



**2023 SIOUX FALLS
DEVELOPMENT
SUMMARY**

FEBRUARY 2024



2023 Development Summary

Introduction

This development summary provides a statistical view of the Planning and Development Services' progress on various community growth issues. These snapshots provide important information on how the city is growing on an annual basis and helps all of us to better plan our community. City staff collects readily obtainable information. It is recognized that other forms of measurement may be requested in future reports.

A Word About Data

While numbers and statistics are very useful, they can be confusing. Where does "planning" data start and stop? Here are a few quick facts:

- The 2020 census population of Sioux Falls was 192,517.
- The 2020 census Metropolitan Statistical Area (MSA) population was 276,730.
- The estimated December 31, 2023, Sioux Falls population was 213,891, and the MSA population was 297,200. (MSA includes Minnehaha, Lincoln, Turner, and McCook Counties.) This is 32 percent of the state's population.
- The city grew to 84.28 square miles.
- There are 898 centerline miles of street surface in Sioux Falls.
- The Sioux Falls MSA nonfarm worker levels concluded the year at 174,100. This is 37.1 percent of the state's workforce (468,900).
- There are five major hospitals with approximately 1,200 beds. (Note: 60 percent of the patients come from outside of Sioux Falls.)
- Seven campuses of higher education exist in Sioux Falls with approximately 7,800 students.
- Seven public school districts exist within the growth area. Mid-year school enrollment was 41,226—up from 40,884 last year.

Growth

Sioux Falls is developed each and every day by professional staff with the following mission:

Planning and Development Services is responsible for managing the orderly development of Sioux Falls and overseeing the protection of property along with ensuring public safety in building construction and maintenance.

Current Planning Activities

Growth of Sioux Falls in 2023 is illustrated by:

- **Annexations**

Approved 12 annexation requests totaling 710 acres.

- **Subdivision Plats** (within Sioux Falls Joint Jurisdictional Boundaries)

Approved 246 subdivision plats totaling 953 lots and 1,343 acres.

Approximately:

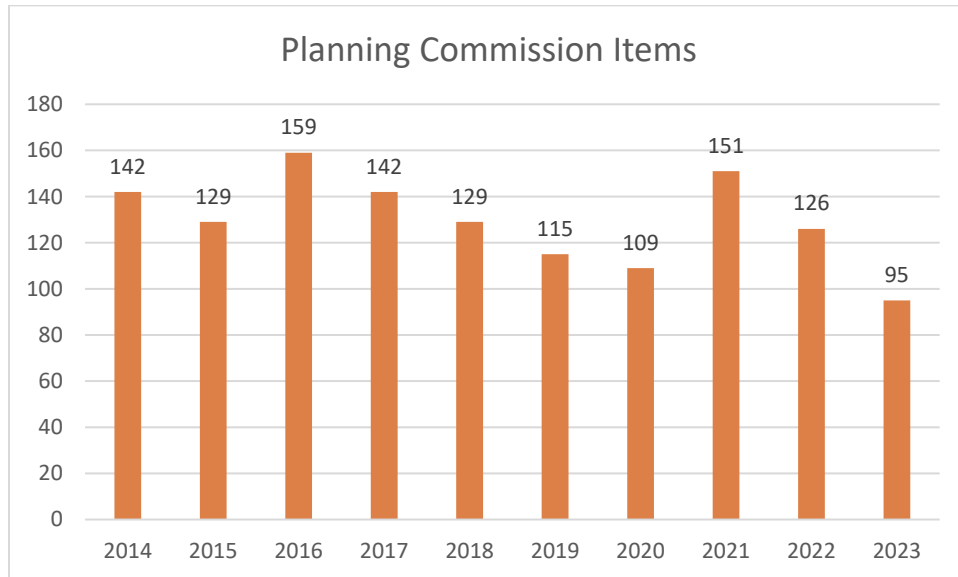
- 344 acres of residential land
- 625 acres of open space land
- 77 acres of office/institutional land
- 55 acres of commercial land
- 242 acres of industrial land

- **Rezoning and Conditional Use Permits**

Approved the following land use applications:

- 61 rezonings totaling 1,080.1 acres
 - 625.8 acres of residential (RS, RD)
 - 137.3 acres of multifamily residential (RA, RA-2, RA-3)
 - 92.7 acres of industrial (I-1, I-2)
 - 89.2 acres of open space (CN, REC)
 - 67.7 acres of mixed-use (LW, MU2)
 - 41.2 acres of commercial (C-2, C-3, C-4)
 - 26.2 acres of office/institutional (O, S)
- 13 conditional uses

Chart 1: Planning Commission Items (Change of Zone, Preliminary Plan, Conditional Use Permit) 2014–2023



Land Development

Tracking when land proceeds with development is a challenge. As proposals work their way through the subdivision approval stages, the land gets more prepared to develop. Each stage adds additional engineering standards to confirm compatibility between subdivisions. Preliminary plans are an early indicator of land development. At this stage, land is being engineered for lot and block layouts and utility coordination. During 2023, the southeast showed more activity with preliminary plans. (Sioux Falls is generally divided into quadrants by 12th Street and Minnesota Avenue.) Charts 2 and 3 on the following page show the number of preliminary plan acres in the last year.

