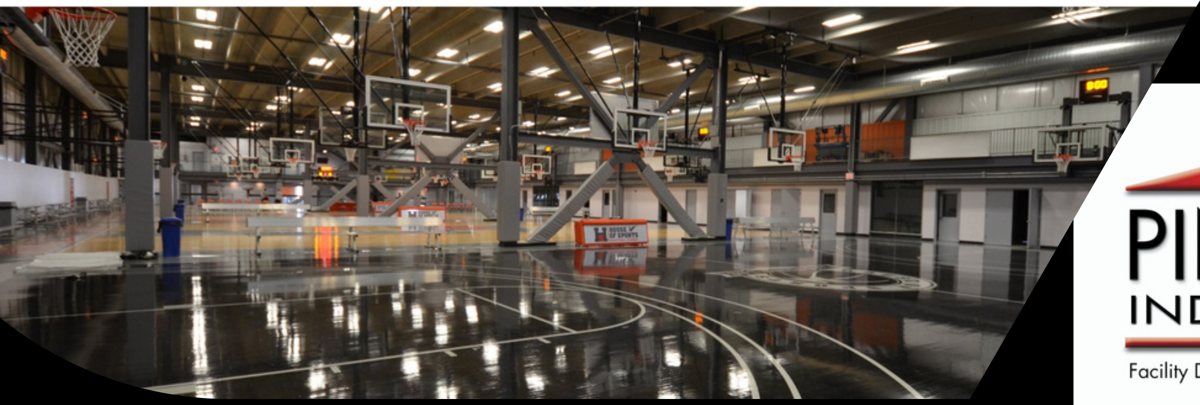

MARCH 2024

PINNACLE INDOOR SPORTS

Facility Development, Marketing & Management

INDOOR MULTIPURPOSE SPORTS COMPLEX MARKET FEASIBILITY REPORT

City of Tea, South Dakota

PRESENTED FOR

City of Tea Officials
600 E 1st St – PO Box 128
Tea, SD 57064

PRESENTED BY

PI Sports, LLC
12468 La Grange Rd,
Suite 337
Louisville, KY 40245

March 2024

To City of Tea Officials:

What follows is a report of the market feasibility study Pinnacle performed regarding a proposed multipurpose indoor sports facility in Tea, SD. The attached document summarizes our research and analyses, and it is intended to assist you in making informed decisions regarding the future of the facility.

The conclusions contained in this report are based on the estimates, assumptions and other information developed from our research of the market, our knowledge of similar sports facilities and the sports tourism industry, and our experience operating our own facilities. We analyzed all of the information provided to us, including competitive/comparable facilities in the market, as well as local, regional and national sports organizations. We also utilized demographic characteristics of the defined market and data from other sources. We then applied our years of experience to provide you with our best professional recommendation.

We sincerely appreciate the opportunity to assist you with this project and would be happy to be of further assistance in the interpretation and application of the study's findings. After you've had time to digest the findings of this report, we recommend a follow-up conference call to answer any outstanding questions you might have.

Thank you for choosing Pinnacle.

Norm Gill
Pinnacle Indoor Sports
(502) 551-1974

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Executive Summary

Pinnacle Indoor Sports (referred to as “Pinnacle” throughout) was retained by the City of Tea, SD, to perform a market feasibility study to analyze the market and make recommendations related to the development of a new multipurpose indoor sports facility in the Tea market — specifically at a site next to the new Orthopedic Institute development. As part of this process, Pinnacle also studied current market conditions and demographics, as well as evaluated existing multipurpose sports facilities in the local and regional areas.

Findings

Pinnacle interviewed representatives from local, state, regional and national organizations, and determined that unmet facility demand exists in the Tea area for an indoor multipurpose sports facility for both local use and tournament/event purposes.

Pinnacle believes the strategies outlined in this report will help the City of Tea maximize new amenities and create a multipurpose indoor sports and recreation facility that will:

- Allow for an improvement in the overall quality of life for Tea residents by developing a local sports and recreation hub that provides access to top-tier sports and recreation amenities

- Encourage diverse programming that caters to a variety of partners and stakeholders — including local sports organizations that will be able to train, expand current programming and develop new programs

- Serve as a destination facility that attracts non-local visitors during off-peak seasons to the City of Tea and the surrounding area

- Allow for the Tea Parks and Recreation Department to increase its program offerings to the community

- Result in a quality sports facility that generates economic impact by creating direct spending in the City of Tea and surrounding communities

- Spur potential ancillary development by acting as a catalyst for new hotels, restaurants and retail outlets in the market.

During the course of this study, five key factors emerged to indicate there is demand/ opportunity for such a facility in the Tea market. They are:

1. **The proposed facility would meet local needs by providing indoor sports and recreation opportunities.**
   A facility that satisfies sports tourism demand also would meet increasing local demand for an indoor multipurpose sports facility by both public/municipal and private groups. Additionally, it would create a hub for sports and recreation activities while also enhancing the quality of life for area residents. Community members contacted by Pinnacle expressed support for an indoor sports facility, especially if it provided an opportunity to introduce new program offerings. What's more, a new facility would provide additional programming space for municipal parks and recreation activities.

   Note: An indoor multipurpose sports facility requires the commitment and experience of professional staff working in the facility's best interests. This includes everything from overseeing day-to-day management to actively seeking new programming opportunities that will keep the facility operating at peak performance and ensuring it will meet local needs for generations to come.

2. **The proposed facility would meet regional sports tourism needs.**
   Sioux Falls, located less than 15 minutes from Tea, already is an established destination for sports tournaments and other events — making the area a popular regional draw for out-of-town participants and their families. Within a 4.5-hour drive-time radius, there exists an active regional community of travel teams in multiple indoor sports, and continued population growth is expected in the local and regional markets.

   Note: Any new indoor facility targeting regional sports tourism should be designed with a multisport emphasis — targeting the court/mat sports of basketball, volleyball, wrestling, futsal, pickleball and other sports. A multisport hard-court surface also can be used as a practice and recreation space for turf sports (if other turf options are not available), as well as for non-sports activities such as trade shows.

3. **The proposed facility would double as an events space.**
   Large facilities with access to parking, major highways, lodging and dining options, and area attractions are keys to communities attracting expos, conferences, trade shows, liquidation sales, weddings and other special events. A portion of the proposed facility's open space could be utilized for these purposes when it is not being used for activities that generate higher revenue. It is Pinnacle's experience that, with proper marketing, indoor multipurpose sports facilities consistently can be filled with non-sports/non-recreation events.

4. **The proposed facility would operate year-round, regardless of outdoor temperatures.** A new climate-controlled indoor facility in the Tea market would allow for comfortable year-round training, as well as operation of leagues, camps, clinics and other events — no matter what the weather is like outside.

5. **The proposed facility would serve a market with an increasing population and a low median age.** Population increases in the local and regional markets are in line with those of communities that support indoor sports facilities. This suggests that the local community and the surrounding region have the population presence to potentially support a new facility in Tea. What's more, the median age in those markets is lower than the national median, indicating the presence of children and young adults, who are key users groups likely to utilize the proposed facility more than older individuals.

However, the Client must be aware of the following four realities regarding the financial sustainability of the proposed project:

1. The funding mechanism or development incentives that could create a viable investment in the construction and operation of the proposed sports facility must not be a financial burden to the Client.

2. The proposed facility's tax burden would be eliminated, as this is a public/city project.

3. The land proposed for development should have no environmental/geotechnical issues.

4. A team of professionals with experience in local programming and hosting/operating tournaments and events must be established to oversee daily operations and promote the proposed sports facility as an attractive destination for both local residents and travel teams. This includes everything from overseeing day-to-day management to actively seeking new programming opportunities that will keep the facility operating at peak performance and ensuring it will meet local needs for generations to come.

Assumptions

In addition to the four conditions stated above that will be required for this project to proceed, each of the following seven assumptions also must be met:

1. Information received from all sources is accurate and complete.

2. The number of similar sports facilities in the local and regional markets will not differ significantly from what already exists in the area today.

3. The general national, regional and state economic outlook is accurate as of the date on this report. However, as the cost of construction continues to fluctuate, the economic outlook will need to be revisited as the proposed project moves closer to reality.

4. Tournament participation will continue to trend toward pre-pandemic levels. Historically, the sports and recreation industry has proven to be inflation-proof; participants have continued to spend money on travel related to sports and recreation even during challenging economic times.
5. A sufficient number of hotel and other lodging options will be available during peak tournament seasons — and at reasonable rates that are not cost-prohibitive.
6. Multiple strategic partnerships with local sports groups, schools and nonprofit organizations will be forged to establish a mix of league play, instructional classes, clinics and camps at the proposed facility. (Note: A rental model alone will not be sufficient to cover the capital and operational expenses of a new sports facility on an annual basis.)
7. User fees will compete with ones established by longtime facility operators in the area.

If the above assumptions are met, Pinnacle recommends the development and construction of an approximately 85,000-square-foot multipurpose indoor sports facility in Tea. The goal of the proposed project is to create a sports facility that serves as a destination for tournament/event promoters and travel teams, plus establishes a local hub for sports and recreation activities in the community.

To that end, Pinnacle recommends a facility that houses hard courts for both sports tourism and local-use purposes, as well as an indoor synthetic turf field and an elevated walking track. The turf and track would not be intended to drive sports tourism but rather serve as local amenities for community members.

Recommended Indoor Sports Facility (Tea, South Dakota)

- 6 basketball courts
- 12 volleyball courts (convertible from basketball)
- Court space also can be used for pickleball, futsal, dance, gymnastics, wrestling and other mat sports
- One synthetic turf field
- Elevated walking track
- Office space
- Concessions
- Flex spaces (storage areas, meeting rooms, etc.)

Careful consideration also should be given to building the facility in a location with enough adjacent land to allow for the potential of phased-in expansion (based on initial success).

The financial model will help generate a clearer picture of how the proposed facility would operate. In addition to the financial model, an economic impact analysis was created and is attached to the end of this document.

Sports Tourism and Economic Impact

As mentioned previously — as well as throughout this report — one of the goals of the proposed facility would be to create a sports tourism destination for tournaments and events that would generate economic impact as a result of spending from visitors coming to Tea to participate in various tournaments and events.

This objective is understandable, given the current sports tourism landscape — and the opportunity the area's reputation creates for a new facility. However, most sports tourism facilities are overbuilt for the local community and can sometimes require an annual operating subsidy.

For communities such as the City of Tea that pursue sports tourism for economic impact purposes, room nights, direct spending and new tax revenues generated from tournament and events are viewed as an attractive return on investment driven by spending at hotels, restaurants, retail stores and other local businesses.

In addition to tax revenue, sports tourism facilities also can foster community development by attracting new residents and businesses drawn to the area. This creates a sustainable cycle, one in which successful sports tourism facilities are the catalyst for the growth of supporting businesses — ultimately leading to further investment and development in the area.

By capitalizing on sports tourism, communities can unlock a powerful engine for economic development and build a thriving community of businesses that benefit everyone involved. That said, although the proposed facility in Tea most likely would assist in driving economic development around the facility's location, the City of Tea currently lacks the necessary infrastructure — including an ample supply of hotels and restaurants — to capitalize on the spending that would take place from regional sports tourism traffic.

As a result (and at this time), city officials must be aware that much of the economic impact and tax revenue generation from the proposed facility in Tea likely would be absorbed by the City of Sioux Falls and Minnehaha County.

Additionally, keep in mind that there are no guarantees of success in the development of a new indoor sports complex.

Please note that this is a study of conditions as they exist today and compared with similar situations Pinnacle has observed in other communities.

For more information, please see the "Facility Recommendation & Design Summary" on page 74, as well as the attached "Exhibit I – Selected Interview Notes.

Study Overview

As referenced in the Executive Summary, Pinnacle was commissioned to conduct a market study to determine the feasibility of establishing a new multipurpose indoor sports facility in the City of Tea. In making its recommendation, Pinnacle focused on three primary objectives:

1. **Meeting local demand**
   Fulfilling the needs of sports and recreation organizations in local communities will be critical to the proposed facility's day-to-day operations and financial sustainability. Pinnacle evaluated existing facilities in the local market to determine their ability to meet local needs, as well as to determine what new assets might be desirable.

