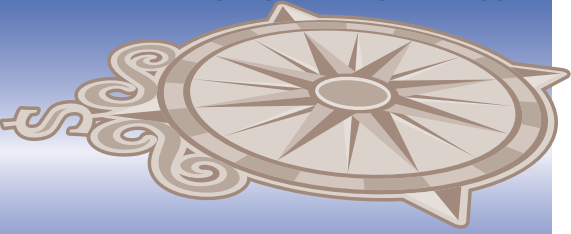


Directions



Sioux Falls economy, construction activity defy national trends

S ioux Falls continues to show strong economic growth, with strong housing starts, construction in every corner and industrial sector and population increases that have remained consistent.

“Although the national economy has been under pressure this year, our community is attracting new businesses and new families,” said Mark Shlanta, chairman of the Sioux Falls Development Foundation. “The consistent growth of Sioux Falls is a sign of our economic diversity and the confidence in the future shared by the public sector and the business community.”

Signs of economic strength in the Sioux Falls area take a number of forms. The Sioux Empire Development Parks are nearly full. The development of Phase II of Park VIII is also nearly complete to meet the demand for affordable, build-ready sites. Park VIII, which opened for construction in 2007, has sites suitable for a wide range of businesses.

Commercial construction is not limited to the development parks. The health services providers are continuing their annual multi-million dollar construction booms, with major construction on both the Avera and the Sanford campuses. In addition, both medical systems are recruiting new physicians and expanding their employee base considerably, as Sioux Falls increasingly becomes identified as a regional health care center.

High technology is also playing a prominent role in Sioux Falls' growth. The occupancy rates of the South Dakota Technology Business Center, a high tech incubator,

give ample evidence that this is a great place for high tech companies to start up and grow fast. The expansion of SDTBC promises to accelerate this process, providing space for additional technology firms to take advantage of the center's services to plant the seeds of the future.

Companies are also relocating to the communities around Sioux Falls to take advantage of an increasing customer base, ease of transport and access to materials and labor force to grow their business.

Fueled by enthusiasm, strong retail sales, a growing population of students and young adults and a diverse industrial economy, Sioux Falls is maintaining the pattern of steady growth that has characterized the past decade.

“The trends in Sioux Falls are being noticed in other markets,” Shlanta said. “Companies in cities which are not experiencing the same economic stability as Sioux Falls are contacting us about their expansion plans. Even people outside our community have confidence in the future of Sioux Falls.”



Work continues at Sanford Children's.

Mark your calendar!

The annual meeting of the Sioux Falls Development Foundation will be held in the International Room of the Holiday Inn City Centre on Thursday, November 20 beginning at 4:30 p.m. Please mark your calendar to “save the date.”

Sioux Falls 
Development Foundation 



Healthcare construction includes the expansion of the Sioux Falls Surgical Center near the Avera McKennan campus.

Workforce Development Update

Technology is latest boost to “Stay Close, Go Far” campaign

Young adults are techno-savvy and attuned to the advances in software and devices. That’s why the latest round of *Stay Close, Go Far* marketing is offering a FREE flashdrive to young adults who register to receive Sioux Falls information.

“These small drives are great for on-the-go young adults and students,” said Mary Medema, workforce development director. “We have created 500 portable drives, each with 512 megabytes of storage, for the giveaway. We expect it to be a popular item, especially at the start of a new school semester.”

Stay Close, Go Far has used other promotions to build its database of young people tuned into Sioux Falls and its educational, recreational and career opportunities. The kick-off of the program in 2006 offered a free iPod and subsequent on-line registration prizes included t-shirts and a series of “Day to Play” in Sioux Falls packages. Young adults could register to win a Movie Night,

Canaries or Stampede game packages.

The flashdrive giveaway promotion begins on August 18 and runs through September 30. The marketing message will be delivered with television and radio advertising in a 150 mile radius of Sioux Falls. Radio has proven to be an especially effective medium for the young adult-targeted campaign during 2008, particularly with the large number of college students in and around Sioux Falls.

In addition to a Forward Sioux Falls *Stay Close, Go Far* imprint on the drive itself, each is loaded with the campaign’s television commercial, which will pop up on the viewer’s computer when the drive is loaded.

“This kind of promotion identifies Sioux Falls with a current technology,” Medema said. “We continue to find ways to let these young adults know that Sioux Falls is a great place for them to find everything they need to build their future here.”



Workforce Development Director Mary Medema with several of the Stay Close, Go Far flashdrives being given away this fall.