Chart 2: Preliminary Plan Acreage, Total by Year

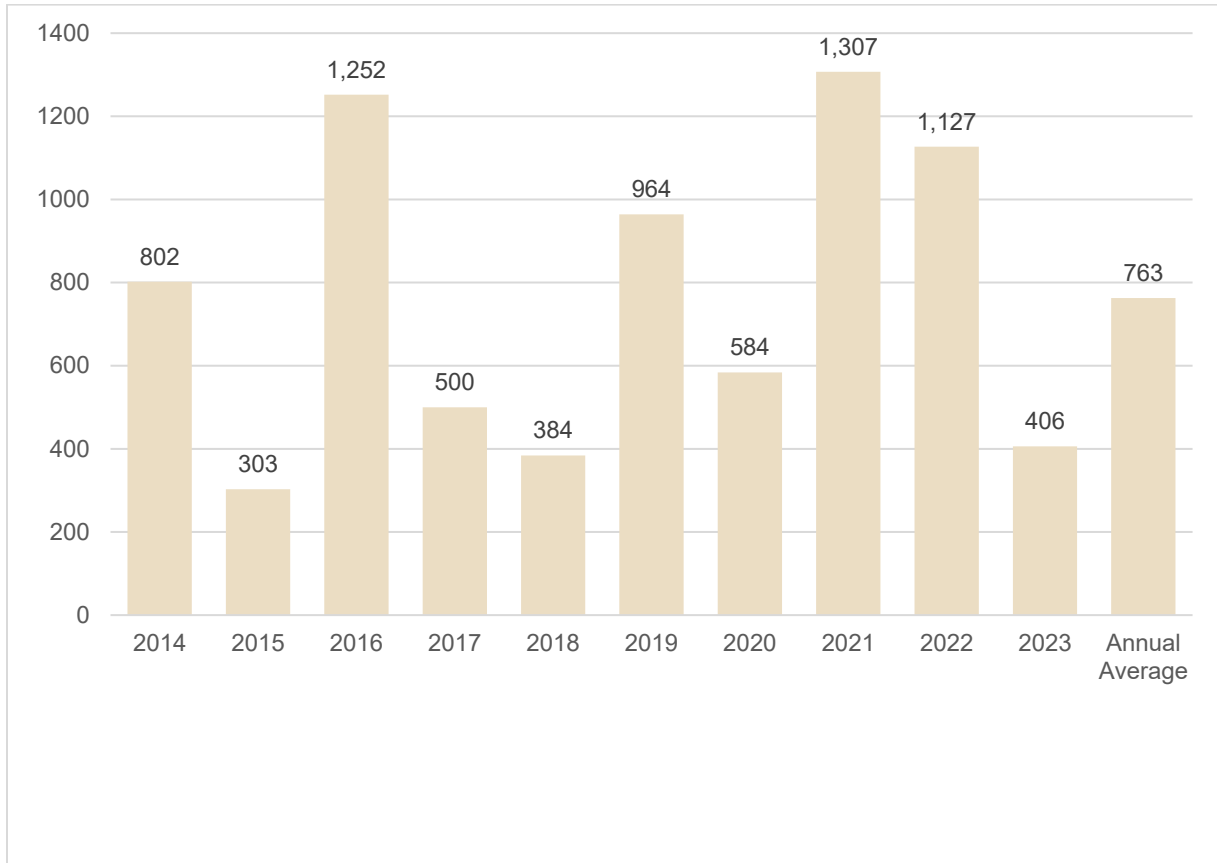


Chart 3: Preliminary Plan Acreage by City Quadrant



Platted land is the final stage for subdivision of land. The land can now be filed with the county and sold. Platted land acres were concentrated in the northwest in 2023. Charts 4 and 5 below show the number of platted acres and platted lots in the past year.

Chart 4: Number of Platted Acres by City Quadrant

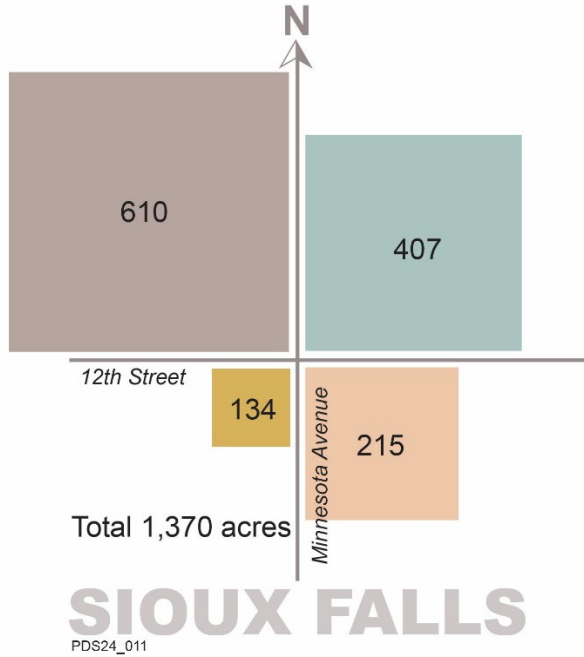
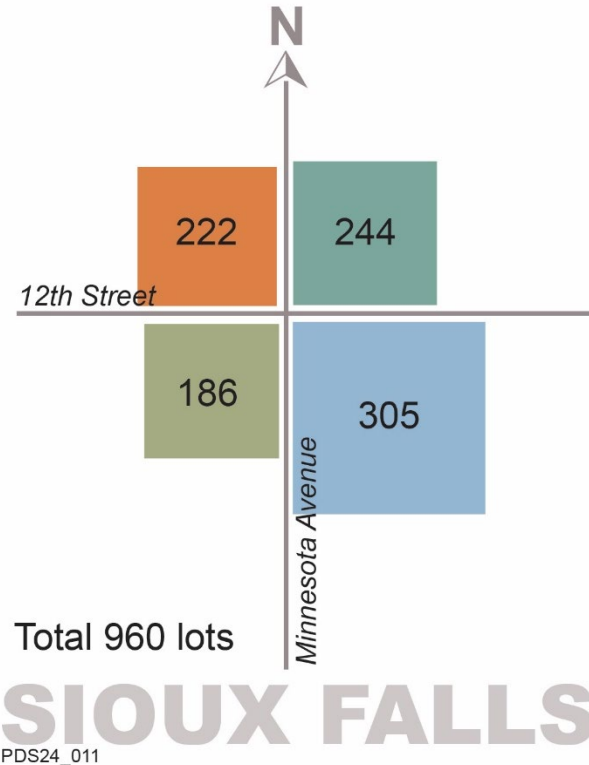