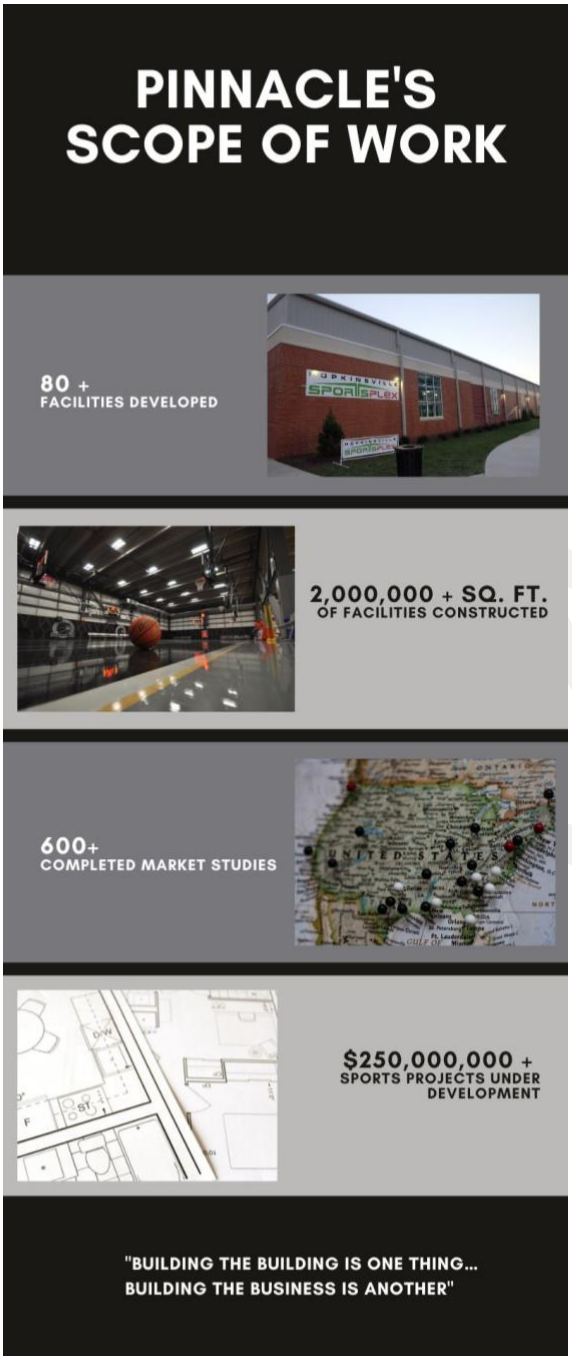
2. **Meeting sports tourism/tournament demand**
   Creating opportunities for youth sports weekend tournaments in basketball, volleyball, wrestling and other activities will help establish a high-quality tournament facility in the Tea area. Pinnacle evaluated existing regional facilities to develop a greater understanding of current and potential opportunities and the market's ability to host sports tournaments and other events.

3. **Providing design specifications**
   Determining the proper size and configuration of the complex based on estimated utilization projections will put the facility ahead of its local and regional competition.

<u>Research Team</u>
This study and the resulting recommendation were developed and conducted by Pinnacle Indoor Sports.

With a legacy rooted in Soccer Blast International, Pinnacle Indoor Sports has evolved into a distinguished industry leader in sports facility management. Boasting more than 75 years of combined industry experience, Pinnacle is widely recognized as an authority in developing top-tier indoor and outdoor sports facilities, recreation centers and athletic complexes.

The company's comprehensive expertise spans market research, financial planning, design review, sports facility design, sports construction management and opening operations. From the initial stages of planning and strategy sessions to meticulous financial modeling, development, construction and operations, Pinnacle holds extensive proficiency in private developments, public recreation projects, municipal initiatives, sports tourism, economic analysis, comprehensive operations and operational audits. Clients turn to Pinnacle for assistance in planning, developing and operating new facilities, as well as optimizing services and programs for existing establishments.



Pinnacle's services are tailored to meet clients' specific needs — offering customized and strategic support for private developers, colleges and universities, government and municipal entities, and non-profit organizations.

Pinnacle's unmatched experience pools the exceptional and diversified backgrounds of its principals and additional full-time specialized staff. The company currently has offices in:

- Louisville, KY
- Tampa, FL
- Chicago, IL
- Toronto, Canada

The leadership team for Pinnacle is comprised of principals Norm Gill (Managing Partner), Lisa Gill (Partner) and Sam Migliano (Partner). Pinnacle provides a wealth of resources, experience and expertise related to both indoor and outdoor sports facility projects.

Facility recommendations are always specific to the community/market analyzed, and no predetermined templates are applied to any situation.

Scope of Research

The following steps explain the process Pinnacle used in preparing this report:

Step 1: Understand Project Owner's Vision

- Pinnacle interviewed the Client to develop an understanding of the background, vision and goals of the project; confirm the study's scope and objectives; review existing data related to the project; and discuss the project schedule.

Step 2: On-Site Facilities/Market Tour and Stakeholder Meetings

- A Pinnacle representative traveled to Tea to meet the Client, interview potential stakeholders, evaluate the intended facility site and visit competing facilities in the market.

Step 3: Local and Regional Facility Inventory

- Pinnacle profiled the supply of existing/planned facilities to identify where the most competition is located, as well as where potential new opportunities exist.
- Pinnacle analyzed building program attributes and operating data from a select number of comparable/competitive facilities.

Step 4: Demographics Analysis

- Pinnacle analyzed local market attributes, including demographic and socioeconomic metrics, as well as employment statistics and other data, to better understand the local market.
- Pinnacle reviewed information from secondary sources regarding historical sports activity in the market.
- Pinnacle summarized sports participation trends based on national databases.

Step 5: Local and Regional Tournament/Event Schedules

- Pinnacle analyzed local and regional tournament/event schedules to develop a timetable showcasing peak seasons, shoulder seasons and offseasons to identify key sports that generate economic impact.
- Pinnacle evaluated the range of possibilities for a year-round sports tourism program and developed recommendations for a new facility that maximizes the opportunity to both meet local demand and host sports tourism events.

Step 6: Economic Impact Analysis of Recommended Facility

- Pinnacle partnered with economic consulting firm Impact DataSource to analyze how much economic impact the proposed facility is expected to generate.
- Pinnacle analyzed anticipated average daily spending habits by visitors to the Tea market.

Step 7: Demand and Market Support Evaluation

- Pinnacle obtained feedback from area stakeholders regarding potential market strengths/opportunities and potential threats/challenges associated with the development and sustainability of the proposed sports facility.
- Pinnacle conducted market surveys/interviews with local municipal officials, state/regional/national youth and adult amateur sports organizations, and tournament/event organizers.
- Pinnacle developed preliminary building-program recommendations for the proposed facility, as well as an order-of-magnitude estimate of the facility's required size.

Based on those steps, Pinnacle determined there is demand for and interest in a new multipurpose indoor sports facility in the City of Tea.

A key aspect of this market analysis is to assist the Client in assessing potential opportunities for the proposed facility. As such, a number of potential users from multiple sports and recreation organizations were contacted as part of this study to obtain their direct input.

Research conducted for this study included interviews with the following entities:

- 3STEP Sports
- Blue Silver Sports (volleyball)
- Boys & Girls Clubs of the Sioux Empire
- Digz Volleyball
- Eastern Sports Management
- Experience Sioux Falls
- Heartland States Basketball Championship
- Hoops Midwest
- Junior Volleyball Association
- Mid America Youth Basketball
- National Collegiate Table Tennis
- North Country Region Volleyball – USA Volleyball
- Premier 1 Events (basketball)
- Prep Network
- Sioux Amateur Baseball League
- Sioux Falls Area Pickleball
- Sioux Falls Storm Professional Indoor Football
- Teammate Basketball (basketball)
- USA Field Hockey
- USA Taekwondo
- Watertown Youth Soccer Association

Pinnacle also spoke with 15 individuals who are stakeholders in Project Victory.

Methodology

The methodology employed by Pinnacle in conducting this market feasibility study included a review of quantitative and qualitative data from local and regional sources.

Quantitative Data

This review included a search of primary and secondary sources to define the Tea market relative to the stated objectives and to provide lines of inquiry for the next stage of qualitative research.

Specifically, the quantitative research phase gathered information on local and statewide usage of venues by sports and recreation groups, as well as a demographic study of the defined market.

Additional data yielded insight regarding local and regional sports activity trends. The quantitative research provided the following information:

- National, regional and local trends in sports participation
- Trends in size and type of indoor sports facilities in similar communities
- Disposable income/recreational spending patterns by local user groups

Research began within the local market, examining current sports-related user groups and municipal organizations, as well as statewide sports groups outside the immediate area. The information obtained allowed for assessment of the area's facility needs and projected participation patterns.

A wider national and regional data search using Internet sources, industry websites and publications, plus personal contacts, was included to evaluate the potential draw for special events such as tournaments and other activities. National and regional sports and recreation groups were identified and inventoried based on the organizations' number of participants, current activities, facility utilization and participation statistics.

Additionally, local and regional demographics were analyzed using the most recent data from Claritas, based on U.S. Census Bureau data (see "Attachment—Detailed Demographics Reports" for background).

Qualitative Data

Qualitative data research seeks to provide information beyond facts, such as personal descriptions/observations, user group intentions and industry trends gathered via personal interactions with potential user groups and area insiders. Focused research was used to explore and understand the real need for (and potential users of) a new sports facility. The qualitative research phase probed the following:

1. Which user groups would benefit from a new indoor sports facility?
2. Which sports and activities do potential user groups represent?
3. What utilization rate is desired by identified user groups?
4. Which time parameters (hours of day, days of week, times of year) are most desired by user groups for facility usage?
5. What size venues are desired/needed by the identified user groups?

To better identify these needs, Pinnacle interviewed representatives of (and researched) local, regional, statewide and national sports organizations. Pinnacle associate Jared Carnes also traveled to Tea and met with the Client to interview potential stakeholders, evaluate the facility's intended site and visit competing facilities in the market.

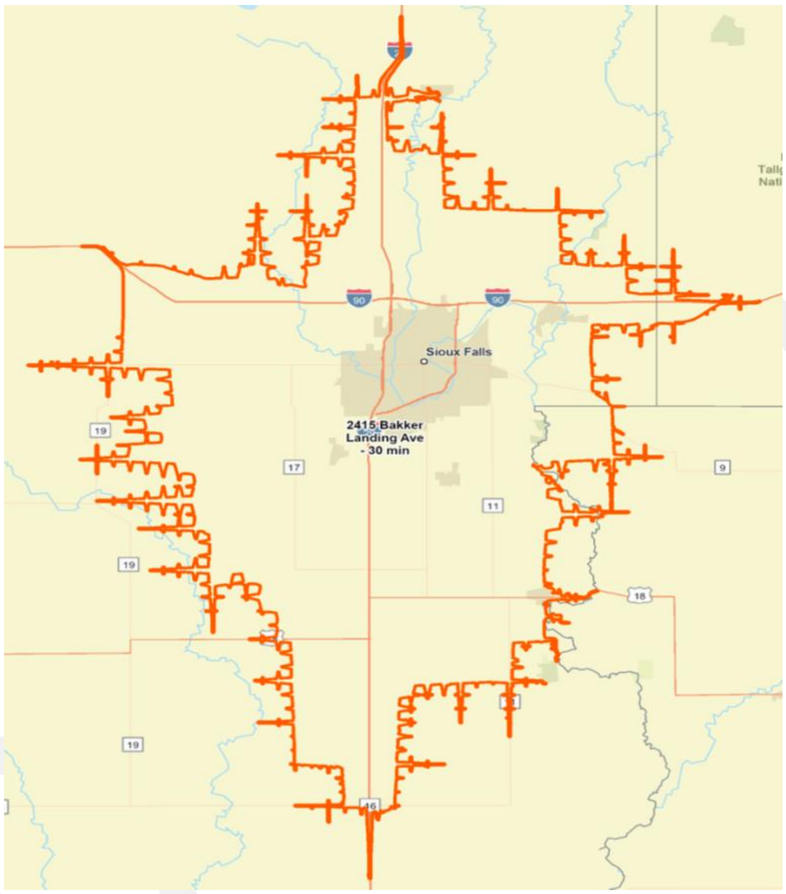
Pinnacle's approach to researching groups was via in-person, telephone and email interviews, as well as virtual video calls (via such online platforms as Zoom). Pinnacle introduced the purpose of the study and sought comments on personal, organizational and community needs for the proposed facility. For details of these conversations, please see "Exhibit I—Selected Interview Notes."

