



## 2023 Annual Report

*Through a proven, collective impact, Forward Sioux Falls 2026 initiatives continue to positively shape our community. With an intentional process to identify and capitalize upon opportunities, the premier economic development program in our area brings a dedicated ROI to both private and public investors alike. As we enter the second half of the five-year program, we remain driven to meet objectives and deliver results. This annual report provides context for 2023 programmatic outcomes.*

### Program focus areas

- Talent Attraction, Retention and Development
- Business Retention, Expansion and Attraction
- Innovation and Entrepreneurship
- Business Advocacy/Quality of Place Enhancement
- Air Service

### Talent Attraction, Retention and Development

Talent and Workforce are fundamental to the health and well-being of the Sioux Falls economy and region. The Sioux Falls Development Foundation's commitment to businesses, Forward Sioux Falls partner organizations and the community at-large, is poised 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. These include the following:

- **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.
- **Career Connections FY 2023 – 2024 Overview**
  - 796 Students
  - 6 School Districts
  - 90 Forward Sioux Falls Business Partners
  - 286 Group Job Shadows & 202 Internships

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.

- **UPSKILL Sioux Falls**
  - In partnership with the Governor’s Office of Economic Development (SD GOED) and Southeast Technical College, 117 new CDL drivers and managers were trained, 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 in the program’s inaugural year.
- **“Freedom Works Here” Campaign**
  - The Sioux Falls Development Foundation was invited to partner with the SD GOED 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.

- 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.sioxford.com/work](http://www.sioxford.com/work), an online listing of local employers with open positions.

**WORK Sioux Falls campaign results:**

5M	Impressions
464K	Interactions
34K	Visits to SiouxFalls.com/WORK
7.5K	Employer Card Clicks
Geography:	North Dakota, Minnesota, Iowa & Nebraska

- **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 Paul 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.

- **Additional Initiatives to Augment Workforce:**

- **Sioux Falls Thrive** is a proven collaborator that helps find sustainable solutions to ensure all Sioux Falls children can succeed. Community leaders gave Thrive this charge in 2017, and they've built the community's cradle-to-career workforce development initiative around three critical needs: affordable housing, food security, and out-of-school enrichment.

Thrive leaders guide teams of volunteers to create positive outcomes, including these 2023 successes:

- The City's new \$4 million Affordable Housing Fund
- This fall's launch of the Eat Well Sioux Falls Mobile Market
- The transition from the Kid Link Initiative to Community Learning Centers inside the Sioux Falls School District
- The Report to the Community from the Sioux Falls Childcare Collaborative.

- **REACH Literacy** has been promoting literacy education in the Sioux Falls area since 1987. Over the past year, REACH has collaborated with multiple organizations to provide on-site and virtual workplace literacy programs to employees learning English and recently introduced a new interactive, customized self-study program to their learners. Student practice time is up over 100% compared to last year.

The REACH team is also busy preparing to start a “BEE” Reader program for the fourth year in a row. This program partners with local 2<sup>nd</sup> grade classrooms to support and encourage emerging readers. Students and mentors meet virtually once a week from mid-February through April. Because of the virtual format, we can read with more than 100 students weekly and welcome volunteers from all over the United States.

REACH’s recently-expanded location at the Western Mall is home to a second-hand bookstore and new literacy learning center. They are currently working to furnish their classroom and install AV equipment to begin hosting pre-CNA and driver’s license test prep classes for adult learners.

## **Business Recruitment, Retention & Expansion**

Advancing business recruitment, retention and expansion continues to be an integral part of the Forward Sioux Falls 2026 program. These priorities include existing business retention and expansion; new business attraction; land development; and housing/redevelopment. Below are key deliverables from the past year.