Chart 5: Number of Platted Lots by City Quadrant



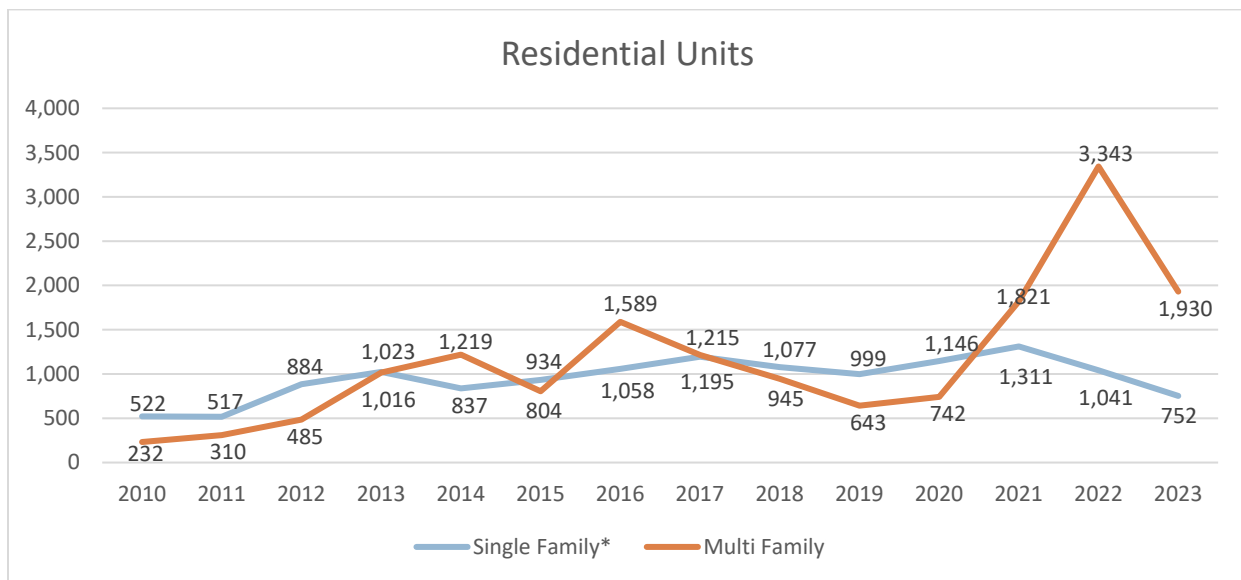
As platted land moves toward the final stage of development, significant resources get invested both privately and publicly in infrastructure costs. The Shape Sioux Falls Comprehensive Plan stated the high and low development rates as follows (as compared to the 2022 platted acres of 1,631):

Table 1: Number of “Developed” Acres by Plats

	Projected High Acres	Projected Low Acres	2023 Actual Platted Acres
Residential	773	515	344
Industrial	40	20	242
Commercial	70	35	55
Office	152	76	77
Subtotals	1,035	646	718

With land platted and infrastructure constructed, structures are built for people to live, work, and receive services. The following charts and tables illustrate the level of construction over the past years.

Chart 6: Residential Building Permits: Multifamily and Single-Family Residential Units



*Single-Family (includes single-family, duplexes, and townhomes)

Table 2: New Residential Apartment Projects—Top Ten

Address of Apartment	Complex Name	Units	Builder	Value
205 E. 12th St.	One2 Apartments	176	Lloyd Construction Company	\$35,000,000
1801 E. 77th Cir.	Spring Creek Apts.—Phase 2	147	Samuelson Development LLC	\$21,328,389
5120 S. Rolling Green Ave.	Rolling Green Apartments	144	Veldhouse Construction Inc.	\$18,522,010
3776 N. Yukon Ave.	Not Specified	150	Signature Companies LLC	\$18,424,002
5604 S. Rateliff Ave.	The Wondery Apts.—Phase 2	136	Empire Co Commercial	\$15,814,848
5521 W. Superior St.	University Hills Addition Building #5	130	Smart Commercial Construction Co.	\$14,740,671
7000 E. Arrowhead Pkwy.	Willows Edge Commons South	139	Signature Companies LLC	\$14,510,272
5304 W. Vision Dr.	The Boundary Apts.—Pii	112	Lloyd Construction Company	\$12,431,104
300 W. 85th St.	Prairie’s Edge—Phase II	102	Lloyd Construction Company	\$9,700,096
3501 E. 57th St.	The Rowe at 57th—Mixed-Use/Apts.	46	Lloyd Construction Company	\$7,928,622