Based on the interviews, Pinnacle identified potential proponent groups and determined which ones might be interested — and have the financial capability to play a significant role — in the success of a proposed indoor sports facility in the Tea market.

Senior and junior staff members participated in the collection and analysis of quantitative and qualitative data.

Market Area Description

For the purpose of this report, the local market is defined as within a 30-minute drive time of 2415 Bakker Landing Ave. in Tea, a location in close proximity to the intended site of the proposed indoor sports facility. Daily/weekly programming and rentals at the proposed facility likely would draw from a localized 30-minute drive time within the community.

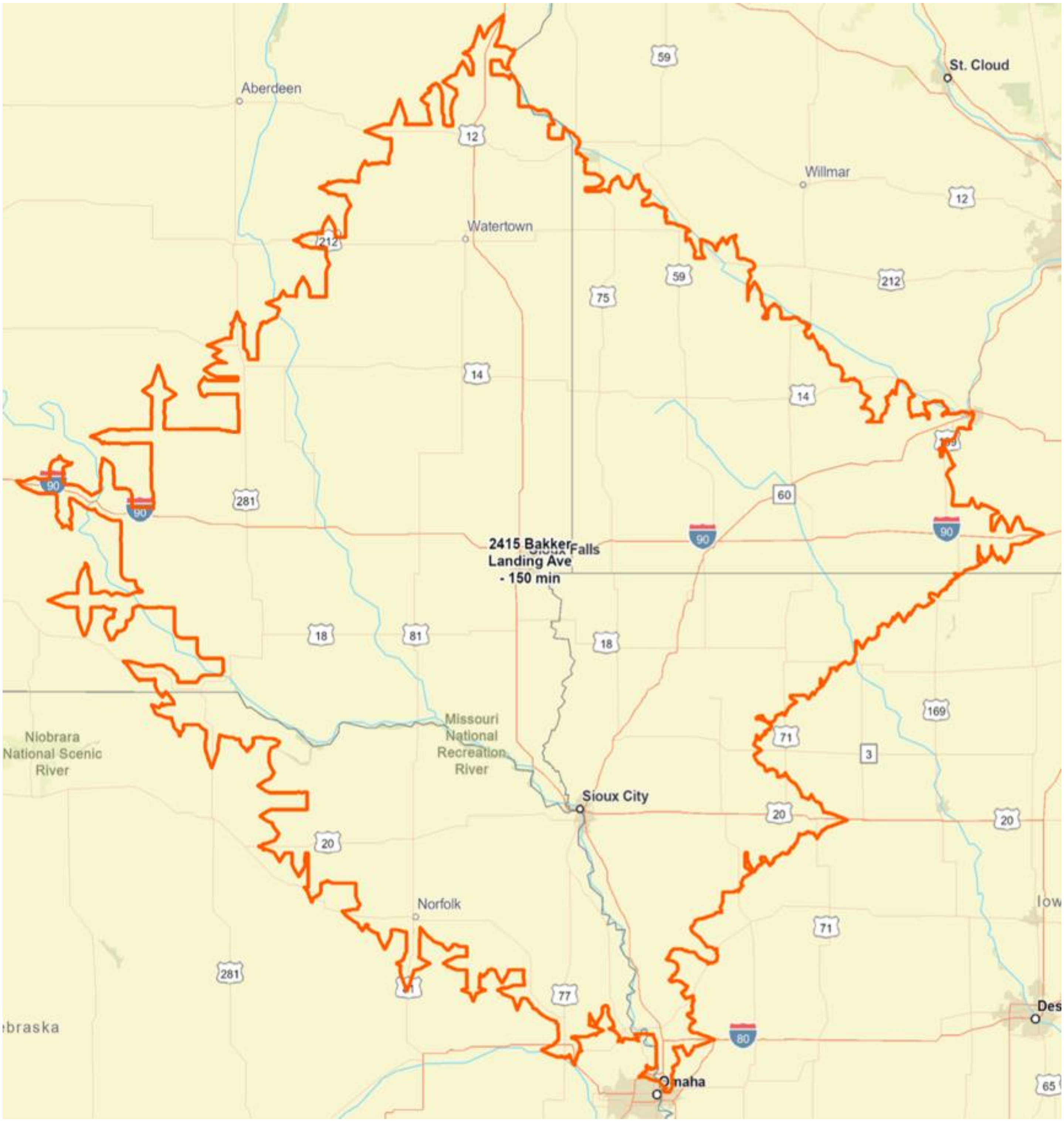


When assessing the subregional and regional markets, Pinnacle established a radius that encompasses drive times of 1.5 hours, 2.5 hours, 3.5 hours and 4.5 hours from the designated location (see maps on pages 17-20). Certain activities at the proposed facility — including tournaments, clinics and camps — would be expected to draw from a broader area beyond local boundaries.

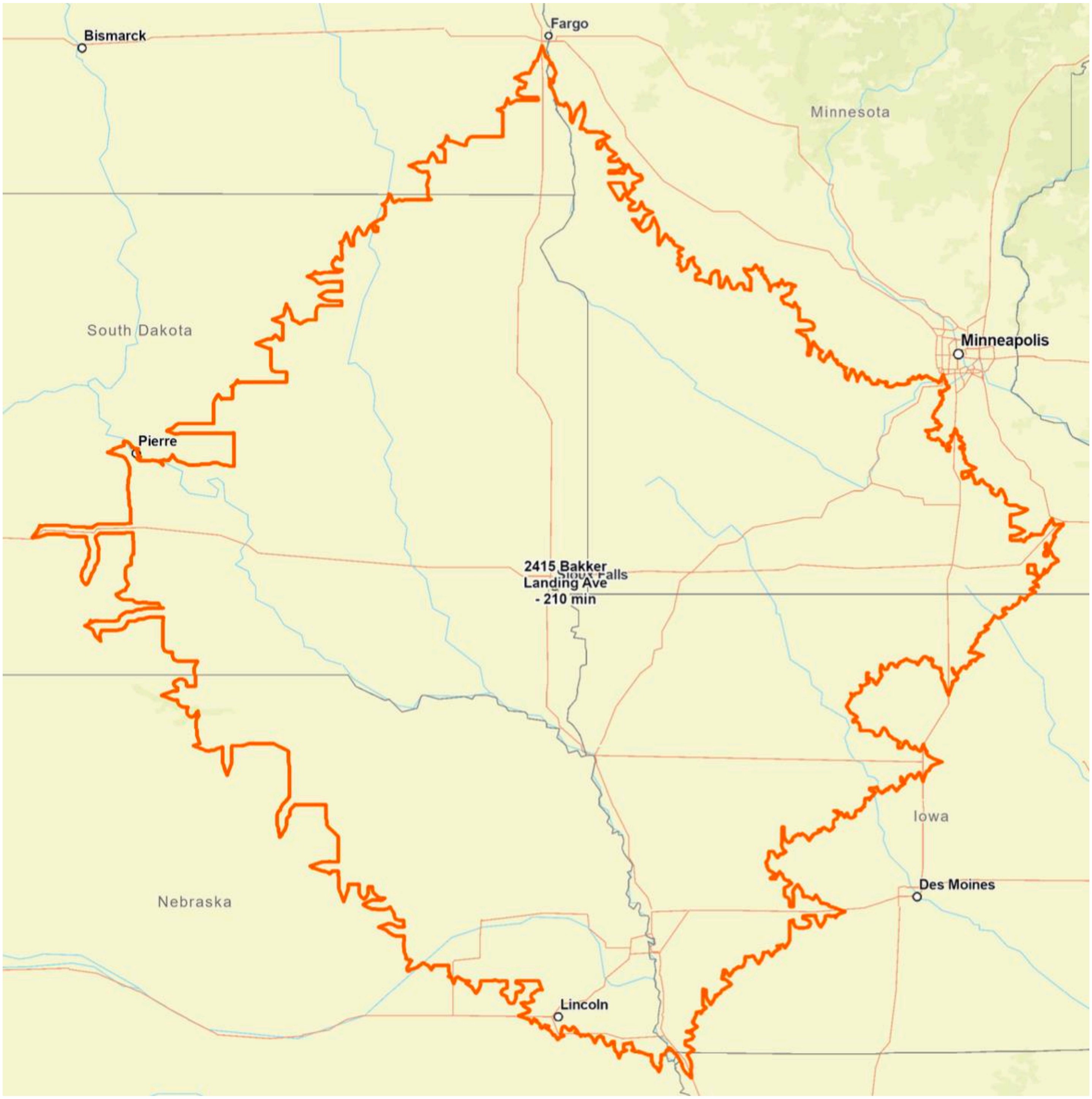
Tea is located in Lincoln County and is a suburb of Sioux Falls, the most populous city in the state. In 2022, SmartAsset.com ranked Sioux Falls as the second-best city in the United States to live on a $65,000 annual salary. It also is recognized as one of the least-stressed cities in America (WalletHub.com) and among the best cities both for young professionals (PolicyGenius.com) and retirees (Forbes.com).

Regional Area Map (1.5-hour drive time)

Regional Area Map (2.5-hour drive time)



Regional Area Map (3.5-hour drive time)



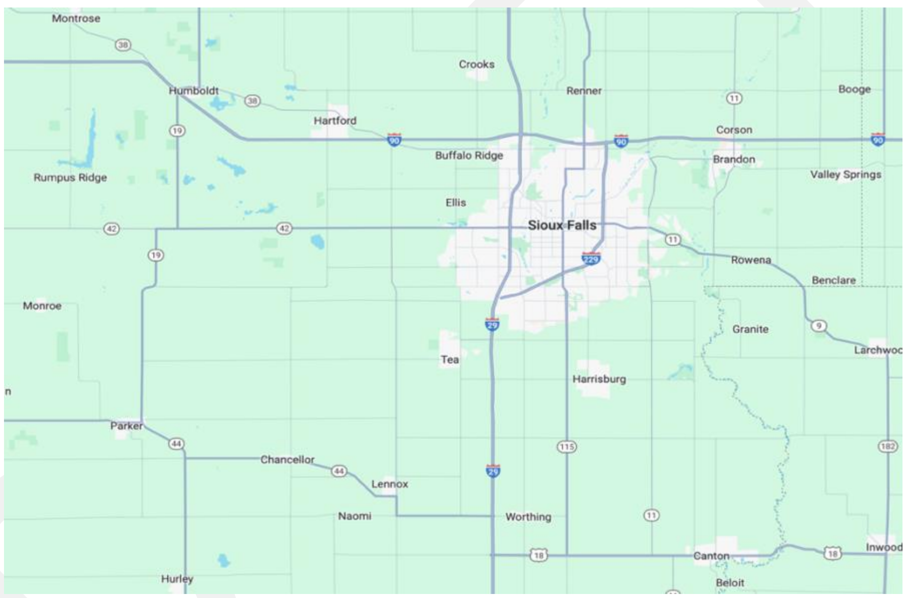
Regional Area Map (4.5-hour drive time)

Climate

Average temperatures in Tea range from a low of 7 degrees Fahrenheit in January to a high of about 84 degrees Fahrenheit in July. The city receives an average of 26 inches of rain and 37 inches of snow annually (compared to the U.S. average of 38 inches of rain and 28 inches of snow per year). The average number of sunny days per year is 212, and Tea receives some kind of precipitation an average of 90 days per year.

Transportation

Families often select venues to participate in sports programs and events based (at least partially) on ease of access to those venues. Additionally, the location and accessibility of a facility relative to the population base can impact its marketability for programming and events. Interstate 90 runs east-west through the northern part of Sioux Falls, and Interstate 29 runs north-south — just outside of Tea. Additionally, a new I-29 interchange near the proposed facility's intended location will create even easier access to the facility.



Travel

Major communities with sports organizations close enough to visit the Tea area for local programming activities, leagues and training OR regional camps, clinics, tournaments and other events include the following:

City	*Distance*	*City*	*Distance*
Harrisburg	8 miles	Hartford	8 miles
Rowena	18 miles	Brandon	23 miles
Humboldt	26 miles	Brookings	65 miles
Sioux City, IA	78 miles	Watertown	111 miles
Mankato, MN	167 miles	Omaha, NE	174 miles
Aberdeen, SD	211 miles	St. Cloud, MN	232 miles
Minneapolis, MN	248 miles	Fargo, ND	250 miles

Employment

The composition of an area's employers by industry is a factor in targeting various programming and events, as well as seeking advertising and sponsorship opportunities for new sports facilities. According to the Sioux Falls Development Foundation, top employers in the Tea/Sioux Falls market are in the biomedical, education, food processing, and finance and banking sectors, and the city's labor force is growing by 2,000 workers per year. Sioux Falls has been ranked the best small city for business and careers by *Forbes* and the best city in America for young professionals by SmartAsset.com.