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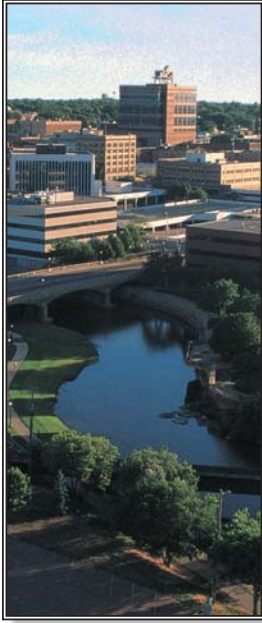
SDTBC Update

Technology Business Center has new receptionist

Stephanie VanderBruggen has joined the staff of the South Dakota Technology Business Center as receptionist and administrative assistant. She works with tenants on coordinating in-facility meetings, scheduling the common meeting rooms, maintaining essential tenant services and equipment and handling accounts payable for the technology incubator.

A South Dakota native, VanderBruggen is a graduate of Southwest Minnesota State University with a degree in marketing. She has worked in retail management, the gaming industry and real estate. Stephanie and her husband, Scott, have two children currently attending Baltic Elementary.





Sioux Falls is “Best Place for Data Centers”

Business Week has published a report naming Sioux Falls as the “best place in the US for data centers.” According to the national magazine, each time a web user uploads a photo to Facebook or builds a document using Google applications, the computing power needed to fulfill the request comes from faraway buildings called data centers—and is delivered via the Internet. Demand for this remote computing is on the rise, causing companies to look for low-cost places to house their data centers. These businesses are looking for the right mix of inexpensive real estate, low-cost electricity, and affordable, skilled labor.

Those costs vary widely in the U.S. **It costs 250% more to locate a data center in New York City than in Sioux Falls**, according to a recent report from The Boyd Co., a Princeton-based management consulting firm that helps companies decide where to house operations. The Boyd Co., which lists companies including PepsiCo, Hewlett-Packard and JPMorgan Chase among its clients, calculated the annual operating costs for running a hypothetical 125,000-square-foot data center with 75 employees in 45 cities. **Sioux Falls was rated number one, with the lowest operating costs in the nation.**



AARP names Sioux Falls in Top Twenty “healthiest hometowns”

The September-October issue of AARP *The Magazine* rates the healthiest places in the United States to live, placing Sioux Falls at number eleven on the Top Twenty list. The editors combed through the government records of hundreds of cities for more than 20 “measures of vitality,” looking not only at the physical aspects of a community, like clean air and water, but also at the health and habits of the people who live there.

“Thanks to the boom in credit card jobs, Sioux Falls has blossomed in the past 20 years, and its healthy, educated residents are among the fittest in the country,” the magazine reported. “Extensive bike trails circle the city, linking its 70 parks to the crown jewel: the waterfalls at Falls Park. And free trolley service makes using the downtown area fun and easy. Of our top-rated cities, Sioux Falls comes in number one for hospital beds and number two for teaching hospitals, on a per capita basis.”



Forbes counts Minnehaha County among Top Twenty for families

Forbes magazine has placed Minnehaha County on its list of the Top Twenty Places in America to raise a family. Using research provided by the Tax Foundation, a nonpartisan tax research group based in Washington, D.C., *Forbes* started with a list of the nation’s counties with populations over 65,000. To eliminate under-funded school districts, the magazine isolated 97 counties where more than half of per-pupil spending comes from property taxes.

Forbes ranked the remaining counties using 10 data points: cost of living, graduation rate,

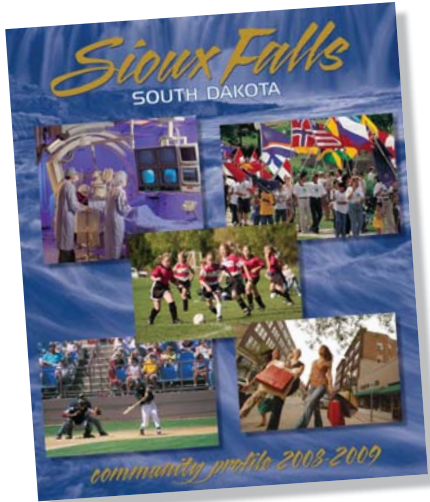
standardized scores, home price, property tax rate as a percentage of median home price, percentage of homes occupied by owner, per-capita income, air quality, crime rate and commute time.

Minnehaha County is noted as being among the best values on the Top Twenty list. With a median home price of \$138,600, residents have more disposable income to spend on their families; a list-topping average commute time of 15.5 minutes gives workers in the county more time to spend as well, the magazine’s editor said.



Development Foundation business publications available on-line

The Sioux Falls Development Foundation has several valuable publications available as a resource to our members. Several of these publications are also available on-line to expanding or relocating companies, including the new **2008 Community Profile**. The Profile provides data of interest to businesses or families interested in making Sioux Falls their home.