### **Existing Business Retention & Expansion**

- 17 Existing Industry Retention & Expansion Projects
  - 557 jobs
  - \$194 million in capital expenditures
  - 728,700 sf built or under construction
- 120 retention visits and connection assists made

### **New Business Attraction**

- 6 New to Market Companies
  - 575 jobs
  - \$208 million in capital expenses
  - 677,000 sf. built or under construction
- 8 Active Prospects
- Prospect Profiles – Above median wage plus superior benefits
  - Advance Manufacturing
  - Warehousing & Logistics
  - Bio/Pharmaceuticals
  - Cyber Sciences, Cyber Security, Advanced Technology

### **Land Development (Since 2018)**

- Sales
  - 563 Acres Sold
  - 76 Acres of Active Prospects
  - \$828 million in taxable value
  - 5,300 jobs
- New Purchases
  - 285 Acres

- Development
  - Grading 100% complete in Foundation Park North (North of the railroad tracks)
  - Memory Lane and Schescher Avenues are completed
  - 259<sup>th</sup> completion June 2024
  - All sewer and water lines are installed
  - Marion Road Phase I and Phase II complete

### Redevelopment & Housing

- Identify and proactively acquire land in strategic locations to stimulate private development
- Activities will be focused on areas of underutilization to benefit long-term housing needs and areas of opportunity for mixed use development
- Riverline District Development
  - Maximizing use of riverfront
  - Expands downtown footprint
  - Expands Quality of Life amenities near downtown.
  - Forward Sioux Falls provided earnest money for land options
- North Minnesota Development
  - Revitalizes North Minnesota entrance to downtown from the airport
  - Creates high density housing opportunities near downtown core

### International Trade

This past year, Forward Sioux Falls joined nearly 30 organizations, along with the State of South Dakota to provide funding for **South Dakota Trade** (SDT), which will focus on export education, STEP Grant hosting, international trade consulting and trade missions.

SDT opened its doors in April 2023 with a team of five individuals located in Rapid City, Yankton, and Sioux Falls. Since its launch, SDT has raised over \$300,000 from 30+ organizations across the state to supplement the \$200,000 investment from the Governor's Future Fund.

- In its inaugural year, SDT has achieved several key milestones
  - Procuring \$375k in federal grants
  - Providing continuing education to 70+ trade practitioners
  - Hosting delegates from over 10 countries
  - Providing over 400 hours of free and confidential consulting to small businesses
  - Conducting the state's first trade mission in 10 years
    - Led by Lt. Governor Larry Rhoden and Secretary of Agriculture and Natural Resources Hunter Roberts, the trade mission was a highlight of the year and generated more than a 60x return on investment (over \$1.5m in direct sales). In total, SDT has directly supported \$3m+ in sales for South Dakota companies this year.

## Entrepreneurship & Innovation

**Startup Sioux Falls (SUSF)** empowers founders and ignites innovation by providing programs and a collaborative community for founders.

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

As part of its new operational model, the team remained focused on accelerating pre-seed to growth-stage support for the vibrant startup community they've reinvigorated over the past 3 years.

The mission remains the same - empowering founders with resources to network, launch and grow their ventures here in Sioux Falls.

SUSF has set a goal that by September 30, 2034, it will serve 100,000 people and help 100 startups grow. Growth will be measured by percentage of revenue growth, percentage of profit growth and growth in number of employees. Programs and 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 and business leaders looking for space for creative collaboration.

- SUSF programs and services:
  - Flexible Office & Coworking Space
  - Meeting Space
  - Pre-accelerator Bootcamp
  - CO.STARTERS Business Accelerator
  - GROWCO for scaling businesses
  - Networking Events & Educational Workshops
  - Mentorship Network
  - Resource Navigation
  
- SUSF Metrics:
  - **3,500+** - Total people served
  - **1,950+** - Number of attendees at events and meetups in fiscal year 2022-2023
  - **300+** - Startup Sioux Falls Members (Social Club, Hot Desk, Dedicated Desk)
  - **139** - CO.STARTERS Business Accelerator participants
  - **56** - Mentorship connections made
  - **86** - People served through resource navigation program
  - **9** - CO.STARTERS cohorts launched through grant partners reaching underserved populations
  - **684** - Total workshop attendees across 17 workshops funded through the Community Navigators Pilot Program

Forward Sioux Falls also continues to support the **USD Discovery District**, an 80-acre contemporary research park under development in northwest Sioux Falls. Through funding from the State of South Dakota, the City of Sioux Falls, and private donations, construction of the first building has been initiated with an estimated completion date of January 2025. The 50,000 GSF building will include office space, laboratories, and other amenities to accommodate anchor tenants as well as unfinished square footage for tenant recruitment and future build-out.