Unemployment

Prior to the coronavirus pandemic, the unemployment rate over the past decade in Lincoln County fluctuated from a high of 4.3% in February 2011 to a low of 1.8% in September 2019. In the wake of the COVID-19 pandemic, which began in Spring 2020, the unemployment rate in the area reached 7.1% — eventually dropping to 1.6% in December 2023.

Pinnacle-developed facility

Demographic Market Analysis

General Population

The population in the local Tea market (see map on page 16) is estimated to change from 251,849 to 272,199 between the 2020 U.S. Census and 2024 — a significant increase of 8.1%. Over the next five years, the population is expected to grow by another 7.2%.

By comparison, the U.S. population is expected to increase by 1.4% between 2020 and 2024. That total is projected to increase by another 2.4% by 2029.

Tournaments and events for the purpose of sports tourism at the proposed indoor facility likely would attract visitors from a larger market area (see maps on pages 17-20). While the local population is increasing substantially, the regional population is climbing at a slower rate in some key markets. For example, the population within a 4.5-hour drive time of the Tea area is estimated to be approximately 9.7 million in 2024 — a 1.4% increase over the population in 2020. It is expected to jump an additional 2.7% over the next five years.

The population within a 3.5-hour drive time is expected to increase 1.3% between 2020 and 2024, and increase by another 2.5% by 2029, while the population within a 2.5-hour drive time is estimated to increase 1.6% between 2020 and 2024, with anticipated growth of 2.4% by 2029. The population within a 1.5-hour drive time is anticipated to increase 3.5% between 2020 and 2024, and increase another 3.9% over the next five years.

Age Distribution

The 2024 median age in the designated local market area is 36.6 years, while the 2024 average age is 37.9 years. In five years, the median age is projected to be 37.7 years.

By comparison, the median age in the United States in 2024 is 39.7, while the average age is 40.6. The U.S. median age is projected to be 40.7 by 2029.

Ethnic Diversity

Of the local market's estimated 2024 population, 81.2% are White Alone; 5.3% are Black or African American Alone; 2.4% are American Indian and Alaska Native Alone; 2.1% are Asian Alone; 0.0% are Native Hawaiian and Other Pacific Islander Alone; 2.7% are Some Other Race; and 6.3% are Two or More Races.

Of the estimated 2024 population in the United States, 60.1% are White Alone; 12.5% are Black or African American Alone; 1.1% are American Indian and Alaska Native Alone; 6.2% are Asian Alone; 0.2% are Native Hawaiian and Other Pacific Islander Alone; 8.9% are Some Other Race; and 10.9% are Two or More Races.

The designated local market's estimated Hispanic/Latino population is 6.1% — considerably lower than the current estimated Hispanic/Latino population of the United States (19.9%). Generally speaking, adult Hispanics utilize indoor sports facilities at a higher-than-average rate for soccer.

Education

An estimated 24.7% of the local market's population over age 25 has earned a Bachelor's Degree, 8.0% has earned a Master's Degree, 2.3% has earned a Professional School Degree and 1.0% has earned a Doctorate Degree.

By comparison, in the United States, 20.9% of the population over age 25 has earned a Bachelor's Degree, 9.6% has earned a Master's Degree, 2.3% has earned a Professional School Degree and 1.6% has earned a Doctorate Degree.

Income Statistics

The local market's average household income is estimated to be $110,132 in 2024, while the average household income for the United States is estimated to be $108,671.

The local market's average household income is projected to increase to $122,654 over the next five years. By comparison, the average household income in the United States is projected to increase to $118,937 during the same time.

The income projections for regional markets are lower than for the local market: from $108,922 in 2024 to an estimated $118,503 in 2029 (4.5-hour drive time), from $100,360 in 2024 to an estimated $110,563 in 2029 (3.5 hours), from $96,475 in 2024 to an estimated $107,659 in 2029 (2.5 hours) and from $100,828 in 2024 to an estimated $112,410 in 2029 (1.5 hours).

Market Area Demographic Summary

In assessing the market potential for a new indoor multipurpose sports complex in Tea, Pinnacle looked at several key demographic factors:

• **Population Size and Growth:** As mentioned elsewhere, it is likely that individuals within a local 30-minute drive time would participate in leagues, practices and youth programming activities such as camps, clinics and other related local sports activities, while travel teams potentially would come from several hours away to participate in tournaments and events. The local and regional populations are increasing, and with increasing population comes the annual expectation of new facility participants. Pinnacle views this as a positive factor in determining the overall market's potential opportunities.

• **Age:** User statistics in other communities indicate that younger populations are more likely to participate in tournaments, events and programs at indoor sports facilities. The median age in the local and regional markets skews younger than the national median age of 39.7. This suggests there is a higher percentage of children and young adults — key age-group segments — in the markets. That said, Pinnacle emphasizes that operators of a proposed facility in Tea would need to make attracting both local and regional youth sports organizations a top priority.

• **Household Income:** Household income levels offer a broad measurement of spending potential for specific populations and indicate the ability of individuals or households to purchase goods and services — including participation in, or attendance at, recreational and competitive sports programs and events. The average household income in the local market is higher than the national average of $108,671, while average household incomes are slightly lower in key regional markets. Pinnacle cautions that fee structures at the proposed facility will need to be in line with those of others in the region.

This chart highlights key demographic factors associated with any new indoor sports facility:

Key Demographic Factors (Tea, South Dakota — 2024)					
Demographic Category	**30 Minutes**	**1.5 Hours**	**2.5 Hours**	**3.5 Hours**	**4.5 Hours**
Total population	272,199	691,771	1,258,655	3,625,963	9,706,606
5-Year Projected Growth	+7.2	+3.9%	+2.4%	+2.5%	+2.7%
Median Age	36.6 years	36.8 years	38.7 years	38.3 years	38.4 years
Average Household Income	$110,132	$100,828	$96,475	$100,360	$108,922

Most key demographics in the local and regional markets are positive and in line with other communities that support indoor multipurpose sports facilities. The proposed facility also has other factors working in its favor — including strong demand for additional indoor court and turf space.

Most notably is the population of 9.7 million people within a 4.5-hour drive time of Tea. And while the average household income in critical regional markets is lower than the national average, Pinnacle has found that families are still willing to invest time and money for their children to participate in youth sports.

While projected population growth is a positive factor, the operators of a proposed facility will need to make marketing/selling both the facility itself and the Tea region to travel teams a priority in order to establish the proposed complex as a high-quality tournament location.

Locally, there is increasing demand for more indoor court space, as well as indoor turf. Given that local programming during non-tournament times will be critical to the long-term success of the proposed facility, a team of experienced professionals must be hired to oversee daily operations and promote the facility to area residents.

Pinnacle-developed facility

Recreational/Competitive Sports Communities

Between 2014 and 2019, the number of Americans active in a variety of sports — including team sports, fitness sports, outdoor sports and individual sports — increased, according to the Sports & Fitness Industry Association's 2020 Topline Report.

That national data is in line with what's happening in the Tea/Sioux Falls market, based on Pinnacle's interviews with representatives from local, regional and national sports and tourism communities. Response to a proposed facility in the area has been positive. Here is a sampling of comments received:

• There are never enough courts available in the Sioux Falls area.

— Sacred Hoops Basketball

• Tea is an ideal location for a new pickleball facility, especially if it is easily accessible and well-equipped.

— Sioux Falls Area Pickleball

• Not only would we consider moving team practices to a new indoor facility in Tea, but the facility also would benefit the entire Sioux Falls Metropolitan Area.

— Sioux Falls Storm

Multiple sports communities exist within the target market study area. What follows is a synopsis of several of them.

Basketball

Basketball is one of the most popular sports in the United States, where the Amateur Athletic Union (AAU) is the largest organizing body for youth basketball. AAU oversees organizations in several sports, with 700,000 members and more than 150,000 volunteers. AAU basketball tournament season typically runs from March through August. Competitive basketball in the Tea/Sioux Falls area is seasonal, and the most sought-after tournaments, which derive the most revenue, are college showcase tournaments at which college recruiters scout future talent.

Local Snapshot

Multiple basketball programs are active the Tea/Sioux Falls market, with teams at the club, school, YMCA, Boys & Girls Club, and municipal levels. The main season typically runs from October to March, and teams utilize multiple facilities with fees ranging from free to more than $100 per hour. The Sanford Pentagon also is available to teams, and Augustana University rents its fieldhouse to outside groups. Several people Pinnacle interviewed indicated that basketball is one of the sports in the local market most in need of more indoor space.

One area AAU club is Sacred Hoops Basketball, which participates in mostly regional tournaments from May to July and mostly local tournaments between October and February. A representative of the club told Pinnacle that most off-season training is done at local school gymnasiums, but availability is limited. Sacred Hoops would consider utilizing a proposed facility in Tea for leagues, camps, clinics and rentals.

Other basketball clubs in the area likely would be interested in utilizing a new facility, as well, given the lack of indoor court space in the market.

Event Promoters

From an events perspective, representatives of Mid America Youth Basketball (which runs 12 to 15 events in the Sioux Falls area), Prep Network, Teammate Basketball and 3STEP Sports told Pinnacle they believe Tea/Sioux Falls would be a regional draw for tournaments and events, and they would consider running basketball events at the proposed facility in Tea. In some cases, Tea would be the first South Dakota destination in which the company hosted events.

What's more, some promoters would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities at the proposed facility.

Adult Basketball

The presence of new indoor hard courts in the Tea market likely would generate increased interest in adult basketball leagues. Although adult basketball is relatively unorganized, indoor leagues operate year-round and theoretically could provide a small but consistent form of ancillary revenue for the proposed facility, supplementing revenue generated by youth basketball programming. Adult basketball teams also can play later at night than youth teams, providing increased scheduling opportunities. Many individuals Pinnacle interviewed for this report indicated that adult sports programming presents a significant opportunity for the operators of a new facility in Tea.

See attached "Exhibit I—Selected Interview Notes" for more information on basketball.

Basketball Summary

Basketball is active in the local and regional markets, and a proposed facility configured to accommodate six basketball courts would not only attract travel teams to tournaments for sports tourism purposes but also serve the local community's needs. Additionally, youth basketball — like many other sports — is experiencing space crunches in the Tea market during the prime basketball season. Pinnacle believes the addition of new hard-court space would be met with enthusiasm. With the proper design and line placement to accommodate multiple sports in one area, along with optimization of scheduling, the proposed facility likely would be utilized by basketball, volleyball, futsal, pickleball and other organizations. Additionally, partnering with a well-known, reputable basketball program would help ensure additional basketball opportunities via year-round lessons, camps and clinics.

Volleyball

USA Volleyball is the national governing body for competitive youth club volleyball in the United States, with more than 325,000 members and an estimated 5,300 clubs. The organization's growth corresponds with the opening of more specialty and multisport facilities capable of accommodating court sports in communities around the country. Club season runs from November to June, with tournament season from January to June. High school volleyball is a sanctioned fall sport in South Dakota.

Local Snapshot

The North Country Region is the statewide affiliate of USA Volleyball, serving approximately 15,000 youth and adult members in South Dakota, North Dakota and Minnesota. The region sanctions about 200 events per year and hosts 15 to 20 events per year, paying an average of $60 per hour per court at schools, community centers and convention centers.

A representative of the organization told Pinnacle that the region prefers to utilize public facilities and would potentially commit to running five events between December and May at the proposed facility in Tea. The region also would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities. Additionally, the region needs an indoor sports facility to house officials training, coaching education, high-performance clinics and other events.

Another national volleyball organization with a small but active presence in South Dakota is the Junior Volleyball Association. While the state only counts nine JVA member clubs, neighboring states have more clubs that might be willing to travel to Tea for competition. Those states include Minnesota (216 JVA clubs), Nebraska (47 JVA clubs) and Iowa (nine JVA clubs).