Also available at the web site www.siouxfallsdevelopment.com are recent issues of *Directions*, the bi-monthly newsletter of growth in our community. The archived issues of this publication give readers an overview of construction activity, new developments and economic news from the Sioux Falls area over the last two years.

Also of interest to expanding companies is the Sioux Falls **Business Directory 2008**, a compilation of over 600 businesses categorized by major employers (100+ employees), area manufacturers and members of the Sioux Falls Development Foundation. Contact information for each company is provided as well as a description of the business, its NAICS Code, number of employees and the year it was established in Sioux Falls.

The Sioux Falls Development Foundation annual meeting **Progress Report** is a statistical and narrative summary of developments that have taken place within the

community year-to-date. The report highlights activity within in the Sioux Empire Development Parks and at the South Dakota Technology Business Center, as well as major industrial, office, commercial, health-care and quality of life developments. The report is published every year in November in conjunction with

the Sioux Falls Development Foundation Annual Meeting.

Also available on-line are site location studies conducted by the Boyd Companies of Princeton, NJ, and the Sioux Empire Development Park protective covenants. All the publications are available as downloadable, printable PDF documents.

Students selected to receive 2008 Spirit of Sioux Falls Scholarships

Four students have been chosen to receive the **2008 Spirit of Sioux Falls Scholarship** to continue their post-secondary business education. The \$2,500 scholarships are awarded annually by the Sioux Falls Development Foundation to Sioux Falls residents or students who have completed at least one year of post-secondary work in business-related areas of study.

This year's winners are **Ronna Ringen**, a business administration marketing student at the University of Sioux Falls; **Matthew Adamson**, an economics major at the University of South Dakota; **Natasha Reeder**, pursuing a business administration degree at the University of Sioux Falls, and **Alison Klinkhammer**, an accounting student at University Center-USD, Sioux Falls.

Each student will be profiled in upcoming issues of *Directions*. Congrats to these students for their scholastic achievement!

YESTERDAY IN SIOUX FALLS

Sheraton Cataract was the place to stay in 1957

Over a half century ago, Sioux Falls' best hotels were all downtown—and the Sheraton Cataract, heir to a legacy of hospitality going back to the founding of the city, was a premier spot. Located on the northwest corner of 9th and Phillips, the Cataract boasted a “modernized” street level façade in July, 1957, when this photo was taken. The hotel's Parade Room was a popular after-work watering hole for 1950s downtown businesspeople.

Bill Pay photo.



Wilson Trailer prepares for Lennox plant opening

Equipment is being placed and tested in the new 86,000 square foot Wilson Trailer manufacturing plant and office facility in Lennox. Plant manager Ken Stucky anticipates production beginning in October, thanks to an exciting new development for the facility. Originally scheduled to produce Wilson's popular gooseneck trailer



Wilson Trailer plant manager Ken Stucky, at right, gives Jeff Eckhoff a tour.

line, the plant, because of current market conditions, has added grain trailers to the Lennox output.

“We’ll have two production lines, each building a different kind of trailer,” Stucky said. “It adds a little more time to our learning curve here in Lennox, but it makes

the plant that much more productive and important to the company.”

With a more diverse product output, the stability of the Wilson Trailer plant is better, according to Jeff Eckhoff, Rural Development Director for the Sioux Falls Development Foundation. “Having the flexibility to build two different types of trailers in Lennox is better for the community and better for the company,” Eckhoff said. “It’s an exciting development that allows the plant to be more responsive to the agri-business industry for short- and long-term growth.”

All new production equipment was purchased for the Lennox operation, Stucky said, and the plant itself will be very environmentally aware, with “green” details like water recirculation systems, state-of-the-art paint booths and energy efficient heating and cooling. Another important feature that Stucky said the company’s leaders insist on is air quality excellence for employees working on the production floor, requiring a highly efficient air exchange system to keep the air clean throughout the large plant.

Wilson Trailer will be hiring new employees through the October opening date. The location in Lennox was selected with an eye toward maximizing the available labor pool for a growing production facility.



Elmen Park Trailhead enhances bike path

The Sioux Falls Parks and Recreation Department recently broke ground on the \$730,000 Elmen Park Trailhead. The trailhead, which is now accessible to the public, includes a parking lot, restrooms, air compressor, shelters, pathways, landscaping, trail orientation information, a drinking fountain, signs and direct access to the River Greenway Trail System. The trailhead is named for Bob and Jim Elmen, who made the construction possible through a charitable gift to the City of Sioux Falls, funded by a grant from the Bob and Rita Elmen and the James and Eloise Elmen Foundations through the Sioux Falls Area Community Foundation. Parks and Recreation is responsible for maintaining public open spaces and for providing a quality system of parks and recreation facilities and positive leisure opportunities available to all persons in the community.