Housing (January–December 2023)

Total Housing 2,745 units

Single-family residential, including twin home and townhome:

Single-Family Units 421 units

Town House Units 331 units

Duplex 0 units

Multifamily Residential Housing Units 1,930 units

Manufactured New Housing Placements 63 units

Building Permits

Table 3: Residential and Nonresidential Construction Value by Year (millions \$), 2018–2023

	2018	2019	2020	2021	2022	2023	10-Yr. Avg.
New Residential	221.8	215.6	249.0	300.3	241.0	183.3	\$229.1
Residential Additions/Remodeling	51.2	64.5	63.4	73.7	133.7	98.7	\$77.3
New Nonresidential	302.2	332.5	488.4	464.3	1215.3	618.6	\$418.6
Nonresidential Additions/Remodeling	211.4	158.8	118.8	266.0	340.0	215.0	\$191.6
Total	\$786.6	\$771.4	\$919.6	\$1,104.3	\$1,930.0	\$1,115.6	\$916.6

Chart 7: Total Building Permit Valuations in Millions of Dollars

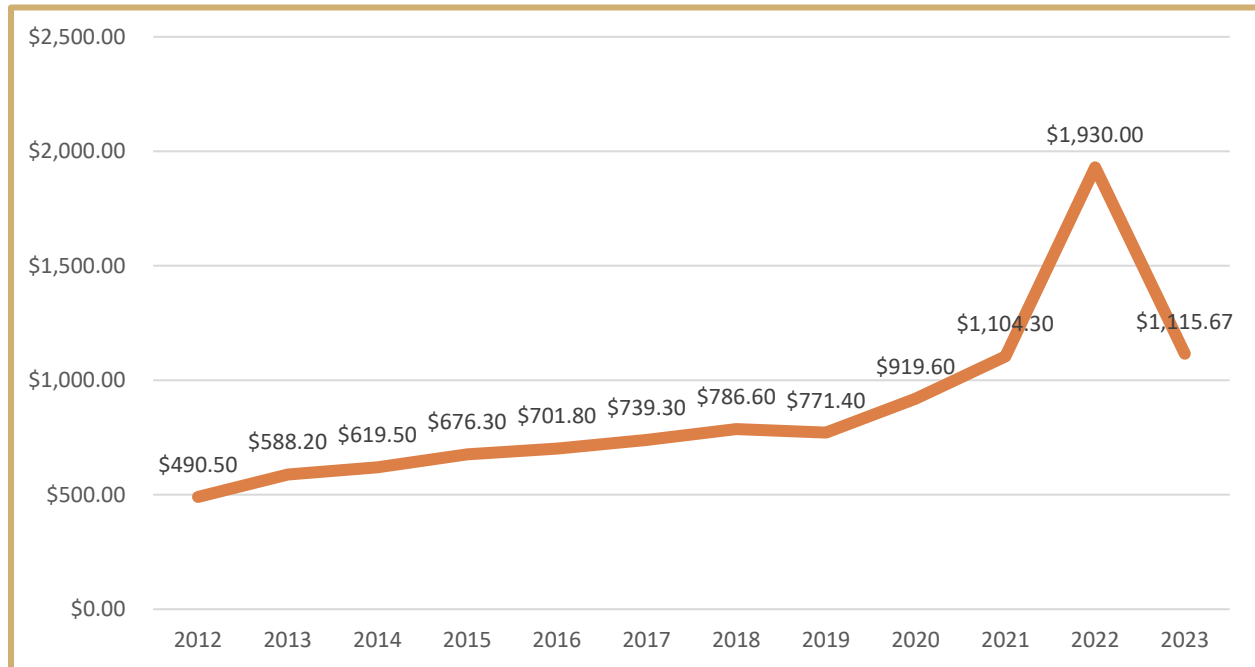


Table 4: New Residential Building Permits by Type, 2018–2023

	2018	2019	2020	2021	2022	2023	10-Yr. Avg.
Single-Family Units	672	634	742	850	636	421	666.7
Two-Family Homes	2	2	12	4	0	0	3.6
Town House Units	403	363	392	457	405	331	364.7
Multifamily Units	945	643	1,571	1,821	3,343	1,930	1,493.0
Subtotal	2,022	1,642	2,717	3,132	4,384	2,682	2,528.0
New Manufactured Housing Placements	46	35	47	59	84	63	62.9
Total Residential Units	2,068	1,677	2,764	3,191	4,468	2,745	2,590.9

Nonresidential Construction (January–December 2023)

The nonresidential construction, typically related to economic development, includes offices, warehouses, governmental, institutional, and retail developments.

About 74.7 percent of the year’s total construction value is related to nonresidential development.