Locally, no volleyball clubs are active in Tea. There are, however, volleyball teams in Sioux Falls and other area communities that likely would consider utilizing a proposed hard-courts facility in Tea in some capacity. Along with basketball, volleyball is one of the sports most in need of additional space, according to people Pinnacle interviewed.

USA Volleyball Participation Growth: 2016-17 & 2017-18

Region	2017-18	2016-17	% Growth
Aloha Region (AH)	3,005	3,167	-5.1%
Alaska Region (AK)	1,010	1,085	-6.9%
Arizona Region (AZ)	10,266	9,912	3.6%
Badger Region (BG)	15,698	14,895	5.4%
Bayou Region (BY)	3,533	3,194	10.6%
Columbia Empire Region (CE)	7,223	7,410	-2.5%
Chesapeake Region (CH)	10,204	10,020	1.8%
Carolina Region (CR)	11,332	10,814	4.8%
Delta Region (DE)	6,492	5,683	14.2%
Evergreen Region (EV)	6,356	6,343	0.2%
Florida Region (FL)	14,360	14,669	-2.1%
Gulf Coast Region (GC)	2,752	2,565	7.3%
Garden Empire Region (GE)	11,214	10,613	5.7%
Great Lakes Region (GL)	16,055	16,797	-4.4%
Great Plains Region (GP)	4,663	4,907	-5.0%
Gateway Region (GW)	8,808	8,743	0.7%
Heart of America Region (HA)	15,748	15,355	2.6%
Hoosier Region (HO)	3,531	3,432	2.9%
Iowa Region (IA)	11,452	11,703	-2.1%
Iroquois Empire Region (IE)	3,772	3,432	9.9%
Intermountain Region (IM)	1,983	1,980	0.2%
Keyston Region (KE)	8,070	7,483	7.8%
Lakeshore Region (LK)	2,297	2,010	14.3%
Lone Star Region (LS)	20,110	19,897	1.1%
Moku O Keawe Region (MK)	1,408	1,292	9.0%
Northern California Region (NC)	19,893	19,861	0.2%
New England Region (NE)	12,064	11,812	2.1%
North Country Region (NO)	23,488	21,376	9.9%
North Texas Region (NT)	14,481	13,433	7.8%
Old Dominion Region (OD)	4,529	4,474	1.2%
Oklahoma Region (OK)	3,867	3,532	9.5%
Ohio Valley Region (OV)	23,775	22,839	4.1%
Palmetto Region (PM)	4,813	4,528	6.3%
Pioneer Region (PR)	5,276	5,150	2.4%
Puget Sound Region (PS)	6,940	7,699	-9.9%
Rocky Mountain Region (RM)	8,509	8,105	5.0%
Southern California Region (SC)	24,667	24,522	0.6%
Southern Region (SO)	11,334	11,147	1.7%
Sun Country Region (SU)	6,644	6,420	3.5%
Western Empire Region (WE)	3,278	3,149	4.1%
Totals	374,900	365,448	2.6%

Source: USA Volleyball

Event Promoters

Digz Volleyball, which has been active for 11 years, started with a single tournament in Sioux Falls and grew to approximately 15 tournaments per year — most of them in Sioux Falls, with some held at schools in Tea. Tournaments are held at the Sanford Pentagon at a “highly discounted rate,” according to the promoter, as well as at Unify Center-Special Olympics South Dakota and Avera Sports Center, where fees are $25 per hour and $30 per hour, respectively.

The majority of tournament teams do not stay overnight, but a representative of Digz Volleyball told Pinnacle that the company not only would consider hosting four or more events at the proposed facility in Tea but also would consider partnering with the facility to make it one of Digz Volleyball's full-time locations.

Blue Silver Sports and 3STEP Sports, which also run basketball tournaments, indicated interest in bringing volleyball tournaments to the proposed facility in Tea, too.

Adult Volleyball

Adult volleyball is played in the Tea market, with Tea Parks and Recreation offering programming. Generally speaking, the majority of adult volleyball programming is recreational, and a new facility with hard courts in Tea likely would increase programming opportunities. Adult leagues can operate all year and provide a small but consistent form of ancillary revenue. Adult teams also can play later at night than youth teams, providing increased scheduling opportunities. Many individuals Pinnacle interviewed for this report indicated that adult sports programming presents a significant opportunity for the operators of a new facility in Tea.

See attached "Exhibit I—Selected Interview Notes" for more information on volleyball.

Volleyball Summary

Volleyball in the Tea/Sioux Falls market is established via private clubs at the youth level, as well as through school teams and programs overseen by various sports organizations. Private youth clubs are organized to train for tournaments and qualify participants for high school and college play. If possible, it would make financial sense to attract at least one youth volleyball club from a nearby community to base its training activities at the proposed facility in Tea. Volleyball programming/events would be able to share time and space with basketball, pickleball, futsal and other hard-court and mat-sports programming at the proposed facility. What's more, volleyball promoters indicated that Tea would be a regional draw for travel teams and expressed interest in hosting tournaments at the proposed facility.

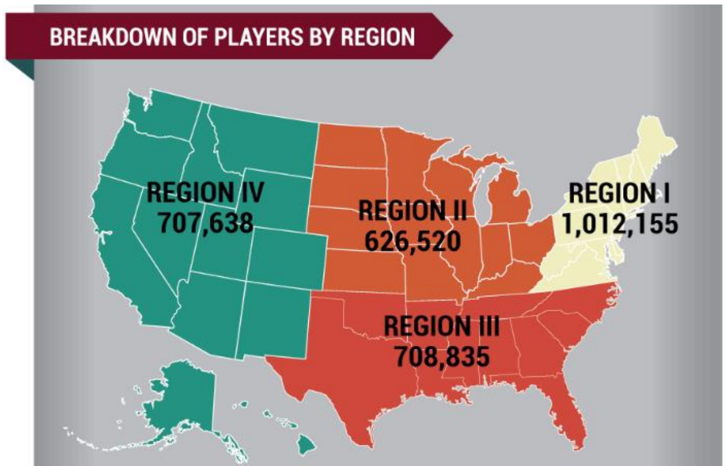
Soccer/Futsal

Youth soccer in the United States is highly structured, with most participants registered through the U.S affiliates of the sport's global governing body, Federation International de Futbol Association (FIFA). The United States Soccer Federation (USSF) delegates authority over youth soccer to the United States Youth Soccer (USYS) and its member organizations. Formed in 1974 with 100,000 participants, USYS now counts more than three million players between the ages of 5 and 19.

In South Dakota, soccer is played in the fall and spring, with high school season for both boys and girls taking place in the fall.

Local Snapshot

The USYS affiliate for the state is the South Dakota Youth Soccer Association, which has about 16,000 members; approximately 50% of all members are from the Sioux Falls market. Although indoor leagues at existing facilities are unregulated, some indoor tournaments are sanctioned by the association. The association (which is sponsored by Sanford Health) runs coaching education, Olympic Development Program training and more at the Sanford Sports Complex.



Source: US Youth Soccer

Soccer is extremely active in the local market and is played year-round. One local club representative said indoor turf space is at a premium, with some clubs paying $250 per hour for access to a 25-by-40-yard field. The club representative expressed enthusiasm about potentially utilizing the proposed facility in Tea for leagues, camps, clinics and rentals — though he admitted it might be challenging for city officials to convey the value of the facility to residents who likely would not use the facility.

Tea Parks and Recreation also offers youth soccer programs, including an indoor program in January and February. A representative of the department told Pinnacle that, although the department's indoor programs are in the early stages of development, they could expand significantly with the addition of new assets in the community.

Adult Soccer

Adult soccer is popular in the Tea/Sioux Falls market, and unlike sanctioned youth soccer (which is directed from the top down) adult soccer is much more loosely structured. Outdoor adult soccer typically is offered by various parks and recreation programs and private leagues in the traditional 11v11 format, with a maximum roster of 20 players. Indoor sports facilities also offer adult soccer leagues, mainly in 5v5 and 6v6 formats. Leagues cater to various skill levels and include such categories as competitive men, open men, co-ed and women's leagues. The inclusion of indoor turf in the proposed facility could help grow existing leagues or even spark development of new leagues — helping the sport emerge as another source of revenue. As with other adult sports, adult soccer leagues can operate all year long and later at night.

Futsal

One of the most notable changes to competitive youth soccer in recent years has been the emergence of indoor futsal programs for training and leagues during the winter/offseason months. Such activities could become an additional source of revenue for any new indoor hard-court facility. Futsal traditionally is played on a hard surface (not turf) delimited by lines; walls or boards are not used.

The sport also can co-exist with basketball and/or volleyball programming. Futsal is played with a smaller ball that has less bounce than a regular soccer ball, two teams feature five players each, and unlimited substitutions are permitted.

As the international governing bodies of futsal, FIFA and Asociación Mundial de Fútbol de Salón are responsible for maintaining and enforcing the official rules of their respective versions of futsal. The United States Futsal Federation has been the governing body of the sport in the U.S. since 1980 and includes more than 40,000 members. The vast majority of members are youths, although the number of older players is growing. All told, the sport is played in more than 100 countries by more than 12 million people.

Right now, futsal is small in the Tea market, and the South Dakota Youth Soccer Association does not offer any futsal programming. But that could change with the addition of more hard courts in a busy market like Tea/Sioux Falls. The proposed facility likely would create new opportunities for futsal and potentially introduce the sport to new users — leading to multiple programming options.

See attached "Exhibit I—Selected Interview Notes" for more information on soccer and futsal.

Soccer/Futsal Summary
The local soccer market is active, and Pinnacle believes an indoor turf field that could be used for soccer, football and baseball/softball groups would be well utilized at the proposed facility if a variety of turf sports activities and programming are consistently scheduled and promoted. Youth programs, leagues, camps and clinics would need to be relied upon to provide revenue from the core user market and beyond.

Note: Indoor turf primarily would be an asset for local sports groups and local tournaments. It would not be intended to attract travel teams for tournament purposes to create a sports tourism impact.

Meanwhile, futsal does not appear to have a large presence in the Tea market. But because the sport can be played on indoor hard courts in a climate-controlled environment, the courts also could be used by soccer teams if other turf options are not available.

Football

USA Football and Pop Warner are the largest and most popular youth football organizations in the United States, with a combined participation of two million players. In the local market, it is played from July to October/November.

Worth noting is the national surge in flag football participation, driven by NFL FLAG — the largest youth flag football organization in the country, with nearly 700,000 players between the ages of 5 and 17. The sport was featured at the World Games in Birmingham, AL, in 2022, and flag football will debut as an Olympic Sport at the 2028 Summer Games in Los Angeles.

Additionally, at least eight states sanction flag football at the high school level, and more than 20 other states — but, as of the date on this report, not South Dakota — are either piloting the sport or have indicated interest in adding girls' flag football to its slate of offerings.

Locally, Tea Parks and Recreation offers youth flag football leagues, and local youth football programs are active at the Sanford Sports Complex. A representative of one youth football club told Pinnacle it likely would utilize an indoor turf field at the proposed facility as long as it was at least 40 yards. Additionally, the Sioux Falls Storm — a professional indoor football team that plays its games at the Denny Sanford PREMIER Center — expressed interest in practicing at the proposed facility in Tea.

Adult Flag Football

Adult flag football is played primarily outdoors, but the game does lend itself well to indoor facilities. The proposed facility in Tea potentially could attract adult flag football teams, depending on price points. As with other adult programming/leagues, adult flag football leagues can operate all year long and provide a small but consistent source of ancillary revenue. Adult football teams also can play later at night, providing increased scheduling opportunities.

See attached "Exhibit I–Selected Interview Notes" for more information on football.

Football Summary

There exists enough demand by various turf sports organizations in the market to justify the inclusion of indoor turf at the proposed facility. It could be shared by football, soccer, baseball/softball and other sports. The rise in popularity of flag football also likely would provide new programming opportunities in the market — possibly even the formation of new leagues and tournaments.

Baseball/Softball

Little League Baseball and Softball (officially known as Little League International) is a non-profit organization based in South Williamsport, PA, that organizes local youth baseball and softball leagues throughout the United States and around the world. Baseball groups with younger players primarily participate in established Little Leagues, while older players often compete in Cal Ripken and Babe Ruth leagues.

