Developing the Sioux Falls and South Dakota’s Economy for this Century

*What is the need?*

**The bottom line.**
Public higher education is critical to Sioux Falls and South Dakota’s long-term future. A strong Sioux Falls economy will benefit all of South Dakota. To plan for the future, public higher education in Sioux Falls must have the space to grow to meet these needs.

**Preparing for growth of the Sioux Falls community.**
Population trends indicate Sioux Falls will be at 300,000 people by 2040 (a 114 percent increase), with a Metropolitan Statistical Area (MSA) of 359,000 (a 73 percent increase). In the past quarter century, its workforce has grown by 118 percent, with non-manufacturing jobs leading the way with a 130 percent growth. The Bureau of Labor Statistics says 80 percent of the workforce of the future will need postsecondary education. But the 2000 Census reports that only 20 percent of Sioux Falls’ adult population has a bachelor’s degree.

**The new economy will be based on innovation and knowledge development.**
Sioux Falls’ priority is to develop and grow innovation and knowledge-based industries. Research is the engine that produces innovation and applications of new knowledge. Gov. Mike Rounds and the South Dakota Board of Regents embrace university research and its commercialization as a mechanism to produce jobs and increase net state product. But a research-based economy requires significantly more people with bachelor’s and graduate degrees.

**Public higher education needs space to grow as it meets these needs.**
Today, public higher education leases 64,000 square feet of space in two buildings on the Southeast Technical Institute campus. This space is already at capacity, and represents no real equity stake in Sioux Falls. These are the facts:

- Between 2000 and 2005, fall semester headcount has increased by 62 percent and credit hours delivered by 115 percent.
- The public universities will be short space for 13 classes this spring.

**There must be a visible identity for delivery of public higher education services.**
This proposal presents an opportunity to establish public higher education in Sioux Falls with its own identity and place.

*What can be done?*

**A location is needed where long-term growth can take place in an orderly manner.**
Unlike solutions of the past, this proposal offers sufficient land to permit planned and incremental growth and development of facilities needed to meet Sioux Falls’ needs well into the future.

**Property adjacent to the interstate system is important.**
As a commuter location, property adjacent to and with good access off the interstate system is vital. The South Dakota Department of Transportation owns property on the northwest side of Sioux Falls adjacent to I-29 and a mile south of I-90. A transfer between public entities will keep
The location has many advantages.

- The 263-acre property will provide at least 210 usable acres for building, sufficient to accommodate growth and related development for the next century or more.
- This property provides a highly visible identity for the public universities and ready access from I-29, I-90, and Highway 38.
- Public infrastructure services are available.
- The city of Sioux Falls and community leadership support this proposal.

What needs to happen?

Develop public higher education space.

- Currently, the leased space on the STI campus has no room for expansion. It also does not provide a separate identity for the public universities.
- Federal dollars already received to develop the Center for Graduate Education and Applied Research must be committed by fall 2006. This building needs to be sited and plans drawn immediately to meet the construction timetable. The GEAR center should be located with other public university facilities.
- Co-locating instructional and research space at a new location will better manage public university resources.

Build an instructional classroom building.

- Additional space of 50,000 square feet provides the physical resources needed for classrooms, offices, student support services, and labs for undergraduate and graduate programs. This $8 million facility will provide for growth over the next several years.
- Current space is not sufficient for expansion of upper division and graduate education. Developing this instructional and research space is critical to accomplish Gov. Rounds’ 2010 goals in both economic development and education.

Create a permanent structure for public higher education services in Sioux Falls.

- Sioux Falls is not a separate institution, it is an instructional site.
- It is unique in that it exists to serve a specific community, to foster and support the economic development of Sioux Falls.
- It does not recruit regionally or statewide, nor does it actively recruit high school students.
- Majors (i.e. business, technology, health care, and education) are limited in scope, based on community demand and the needs of the Sioux Falls economy.
- Limited student services are based specifically on local student needs.
- Degrees will continue to be offered and administered by the six existing public universities and their faculty, administration, and staff.
- The Sioux Falls location will not become a separate accredited university.
South Dakota Public Universities

Sioux Falls

South Dakota Public Universities
(+/- 263 acres)
Public Higher Education Looks to the Future in Sioux Falls

SIOUX FALLS, S.D. – Gov. Mike Rounds says he will ask the 2006 Legislature to approve acquiring land in northwest Sioux Falls to create a permanent location for the state’s public university system. The governor, joined by members of the South Dakota Board of Regents, announced Tuesday he will also ask legislators to appropriate $8 million for construction of an instructional classroom building at the new site.

“The bottom line is public higher education is critical to Sioux Falls and South Dakota’s long-term future. A strong Sioux Falls economy benefits all of South Dakota,” Rounds said. “But to plan for that future, public higher education in Sioux Falls must have permanent space to grow to meet these needs.”

The public university system currently leases space in parts of two buildings on the Southeast Technical Institute campus. “That space already is at capacity and allows us no room for further expansion,” said Regents President Harvey C. Jewett. Jewett said state transportation department property adjacent to Interstate 29 and a mile south of I-90 provides approximately 210 acres of usable land for the incremental growth and development of facilities needed to meet Sioux Falls’ needs well into the future.

Pointing out that Sioux Falls is estimated to grow to more than 300,000 people by 2040, with another 60,000 in the four-county metropolitan area, the governor said he is concerned to hear that only 20 percent of the city’s adult population has a college degree. “In order to grow our economy, which will be based on innovation and new knowledge development, we must provide a lot more access to higher education,” Rounds said.

Rounds said his vision of South Dakota as a leader in research and technology development also demands a greater presence for public higher education in the state’s largest city.

Jewett said the Great Plains Education Foundation Inc. has agreed to provide the Board of Regents with $5.8 million to acquire the DOT property at market value, but legislative approval is needed to complete the transaction. Jewett said the location near two interstate highways is ideal for commuter students, and public infrastructure services are readily available. “More importantly, the city of Sioux Falls and this community’s leaders support the plan, which should accommodate growth and related development for the next century or more,” Jewett said.
Jewett stressed that the location would not become a separate accredited university. It will continue as an instructional site for public higher education, offering courses, degrees and programs from the six existing public universities in the state’s system.

Dave Link, Chair of the Forward Sioux Falls Technology Committee and the South Dakota Technology Business Center, said the announcement is exciting news for Sioux Falls. He said the community is already moving forward to start construction later this year on a new center for graduate education and applied research. “It makes perfect sense to locate that center along with other public university facilities, so that we can coordinate all activities in one location and make the most efficient use of our resources,” Link said.