The total construction valuation for commercial additions, renovations, and remodels significantly decreased in 2023 to a total valuation of \$215 million, which is a 36.8 percent decrease from the 2022 valuation of \$340 million.

There were 69 commercial projects, including apartments, permitted in 2023 with a construction valuation of \$3 million or more, with 6 projects exceeding \$20 million or more. The following are the top nonresidential projects in value for 2023.

Table 5: New Nonresidential Buildings—Top Value Projects

Project	Value	Contractor
Sanford Health—Virtual Care 3001 W. Opportunity Dr.	\$27,787,000	Fiegen Construction
BCP Sioux Falls LLC—Warehouse 4001 W. Memory Cir.	\$25,675,000	Arco Design Build
Maguire Jones Properties LLC—Iron Facility 2001 E. Robur Dr.	\$22,675,000	Fiegen Construction
Sioux Falls School District—Northwest Elementary School 2101 N. Valley View Rd.	\$21,904,765	Empire Building Construction
City of Sioux Falls—Jacobson Plaza 820 N. Phillips Ave.	\$21,552,668	Lloyd Construction Company
Northern States Power Company—Addn. to Xcel 1401 N. Minnesota Ave.	\$20,445,762	RJM Construction
SD Board of Regents—Office/Research 4600 West Nobel Street	\$15,808,000	McGough Construction
Sm Empire Mall LLC—Dillard’s 4001 W. 41st St., #4	\$14,070,000	CDI Contractors
Office Building—3 Story 2001 E. Robur Dr.	\$9,020,000	Fiegen Construction
Metal Building—Truck Sales and Repair 4101 N. Northview Ave.	\$8,500,000	Jans Construction

Chart 8: Comparable Communities—Number of Housing Permits

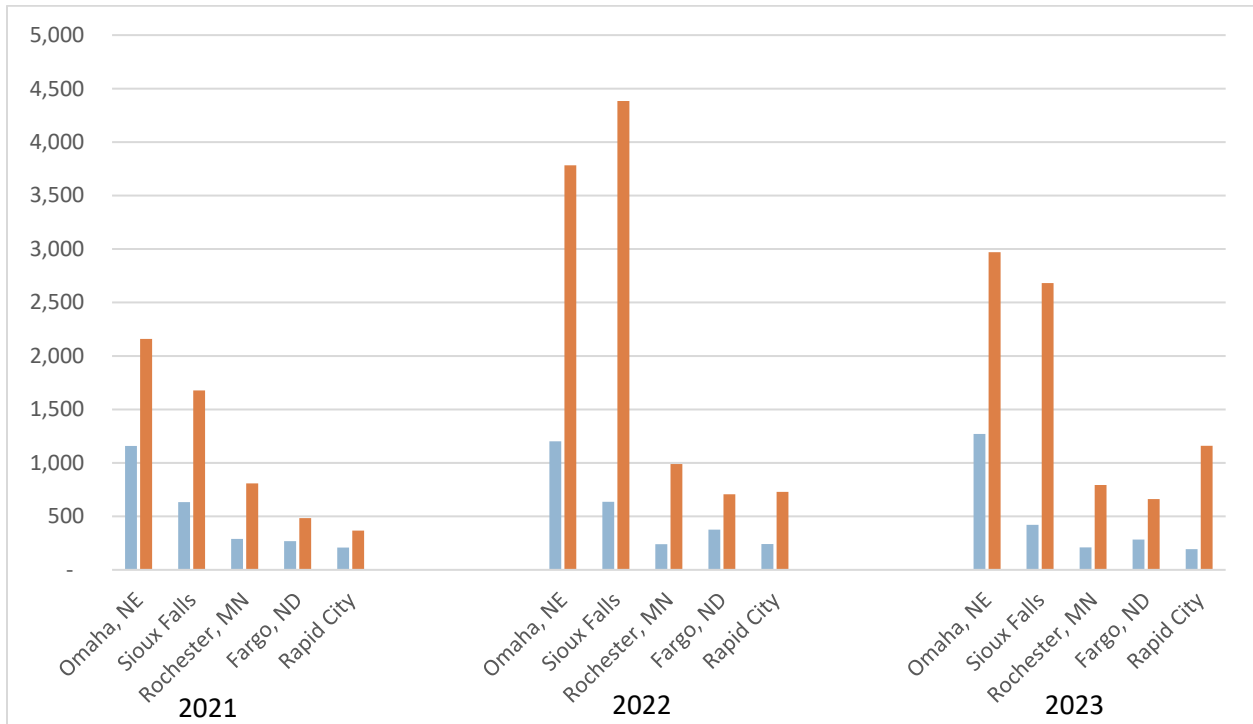


Chart 9: Comparable Communities—Building Valuation (\$)