Throughout much of the country, baseball and softball are played outdoors mostly in the spring and summer months. However, the market for indoor athletic space to accommodate baseball and softball training, practices and even modified games has increased significantly, as more specialty and multisport facilities accommodate ball-and-bat sports. Additionally, some baseball/softball organizations go indoors for training programs during the winter — programs that don't necessarily need to occur on turf. Generally, indoor revenue opportunities from ball-and-bat sports are in the form of off- and in-season pitching, hitting and fielding training, plus individual coaching, facility rentals, batting cage rentals, pitching and hitting leagues held in cages and tunnels, and sports performance programs.

Local Snapshot
Baseball and softball organizations are active in the Tea/Sioux Falls market, with teams often training indoors at school gyms equipped with batting cages. Representatives of the sport indicated they would be interested in utilizing the proposed facility for indoor turf training at least twice per week, adding that more batting cages would be a welcome addition to the community. Others suggested that hitting leagues could be a potential source of revenue at the proposed facility.

Adult Baseball/Softball
Adult baseball is popular in the Tea/ Sioux Falls market, with leagues operated by South Dakota Amateur Baseball and Sioux Amateur Baseball League. Adult softball also is popular. While adult baseball and softball leagues are organized for outdoor play, a representative of the Sioux Amateur Baseball League told Pinnacle that it would consider renting the proposed facility for at least four hours per week between December and April and pay a membership fee to use batting cages. That said, neither indoor baseball nor indoor softball would be a significant revenue generator for the proposed facility.

See attached "Exhibit I—Selected Interview Notes" for more information on baseball/softball.

Baseball/Softball Summary
Ball and bat sports are active in the Tea/Sioux Falls market, and Pinnacle believes an indoor turf field that could be used by baseball/softball groups — as well as soccer and football organizations — would be well utilized. There might also be opportunities for batting cage rentals and instruction, though they would be small.

Pickleball
Pickleball, a hybrid of tennis, badminton and ping-pong, is considered the fastest-growing sport in the United States, with at least 2.5 million players (including many older adults.) The sport's popularity has been a long time coming.

With a history dating back to 1965, pickleball most likely began when, according to the USA Pickleball Association website, "Joel Pritchard, [a] congressman from Washington State, and Bill Bell, [a] successful businessman, returned to Pritchard's home on Bainbridge Island, Wash. (near Seattle), to find their families sitting around with nothing to do. The property had an old badminton court, so Pritchard and Bell looked for some badminton equipment and could not find a full set of rackets. They improvised and started playing with ping-pong paddles and a perforated plastic ball."

That's still the way the sport is played today — indoors and outdoors — only with larger paddles. The court is the same size as a doubles badminton court (20 by 44 feet) and is striped similar to a tennis court with left and right service courts. There is a 7-foot zone in front of the net, called the "kitchen," from which players are not allowed to volley. Most games can be played within 20 minutes, and the social aspect is a key element.

USA Pickleball now has more than 78,000 members (up from 57,000 just a few years ago) — and the association hosts approximately 200 indoor and outdoor tournaments around the country annually, primarily for adults and seniors. Many tournaments are held at hard-court facilities that also host basketball and volleyball programming and competitions.

Locally, more pickleball space is in demand, and a representative of Sioux Falls Area Pickleball, which has more than 800 members throughout the Sioux Falls area, said there is always a need for more indoor courts. Indoor leagues are popular, and the club likely would consider utilizing a proposed indoor sports facility for leagues, clinics, training and tournaments if it featured pickleball-specific courts.

Pickleball Summary

Pickleball programming is increasing across the country, and the inclusion of pickleball lines on indoor hard courts at the proposed facility in Tea likely would create new indoor pickleball opportunities locally, as well as help fill daytime hours. As such, the sport could emerge as a small yet steady source of revenue.

Other Sports

A multipurpose sports facility with indoor hard courts and synthetic turf fields presents programming opportunities for several other sports not detailed on the previous pages. They include wrestling, gymnastics, cheer/dance, martial arts and table tennis.

Wrestling, in particular, presents significant programming opportunities for the proposed facility. Boys' and girls' wrestling is popular in South Dakota, and representatives from the sport interviewed by Pinnacle noted that a facility in Tea could potentially host a variety of wrestling meets, as well as summer wrestling training programs.

Additionally, representatives of USA Taekwondo and the National Collegiate Table Tennis Association told Pinnacle they would be interested in bringing events to the proposed facility in Tea — noting that the location could potentially be a regional draw. However, both those organizations (and others) would require the presence of hotels and restaurants nearby.

Three Facility Business Models: Sports Tourism vs. Rental vs. Programming

The business model of the proposed indoor sports facility in the Tea market should feature a flexible and diverse year-round programming mix designed to attract travel sports teams in an effort to generate both facility income and local economic impact through sports tournaments and events. This section of the report explores the advantages and disadvantages of three primary revenue sources: sports tourism vs. rental vs. programming.

In order to achieve financial goals, the proposed complex will need to capitalize on opportunities to generate revenue via in-house programming and rental agreements. Organizations that rent the complex will use the same spaces as other groups but in different ways that will require separate programming, time and inventory requirements, and revenue generation.

Successful facilities focus on generating revenue from a mix of local sources. This can be challenging, because although the same spaces will be used for both local programming and sports tournament and event purposes, the ways in which each business segment is developed, their time and inventory requirements, and how they generate revenue for the facility and the community are quite different.

Sports Tourism Model

A sports tourism model is based on generating facility revenue from outside the local community by attracting travel teams. As such, facilities with a sports tourism business model typically require an annual operating subsidy, because events that generate economic impact provide one-off revenue streams and take place a limited number of times each year in facilities that are overbuilt for the local market.

For facilities that pursue sports tourism for economic impact purposes, room nights, direct spending and new tax revenues generated from events are viewed as an attractive return on investment that is driven by spending at hotels, restaurants, retail stores and other local businesses that can offset the annual operating subsidy.

There are two primary components of the sports tourism model: creating in-house tournaments and events and outsourcing existing tournaments and events. What follows are more details about each:

- **In-house tournaments** are hosted by the facility and require a significant amount of time, energy and human resources to develop and execute. Each event must be marketed effectively, and staff members must register teams, volunteers, hire officials, oversee play and more. That means that, while significant revenue can be generated, the cost of doing business is high. It also should be noted that in-house tournaments and events take multiple years to grow. They typically do not turn a profit until at least the third year.

- **Outsourced tournaments** require much less work on the part of the facility operator, because facility assets are rented to a tournament provider that oversees registering participants and running all aspects of the event. Additionally, outsourced tournaments often offer a built-in advantage of having an established reputation among travel teams. While the facility's staff is alleviated of overseeing the entire tournament, the facility also likely will generate less revenue. With outsourced tournaments, team registration fees and other revenue streams such as gate fees always go to the rights holder. What's more, with rental arrangements, a facility operator has minimal control over event quality and patron experience.

  That said, while the facility's staff is alleviated of overseeing the entire tournament, the facility also likely will generate less revenue. With outsourced tournaments, team registration fees and other revenue streams such as hotel rebates and gate fees always go to the rights holder. What's more, with rental arrangements, a facility operator has minimal control over event quality and patron experience.

Sports tourism activity at new facilities typically experiences a "ramp-up" period to a stabilized level. This occurs for several reasons. For example, some groups that book their events years in advance may not want to risk that a complex's construction could be delayed and not ready in time for their events. In addition, some groups choose to let management adjust their operations before partnering to host an event at the facility. The length and time for new sports facilities to reach mature operations varies but typically ranges from three to five years.

Rental Model

A rental model helps ensure revenue generation to keep the complex consistently occupied during weekdays, weeknights and other times when it is not hosting other events. A rental model, however, also restricts the management team's ability to maximize program scheduling, because outside programmers and organizations usually seek primetime hours. Also, with rental arrangements, a complex operator has minimal control over program quality and patron experience. What's more, a rental model generates the least amount of revenue and is not a sustainable business model on its own.

Youth and Adult Programming Model

The youth and adult programming model generates considerably higher revenue than a rental model and is designed to position the proposed complex as a year-round activities hub for local residents — a community asset that provides sports, recreation and youth development services. This can be achieved by combining in-house programming options with existing ones in the community and partnering with such outside organizations as athletic organizations and coaches. Forging partnerships with individuals and groups that can bring existing teams and other users to the complex will help ensure that the facility hosts multiple activities and caters to a wide range of community residents.

The programming model for the proposed facility in the Tea market could include any or all of the following activities for individuals, club teams, recreational organizations and other users:

- Indoor Basketball Recreational and Competitive Leagues
- Indoor Basketball Camps
- Indoor Basketball Clinics
- Indoor Basketball Tournaments
- Indoor Pickleball Drop-In Play and Programming
- Youth Programming
- Summer (General) Camps (Full & Half Day)

- Indoor Volleyball Camps
- Indoor Volleyball Clinics
- Indoor Volleyball Leagues
- Indoor Volleyball Tournaments
- Indoor Baseball/Softball Training
- Indoor Flag Football
- Birthday Parties

- Indoor Soccer/Futsal Tournaments
- Indoor Soccer/Futsal Training/Leagues
- Indoor Soccer/Futsal Camp and Clinics
- Mat Sports Camps and Clinics (Gymnastics, Wrestling, Cheer, Dance, Etc.)
- Sports Performance Training
- Corporate/Group Events

Business Model Recommendation

While all three business models will be necessary for the proposed facility in Tea to succeed, Pinnacle recommends a facility program mix that emphasizes internal/in-house programs over rental/outside service-provider programs for the following reasons:

Greater Control of the Business
In-house programming allows the facility to control all aspects of the products and services offered within the facility. It also gives staff decision-making authority regarding the creation and execution of all programs. Additionally, the facility will rely less on outside individuals or groups renting the facility — thereby strengthening its own ability to offer best-in-class services to patrons.

Enhanced Customer Service
All programs at a given facility reflect on that facility and impact patron perception. If a program run by an outside organization fails to meet customer expectations, the facility will become part of that bad experience. On the other hand, internal programs allow for control over the quality of a customer's experience.

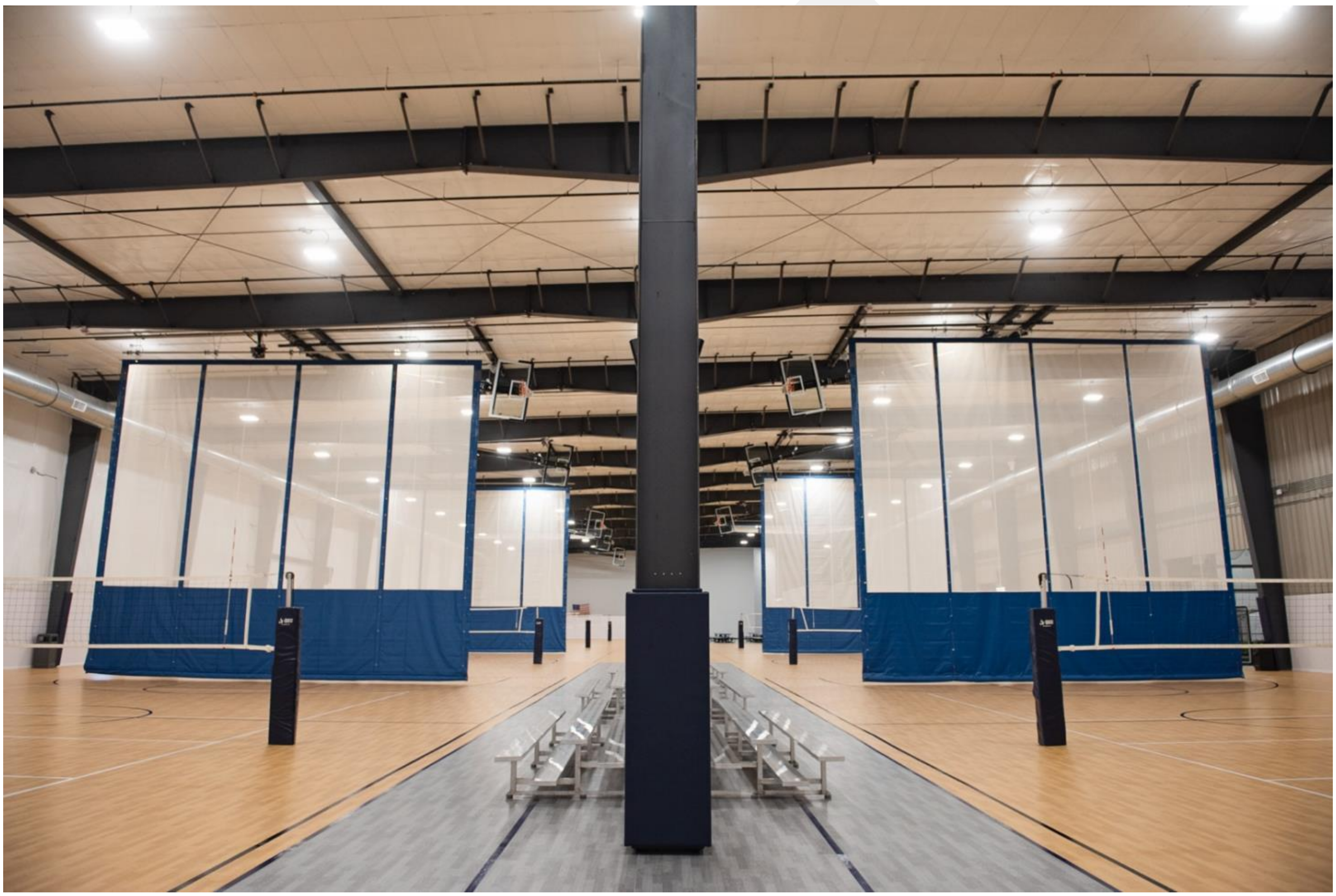
More Revenue Generation
A business model that prioritizes internal programming helps develop and grow programs, thus increasing the amount of revenue generated on an hourly basis. With proper investment in — and development of — in-house programs, the facility will generate significantly higher levels of revenue than a rental model.