Sioux Falls
Development
Foundation

Chairman's Report



By Mark Shlanta

Growth encourages confidence—and vice versa

Sioux Falls is growing in every direction—and you don't have to be a city planner or economic development professional to see the signs. Just take a drive that's off your daily commute or normal traffic pattern and you will be impressed. Despite national news about lower housing starts, homes are going up in every corner of Sioux Falls and the surrounding communities. Although we hear too much talk about recession, a soft economy and financial retrenchment, commercial building construction is happening throughout Sioux Falls. And others are hearing about our consistent growth.

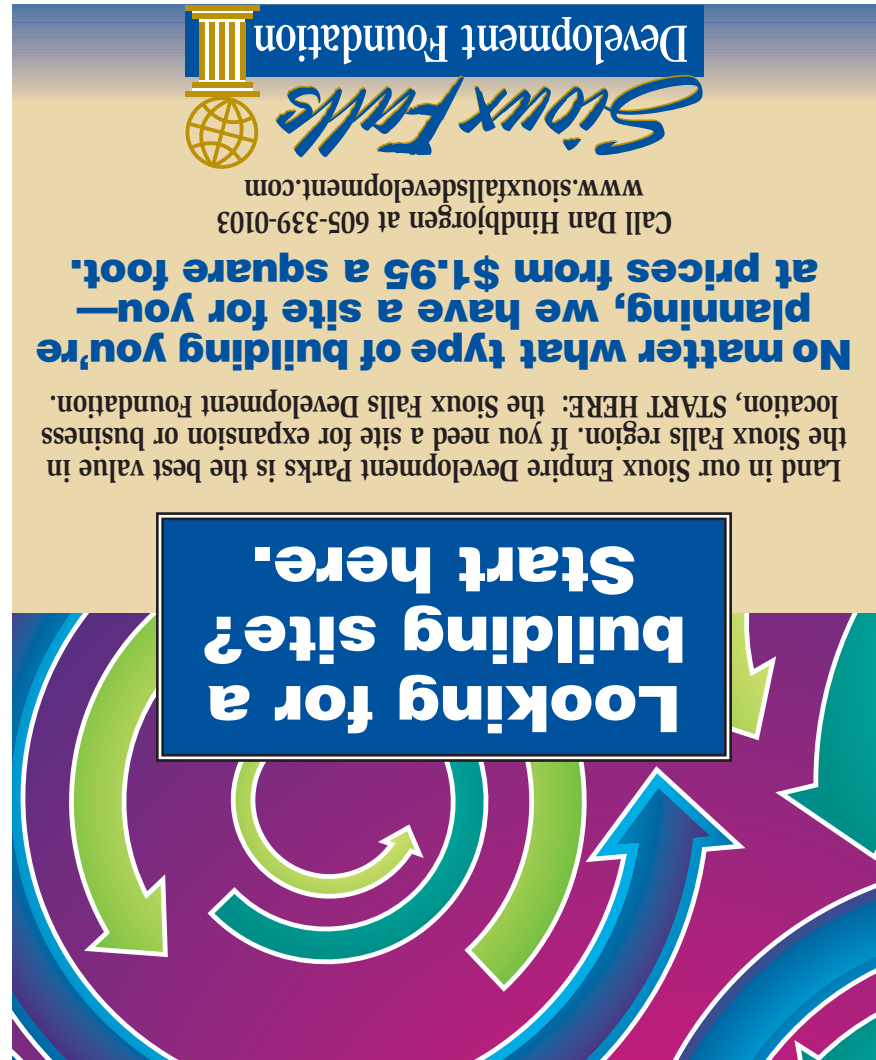
Here at the Development Foundation, we are continually fielding requests for information from companies eager to learn more about the advantages of a Sioux Falls business location. We hear reports regularly about businesses, new and old, that keep expanding their local operations to meet the needs of a growing region.

When we talk about adding jobs to this region through economic development, we are really talking about the families who are moving into new homes being completed every day in the north, south, east and west sections of Sioux Falls. These are people who are moving here to find **opportunity**. In this case, opportunity means the jobs offered when the health care, retail or service industry construction has been completed. Because Sioux Falls boasts a rising population, companies see this as a great place to locate or expand. And because businesses keep locating and expanding here, people keep **wanting** to move to Sioux Falls. In the course of building a better future for themselves, they are ensuring a better future for our area.

It's all about **confidence**. Because people have confidence in Sioux Falls as a place to live, businesses grow. And because businesses have enough confidence in Sioux Falls to expand here, people move in. That's a circle of prosperity we can all appreciate!



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No matter what type of building you're planning, we have a site for you— at prices from \$1.95 a square foot.

Call Dan Hindbjorgen at 605-339-0103
www.siouxfallsdevelopment.com

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