking ramp

Sioux Falls School District – Central Service building addition/remodel; \$26M, 83,000 square foot northwest elementary school

Society of St. Vincent de Paul – 2nd thrift store

South Dakota Game Fish & Parks Department – Palisades State Park expansion: 75 new camp sites, Welcome Center, additional hiking trails



South Dakota National Guard - \$21.7M BG Dean Mann Readiness Center, 41,522 square foot facility in Sioux Empire Development Park VIII

Startup Sioux Falls - \$1.3M remodel of downtown facility for new location

State of South Dakota – 280,000 square foot Sioux Falls One Stop state services office building

State of South Dakota & City of Sioux Falls – Veterans Parkway extension, \$210M

Tri-Valley School District - \$23.6M elementary school; \$46.7M high school

University of South Dakota – Parry Center for Clinical Skills & Simulation expansion

Veteran’s Administration Medical Center –11,115 square foot VA Hospice Cottage

Veterans Community Project – 2-acre tiny home-village, ~35 units, community center; \$5M



Washington Pavilion – \$2M Sweetman Planetarium & Interactive Water Exhibit, Kirby Science Center 1st floor transformation to the Space & Technology Floor

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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 the listing of all developments.*

A special thank you to Xcel Energy for sponsoring
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