Cross-Marketing Opportunities
In-house programming helps build an extensive internal database of patrons by allowing for the capture and retention of key customer contact information — which can, in turn, be used to effectively cross-market new programs to current customers.

Schedule Maximization
With an in-house program model, management can dictate the days and times programs are run — thereby maximizing facility use.

As the facility opens, a gradual shift toward more internal/in-house programming will enable it to maintain relationships and utilize external programs during the maturation process. Consequently, as the facility matures, increasing the proportion of internal/in-house programs will allow it to seize growth opportunities and enhance financial sustainability.

Pinnacle believes that a hybrid business model, combining local programming and sports tourism operations, will maximize facility sustainability. The financial and economic impact performance will vary based on the type and mix of assets, as well as the chosen business model for any developed facility.



Pinnacle-developed facility

Sports Tourism Industry

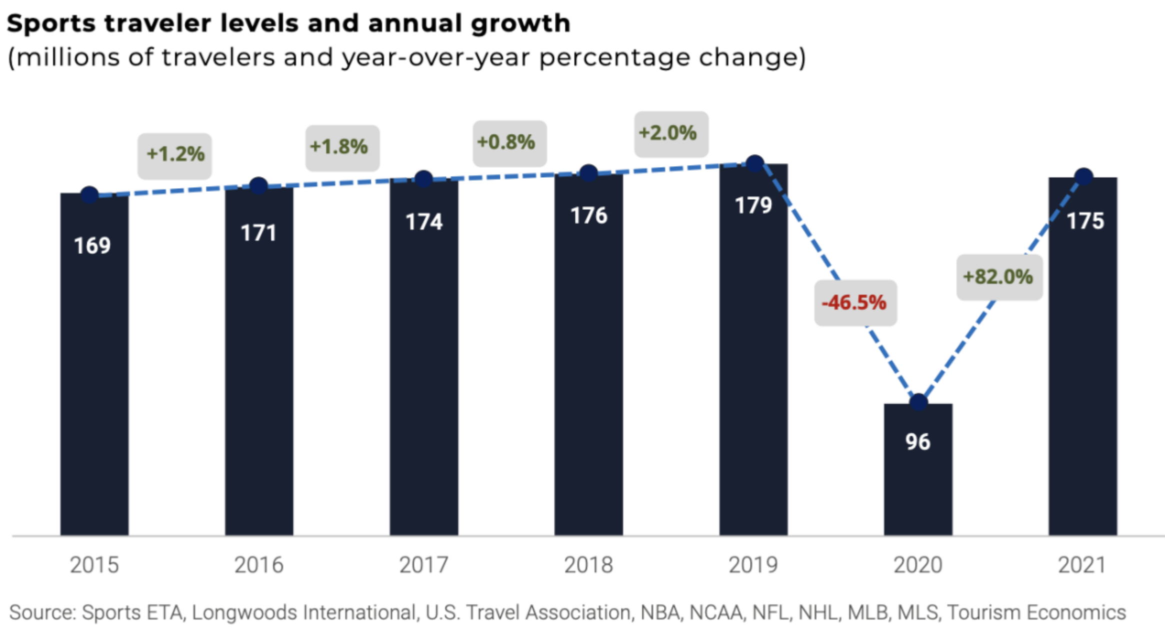
Travel, Accommodations and Expenditures

U.S. sports travelers, event organizers and venues spent $39.7 billion in direct spending in 2021. That spending generated a total econonomic impact of $91.8 billion, which supported 635,000 total jobs and resulted in $12.9 billion in total tax revenues, according to the Sports Events and Tourism Association (Sports ETA). That total includes transportation, lodging and food/beverage purchases.

All of this is terrific news — considering the number of travelers attending sports events in the United States was significantly impacted by the COVID-19 pandemic in 2020 and 2021 after establishing a high-water market in 2019.

Below is additional information regarding the scope of the sports tourism industry, courtesy of Sports ETA:

- Approximately 175 million people traveled to a sports event in the United States in 2021, either as a participant or a spectator — an increase of 82% over 2020.



(Graphic courtesy of Sports Events and Tourism Association)

- The number of sports travelers decreased 46.5% year-over-year to 96 million in 2020, but the sports tourism sector rebounded fast.
- The total number of 175 million sports travelers in 2021 was only 2.6% lower than the high-water mark established in 2019.
- Sports travelers, event organizers and venues spent $9.7 billion on transportation, $8.4 billion on lodging and $7.5 billion on food and beverages. Recreation, retail and tournament operations rounded out spending — registering $5.3 billion, $5.0 billion and $3.7 billion, respectively.
- The lodging sector accounted for 21% of all sports-related travel spending. In 2021, sports-related travel generated 66.5 million room nights — which is an important factor, given that hotel taxes are a primary funding source for many entities.
- Mid-sized markets and vacation destinations dominate the youth and amateur sports tourism industry. This is because large markets are sometimes constrained by space and competing interests, while small, isolated markets are sometimes constrained by infrastructure.
- Successful sports tourism destinations, regardless of the size of the market, commit to high quality, expertly maintained facilities that are professionally managed with operational excellence as a top priority.

(Source: Tourism Economics/Graphic courtesy of Sports Events and Tourism Association)

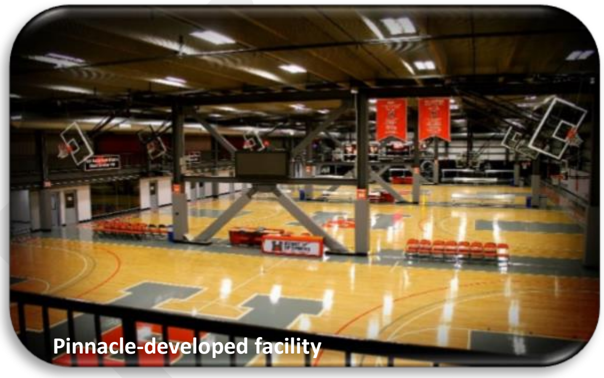
There are several times of year when a new indoor sports facility would help attract additional hotel and restaurant business to a given market. However, in order to be self-sustaining, the proposed complex in the Tea market would need to stay busy and generate revenue throughout the entire year.

Leveraging the Sports Tourism Market

When attempting to leverage the local sports tourism/tournament market and other event opportunities, it is critical to keep in mind the following destination- and operational-related elements that contribute to overall success:

Destination Elements

- **High-quality facilities and assets:** Without desirable facilities, no community will thrive as a destination for youth and amateur tournaments and events — regardless of size. The increasing number of competitive destination facilities has made quality amenities more important than ever. Food and beverage services, on-site entertainment options for siblings and other support features also can provide facilities with a competitive advantage.


Pinnacle-developed facility

- **Wide array of local amenities:** Outside of the facility itself, travel team participants and their families base their decisions to attend events in a specific market (at least in part) on lodging, dining and entertainment options. For teams traveling regularly, the ability to choose from among known brands and affordable options is important. On the other hand, teams that travel less frequently want to make the most of their tournament trip by having access to a variety of unique and exciting lodging, dining and entertainment options.

- **Strength of competition offered:** Travel tournaments are popular with participants because of the opportunity they provide to compete against unfamiliar teams. Tournaments offering a mix of teams from a wide geographical area and offering a well-defined competitive-level structure are the most capable of drawing teams — and bringing them back year after year.

- **Cost:** Affordability continues to be a major factor in how coaches, parents and participants determine which events to attend and how many times per year to travel. The increasing number of competitive events and the expansion of traditional seasons have further increased the need to be cost-conscious when selecting events.

- **Destination and facility reputation:** Establishing and maintaining a reputation as a desirable and memorable place to visit is critical to attracting and retaining events and participants.

Operational Elements

- **Strong programming emphasis:** In order to successfully attract, host and retain tournaments, events and participants, successful facilities must be designed with event operations and participant satisfaction in mind. The increasing competitiveness of the market demands that facility operators keep pace with what users want.

- **Dedicated marketing and sales personnel:** With so many communities and facilities seeking to leverage the sports tournament boom, it is imperative to dedicate staff and financial resources to marketing and selling opportunities. While organizational structures and budgets vary significantly from location to location, all successful destinations have some level of dedicated personnel and money available to secure business.

- **Commitment from management:** Just as successful venues dedicate resources to marketing and selling the facility to tournament and event organizers, facility operators also must have a dedicated and specialized management team to establish and maintain the facility's reputation.

- **Effective partnerships:** The youth and amateur sports market consists of a variety of levels of competition, governing bodies, rules of play and more — all of which means that this increasingly mature industry features an environment in which it can be difficult to build new events. This necessitates collaboration with tournament and events rights holders to attract existing events and develop new ones.

- **Balance of activities:** More often than not, financially sustainable facilities feature a balance of tournaments and events with local leagues, camps, clinics, youth programming and other community-based activities. To achieve an optimal balance, facility operators must educate all stakeholders and communicate all purposes and intents, as well as schedule tournaments and events on a regular and ongoing basis.

Sports Event Site Selection Considerations

"In the late 1980s, approximately 30 cities were competing to host sporting events. When the National Association of Sports Commissions formed in 1992, it had 15 members. Today, more than 700 tourism bureaus, sports commissions, convention facilities, event owners and other organizations are members of the association. The competition has expanded, but the number of events has more than kept pace. In other words, there is room in the sports industry for facilities that can accommodate competitions of all kinds. It's a facilities-driven business. The most important element is facilities."

— **Don Schumacher, Former Executive Director**
National Association of Sports Commissions

"Participatory sporting events have become big business for cities around the country. Youth baseball tournaments, cheerleading competitions, gymnastics meets and half-marathons attract out-of-town athletes along with their families and friends, who generate revenue for the host site and the community by spending money on hotels, restaurants, entertainment and shopping. Although the weak economy has curtailed vacation plans for some families, travel to amateur sporting events remains strong nationwide. Parents whose son or daughter is scheduled to play in an out-of-town tournament will find a way to pay for the trip."

— **Katherine Jackson, Writer**
Virginia Town & City

To compete with established competitors, it is important to understand what drives the decision of large sport associations and events directors when choosing a facility.

A few years ago, James Madison University and the University of Louisville submitted the "Site Selection Study of NASC Event Rights Holders" to the National Association of Sports Commissions. The recommendations below are highlighted in the NASC report and should be emphasized when recruiting, servicing and retaining events.

Most Important Site Selection Factors

Based on the mean scores of all study respondents, the five most important site selection factors were as follows:

1. The event facilities are available when required.
2. The destination provides suitable competition facilities.
3. The host organization is supportive.
4. The event facilities are affordable.
5. The suitable accommodation is affordable.

Let's break down each of these factors:

1. The event facilities are available when required.

As a new venue, the facility will have the advantage of being able to plan for large sporting events in advance of opening. The facility also will have the additional advantage of space for multiple sports and uses, which can be configured as needed depending upon the sport and event requirements. It will be necessary to engage a professional sales staff and experienced operations staff to seek out and procure the largest — and most lucrative — events.