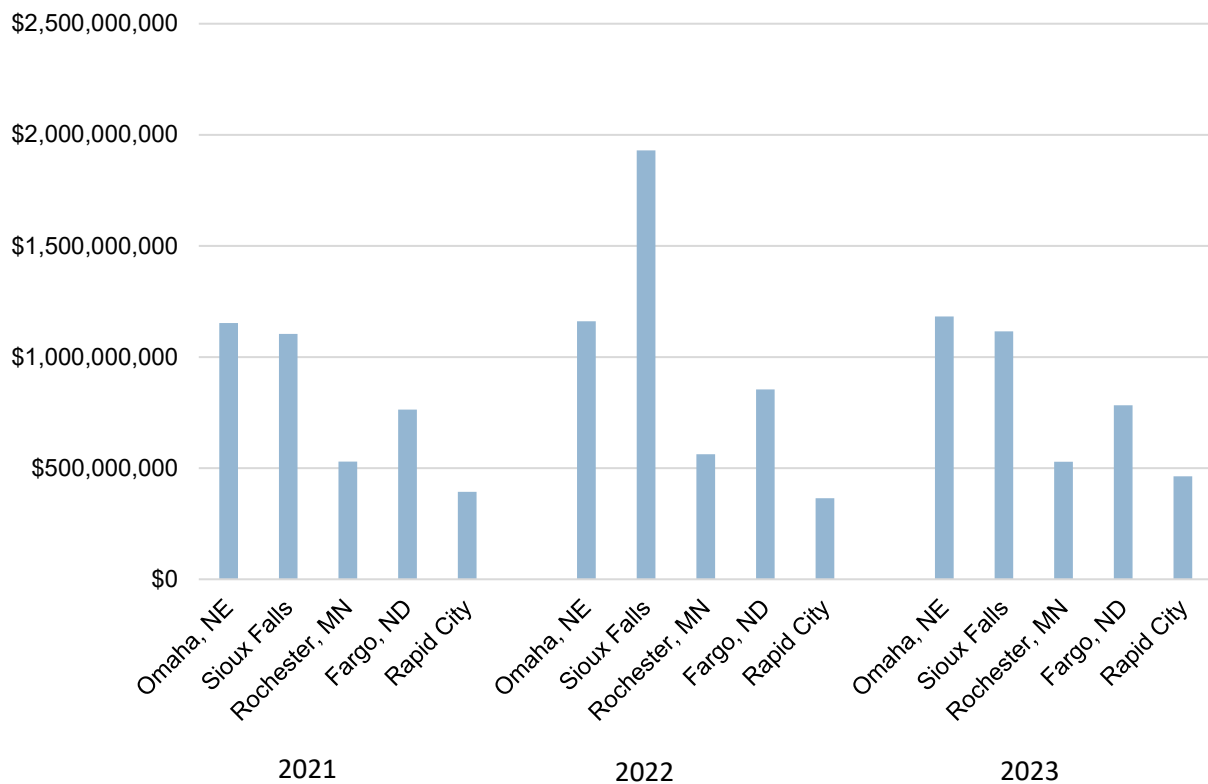


Chart 10: Nonresidential Building Permit Construction Values in Millions of Dollars

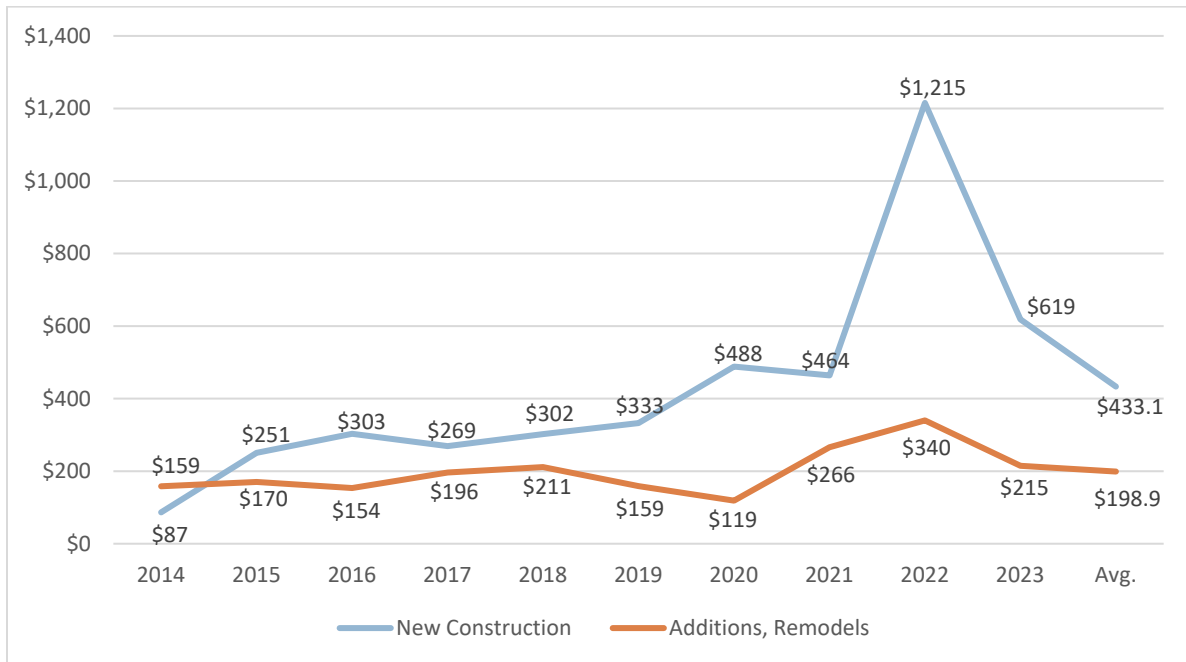


Table 6: Population Estimate, City of Sioux Falls

2020 Census	January 2024 Estimate
36,354 Lincoln Co. Portion	49,613 Lincoln Co. Portion
156,163 Minnehaha Co. Portion	164,278 Minnehaha Co. Portion
192,517 Total City	213,891 Total City