As construction is underway, the USD Discovery District is partnering with multiple entities for marketing and tenant recruitment. Additionally, the USD Discovery District is also recruiting private developers and science and technology partners for future projects.

As a public-private partnership among Forward Sioux Falls, the City of Sioux Falls, the University of South Dakota, the State of South Dakota, and the South Dakota Board of Regents 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 continues to partner with Dakota State University, Sanford Health, Denny Sanford, the City of Sioux Falls and the State of South Dakota for a **DSU Cyber Security Research Center** in Sioux Falls. Estimates reveal the potential for 400-500 high paying jobs once completed. The desired outcome is for the research center to become a cyber incubator and elevate South Dakota's influence in this area on a national and international scale.

## **Business Advocacy & Quality of Place Enhancement**

Facilitated by Greater Sioux Falls Chamber of Commerce staff, a dedicated advocacy effort ensures the voice of business is heard and interests are protected.

Business **advocacy at the local level** includes relationship-building with the Sioux Falls City Council, Minnehaha County Commission and the Sioux Falls School Board. A **full-time lobbyist** is assigned to the South Dakota Legislative Session to monitor and act upon bills affecting the greater Sioux Falls area businesses by effectively communicating these positions to our state legislators. A **Legislative Annual Report** can be found on the GSFCC website that provides an in-depth analysis of our advocacy work in Pierre, which includes the **Legislative Scorecard**. The GSFCC provides weekly updates during the Legislative Session to our membership about specific legislation through a **Bill Tracker**. In February, Sioux Falls Day at the Legislature is facilitated to advance pro-Sioux Falls legislation and learn more about how to get involved in the legislative process.

In addition, the Chamber public policy team works closely with South Dakota's congressional delegation in Washington D.C., including the facilitation of "**Inside Washington**" events which provide a forum for the greater Sioux Falls business community to hear from our delegation firsthand. GSFCC also coordinates a Washington **D.C. Fly-in** where we engage our Congressional delegation on topics important to our investors.

The Chamber's public policy staff hosts multiple **candidate forums and ballot measure forums for members** and the general public. These important events provide voters the opportunity to become better acquainted with the elected officials who serve them and issues important to the business community. **Chamber Advocate**, a weekly e-newsletter, provides public policy updates to keep investors informed.

The Chamber continued to offer the **Diversity, Equity and Inclusivity (DE&I) Activator Series**, where over 2,300 attendees from more than 300 businesses participated over the past two years. We will continue to support programs and projects that enhance our economy by advocating for a strong quality of life, a robust business climate, programs that enhance workforce development and accessible housing. The GSFCC continues to explore initiatives that will build our community moving forward.

The process to establish a ten-year roadmap for our community, planning for a **community-wide, long-range strategic plan**, began this past summer and will continue in 2024. Forward Sioux Falls is collaborating with the City of Sioux Falls, Sioux Falls Area Community Foundation, Sioux Empire United Way and the Sioux Falls Public School District to design and oversee the plan's formation.

The **Young Professionals Network (YPN)**, which includes 839 members, continues to encourage our young professionals to become more civically engaged.

Participation for the sixty-one events held in 2023 totaled nearly 2,500 including 500 attendees for the Crossroads Summit, one of the Midwest's largest YPN conferences.

### **Air Service**

Sioux Falls residents are fortunate to have a vibrant airport that continues to provide exceptional recreational and business travel opportunities to hundreds of thousands of people annually. **Forward Sioux Falls continues to partner with the Sioux Falls Regional Airport to market the advantages for both leisure and business travelers.**

From January-October 2023, passenger enplanements (those departing from FSD) totaled 553,926 which is 8 percent ahead of 2022 and 15.8 percent better than 2019, which was also a record year. Total passengers for the year are expected to exceed 1.3 million, an all-time record.

No new routes were added in the past year, however several carriers upgraded aircraft types from regional jets to mainline aircraft boosting the number of available seats by 9% compared to 2022. The additional seats allowed air fares to moderate and increase the number of travelers.

*As we close another calendar year, we give thanks and credit to you, as a Forward Sioux Falls investor. Your continued support positions our community in a very favorable position to advance our area's economy and exceed expectations through vision, strategy and collaboration.*