Table 7: Housing Unit Estimate, City of Sioux Falls

2020 Census	January 2024 Estimate
15,341 Lincoln Co. Portion	20,070 Lincoln Co. Portion
68,163 Minnehaha Co. Portion	75,704 Minnehaha Co. Portion
83,504 Total City	95,774 Total City

Table 8: Major Employers

Company	Industry	Employees
<u>Sanford Health</u>	Biomedical	9,885
<u>Avera Health</u>	Biomedical	7,221
<u>Sioux Falls School District</u>	Education	3,699
<u>Smithfield Foods</u>	Food Processing	3,262
<u>Hy-Vee Food Stores</u>	Retail	2,613
<u>Wells Fargo</u>	Finance and Banking	1,855
<u>City of Sioux Falls</u>	Government	1,721
<u>Amazon</u>	Distribution	1,700
<u>Walmart/Sam's Club</u>	Retail and Wholesale	1,628
<u>Citi</u>	Finance and Banking	1,300
<u>Department of Veterans Affairs Medical and Regional Office</u>	Healthcare/Government	1,292
<u>First PREMIER Bank/PREMIER Bankcard</u>	Finance and Banking	1,245
<u>LifeScape</u>	Healthcare and Social Services	1,080

Source: Sioux Falls Development Foundation, January 2024

Table 9: Nonfarm Wage and Salaried Workers, Sioux Falls MSA

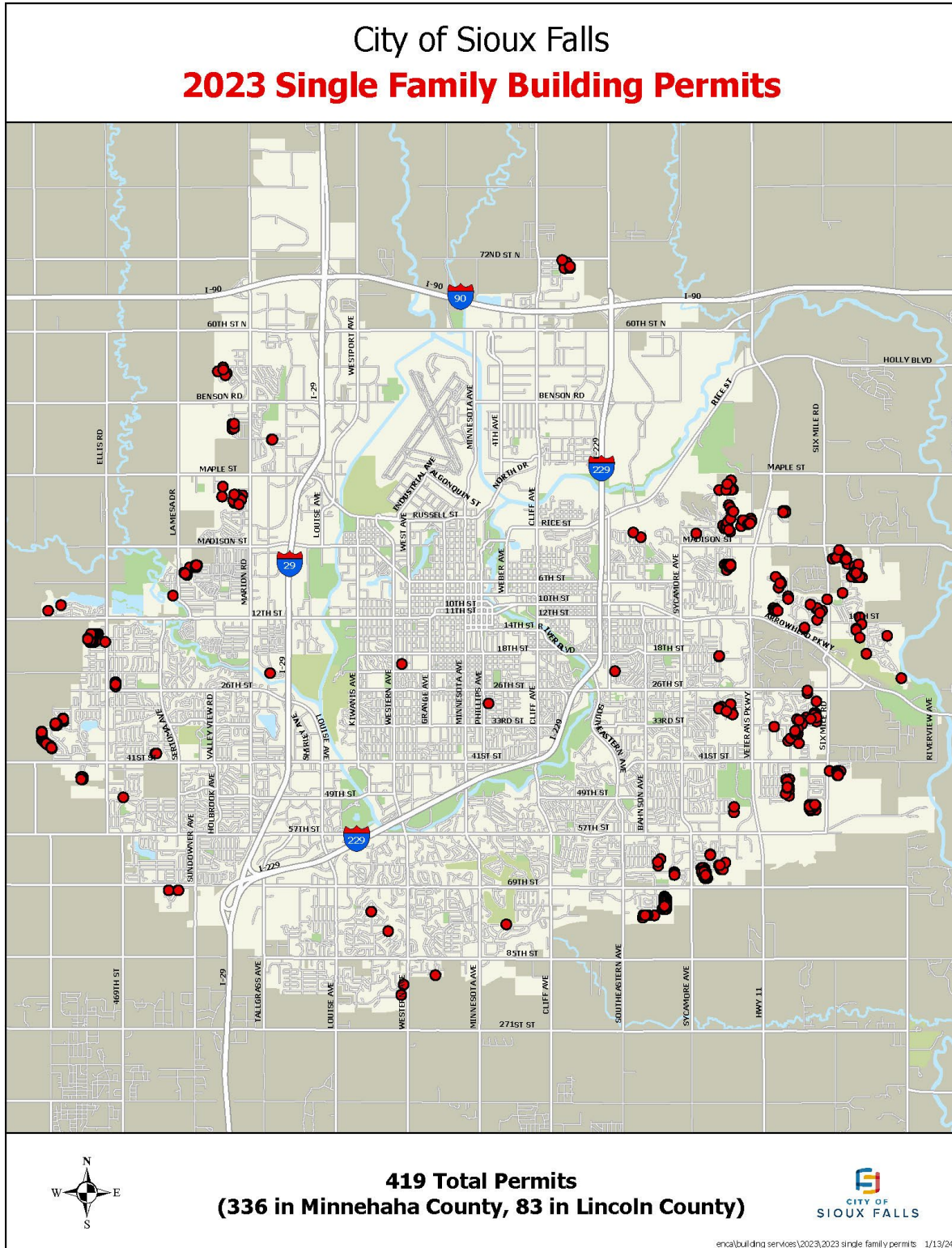
	2023 Unemployment	2022 Unemployment	Change	2023	2022
January	1.9%	2.5%	4,200	166,500	162,300
February	2.3%	2.7%	4,600	167,400	162,800
March	1.7%	2.3%	3,300	167,300	164,000
April	1.8%	1.9%	3,900	169,700	165,800
May	1.7%	1.9%	5,100	172,700	167,600
June	1.7%	2.4%	7,000	176,400	169,400
July	1.4%	1.7%	4,700	174,000	169,300
August	1.8%	2.0%	4,800	174,500	169,700
September	1.6%	1.8%	4,000	173,900	169,900
October	1.9%	1.8%	4,300	174,000	169,700
November	1.6%	1.7%	5,100	175,000	169,900
December	1.9%	2.0%	4,100	174,100	170,000

Source: South Dakota Department of Labor, Labor Market Information Center website. Produced in cooperation with the U.S. Bureau of Labor Statistics. February 2024

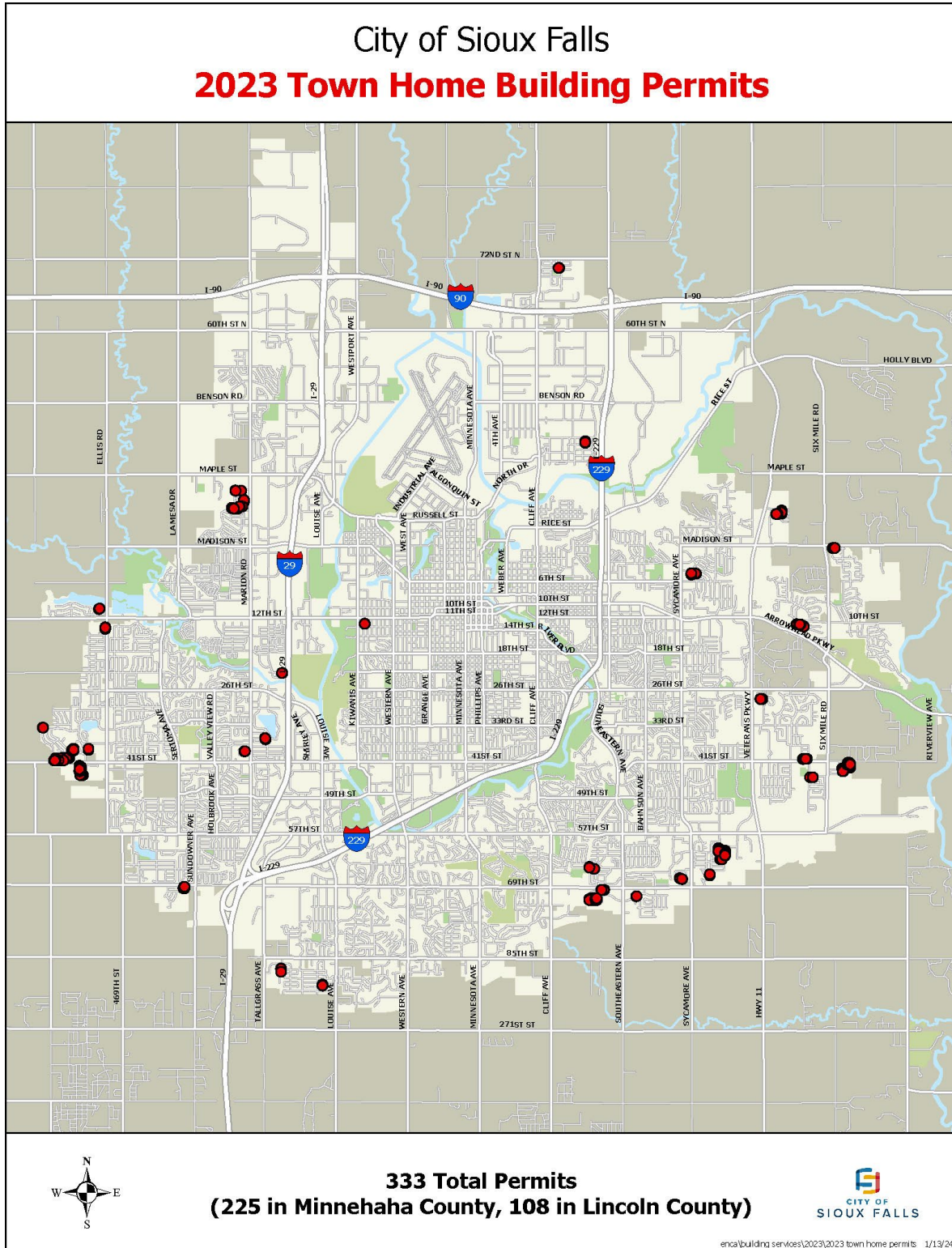
The average monthly increase for the year was 4,592.

Nonfarm Wage and Salaried Workers is the number of wage and salaried workers on nonfarm establishment payrolls; persons holding more than one job are counted in each establishment in which they work.

Map 1: Single-Family Building Permits



Map 2: Townhome Building Permits



Map 3: Two-Family and Multifamily Building Permits