2. The destination provides suitable competition facilities.

As a new venue, the facility can plan to install the most current, top-of-the-line surface and equipment. Proper maintenance and upkeep should keep the facility at the top of most event planners lists for many years to come. Planning for correct field sizes, preferred surface type, safe equipment, and ample player and spectator areas will ensure that all selection criteria can be met for all potential user groups.

3. The host organization is supportive.

Hiring experienced sales and operational staff will help ensure that event planners' expectations are met or exceeded. Ongoing communications, documented internal operating procedures, and coordination of event staff, facility staff and local service providers will help demonstrate the facility's support of the event.

4. The event facilities are affordable.

Affordability is based on both comparisons with facilities offering similar venues and comparisons of the amenities and services at other facilities. Not all event organizers simply choose the cheapest option; all of the factors listed in this study contribute to the analysis of cost/benefit factors. The facility's sales staff is responsible for providing a favorable cost/benefit analysis and keeping track of the competition's pricing and service offerings.

5. The suitable accommodation is affordable.

At least two hotels should be near or attached to the proposed sports facility site.

Site Selection Factors That Predict Satisfaction

A second purpose of the James Madison University-University of Louisville/NASC study was to determine which event-site characteristics best predicted whether a representative of the organization was satisfied with the destination. The findings suggest that facility layout, facility availability and past performance are all significant and positively correlated with an event-rights holder's satisfaction with the destination selected.

Let's break down each of these factors:

1. Facility Layout

The design process is only limited by imagination and finances. Designated land ensures proper spacing, traffic flow, and player and spectator areas.

2. Facility Availability

As previously indicated, experienced sales and operational staff should be engaged and able to work together to plan for upcoming events with special needs or atypical schedules. Repeat events can be contracted and scheduled with multiyear contracts for more accurate and effective long-range planning.

3. Past Performance

With little or no past performance, a proposed facility would benefit by not having a poor prior performance with any large event or organization. On the other hand, organizations also might be wary of a facility with no past performance and question whether the facility's staff will have the experience or resources to execute a large-scale, high-profile event. Hiring experienced staff members who bring their own successful credentials to the facility will help tame potential objections.

Site Selection Factors That Predict Return Intent

Yet a third purpose of the study was to determine which event site characteristics best predict whether a representative of the organization intended to return to a selected destination for a future event. The findings suggest that hotel security, facility layout, facility availability, destination reputation, destination safety, past performance and event security are all significant and positively correlated with the intent to return.

It is not just enough to secure an event; a facility will have to prove itself worthy of repeating that event by showcasing it has the capability and resources to execute events at a national level to ensure repeat business.

Let's break down each of these factors:

1. Hotel Security
While some factors may appear to be out of the facility's control, hotel security should be considered when making future recommendations to outside groups traveling to the facility for tournaments, training and other activities. Working with the area's convention and visitor's bureau, a facility can research hotels/motels with safe and secure reputations and speak with operators of those facilities in advance of the event to share information about the ages, demographics and other pertinent data about the groups traveling to participate in the specific event.

2. Facility Layout
As noted earlier, the ideal facility's layout will take advantage of ample space and up-to-date facility amenities to appeal to a variety of events and event planners.

3. Facility Availability
Facility availability will be managed by the facility's employees, who preferably are experienced sales and operations professionals.

4. Destination Reputation
Event participants and organizers will evaluate the reputation of the destination facility and the surrounding community.

5. Destination Safety
This can be a giant asset to a new facility — especially if measures are taken in advance to beef up area police and security patrols around the facility and hotels that will be used for sports event participants. A communications plan to alert local authorities of upcoming sporting events, dates, and locations of events and host hotels can be included in event marketing materials.

6. Past Performance
There are pros and cons to having little to no past performance as a new sports facility; see previous notes above.

7. Event Security
Event security often is left to the discretion of the facility and event staff. Specific security personnel, as well as trained part-time and salaried staff, will aid in the security preparation and operations of the facility. An emergency plan and a security plan should be in place and discussed and practiced on a consistent basis.

Local Sports Tourism Market Overview

The growth of elite or travel teams in the United States is a significant ongoing trend in youth sports. The opportunity for participants to play at a higher competitive level than recreational play is appealing to many parents — particularly those seeking college scholarships for their children, as travel teams can attract college scouts and recruiters. As such, families are willing to invest time and money to travel long distances for regional and national tournaments and events.

Communities throughout the United States have recognized the economic benefits associated with hosting sports tournaments and events. That's why, in recent years, multiple indoor and outdoor sports facilities have been developed throughout the country with the use of public and/or private funds. These venues generate economic activity for local businesses and tax revenue for local and state entities.

To maximize resources, communities are increasingly seeking projects that better respond to the anticipated long-term needs of area residents *and* attract out-of-town visitors. As a result, many communities choose to support the development and construction of multipurpose sports facilities.

- ***We have run successful tournaments in the Sioux Falls market in the past and think Tea would be a regional draw for travel teams.***

— Mid America Youth Basketball

A new multipurpose indoor sports complex in Tea would attract visitors year-round, which also would benefit the local economy. However, as noted elsewhere in this report, much of the revenue generated by the economic impact from sports tourism would spill over into Sioux Falls and surrounding communities — especially as it relates to lodging and dining.

That said, representatives of national and regional associations, as well as tournament and event promoters — including Blue Silver Sports, Mid America Youth Basketball, Digz Volleyball, 3STEP Sports, Prep Network and other organizations and promoters — expressed interest in bringing events in multiple sports to the proposed facility in Tea.

Seasonality of Events

Pinnacle analyzed tournaments and events held at existing facilities in the Tea/Sioux Falls market, as well as sports seasons designated by national governing bodies. Based on the event calendars of similar established sports tourism facilities, Pinnacle constructed a seasonality chart to visualize sports seasons that could be programmed at the proposed Tea facility. The chart below identifies the prime seasons (dark), shoulder seasons (light) and offseasons (white) for basketball and volleyball in the Tea/Sioux Falls market.

Basketball	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Volleyball	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.

• We would be willing to help promote a new indoor sports facility in Tea and assist with group-sales efforts.

— Experience Sioux Falls

Tea Sports Tourism Profile

Tea is located in the Sioux Falls Metropolitan Area, which has increasingly become one of the "must-see cities in the Midwest," according to Experience Sioux Falls. Situated near the junction of Interstates 90 and 29 — and close to the borders of Minnesota and Iowa — the Sioux Falls area is easily accessible (within a drive time of only a few hours) from many Midwestern cities, and Sioux Falls boasts a regional airport. While Experience Sioux Falls does actively pursue sports tournaments and events, it has had to turn away basketball and volleyball groups due to a lack of space. Availability at the Sioux Falls Convention Center is limited, and there have been indications that the City of Sioux Falls is considering building a new convention center and converting the existing one into a recreation center.

Local Hotel Inventory

The diversity, supply and availability of hotel rooms located near a multipurpose indoor sports facility can play a major role in attracting tournaments with overnight attendees. Research suggests that participants/spectators tend to travel further and stay longer when their choice of hotel property is readily available. The Sioux Falls market boasts 56 hotels with a total of more than 5,070 rooms, according to Experience Sioux Falls — with at least two more hotels under construction that will add another 450 rooms. The average daily visitor spend in South Dakota is $108.30 with the average hotel daily rate at $118. Peak hotel season is June to September.

However, Tea itself lacks hotels and other lodging options, as well as a variety of restaurants and attractions that typically impact the decision of travel teams to visit a specific destination. At this time, that means much of the economic impact from the proposed facility would leak into surrounding communities — most likely Sioux Falls and Minnehaha County.

Members of Project Victory appear to understand this reality and emphasize that the main goal of the proposed facility would be to serve the sports and recreation needs of local residents. Indeed, some members told Pinnacle — and Pinnacle agrees — that public messaging about how the proposed facility will be funded and operate will be critical to its success.

Local Amenities

In addition to lodging choices, the availability of cultural, recreation, retail, dining and entertainment options is another critical factor event organizers consider when selecting a destination for their events. Such attractions are important for attendees when they have free time and are not at event-related functions. Event promoters prefer these establishments to be located within a 10- to 15-minute drive time of the event venue. As a result, many sports facilities are developed near such amenities or as part of a larger development incorporating restaurants, hotels and retail.

The variety of attractions also can be an important consideration for attendees when deciding whether to bring additional family/friends and how long to stay — as tournament destinations often double as vacation destinations. The Sioux Falls area — but not necessarily Tea — offers several amenities, including SculptureWalk, theaters and museums, 1880 Cowboy Town and a diversity of outdoor recreation opportunities. Dining options also abound in the greater Sioux Falls area and include chain restaurants, as well as local eateries and pubs.

Economic Impact Analysis Overview

One of the primary objectives of this study is to estimate the economic and fiscal benefits associated with the proposed indoor sports facility. If it were built in Tea, the local economy would benefit from ongoing operations in several ways. They include the following tangible and intangible benefits:

- Enhancing local quality of life while increasing development of athletes
- Attracting visitors on an annual basis, thus supporting area businesses
- Offering an attractive venue hosting diverse tournaments/events for residents/visitors
- Bolstering the area's image as a destination
- Capitalizing on existing city, county or state tourism efforts
- Broadening the market to reach new visitors and travel teams
- Attracting visitors and sports teams during off-peak months
- Receiving increased local, state and regional media exposure by hosting tournaments
- Serving as a catalyst for future economic development in the area
- Strengthening the area's economic base
- Producing economic/fiscal impacts for Tea, the Sioux Falls area and Lincoln/Minnehaha counties

Each of these benefits is important in assessing the impacts that the proposed facility may have on the area. The attached economic impact analysis estimates the direct, indirect and induced benefits associated with the ongoing operations of the proposed facility, including the associated tax revenues. This economic and fiscal impact analysis reflects the competitive landscape as of March 2024.

We believe that a new facility in Tea could co-exist with other facilities in the area, given the prevalence of travel teams. Those facilities could even partner to share space for larger tournaments and events.

— City of Tea

It is assumed that the proposed facility would be located near such amenities as hotels, restaurants and attractions; therefore, it should be noted that a site location that differs from this assumption likely would adversely impact the estimates of economic and fiscal impacts outlined in the report.

Direct and Indirect Spending

Economic impact occurs via both direct and indirect spending, and it is dependent on lodging, restaurants, attractions and other amenities.

Direct spending refers to the financial impact to a community based on the amount of money spent by non-local visitors attending a tournament or event at a sports facility. This includes attendee spending before and after events for lodging, restaurants, retail, entertainment, transportation and more. For instance, an out-of-town attendee spends money staying at a local hotel and eating at a local restaurant.

Indirect spending is the impact in sales, income or employment within the community in linked industries supplying goods and services for the proposed sports facility. For example, the increased sales in deli meat from local supply firms resulting from food sales at local sandwich shops is an indirect impact from direct spending by outside visitors. Generally speaking, the portion of local restaurant purchases within the local economy are indirect impacts.

Economic Impact Assumptions

Here are 10 key assumptions used in the economic impact analysis and based on estimating usage, activity and economic/fiscal impacts for the proposed indoor sports facility:

1. The indoor sports facility will be located near an airport and in close proximity to hotels, restaurants, retail, entertainment and other attractions.

2. The facility will be designed and constructed to be a high-quality tournament facility that is competitive with industry-leading facilities.

3. The facility will be operated by personnel specializing in managing similar sports tourism facilities.

4. The facility primarily will focus on booking sports tourism events that generate room nights and economic impact.

5. Established state and local tourism agencies will consistently market the facility.

6. A high level of quality customer service will be provided by management and local tourism and hospitality agencies, organizations and companies.

7. Cooperative coordination will occur between the sports facility management and tourism/hospitality stakeholders at the local and state levels.

8. Hotels will actively support sports tourism initiatives (and potentially modify existing policies) by providing access to room blocks to support participants year-round, adjusting required minimum-stay lengths to accommodate tournament participants, and working with promoters that utilize a stay-to-play model.

9. No other similar, competitive facility will be built or expanded in the region, other than those noted in the study.

10. No major economic fluctuations, acts of nature or cataclysmic events will occur that could adversely impact the dynamics of the project.

Economic and Fiscal Impacts

As part of this project, Pinnacle is providing an economic impact analysis that will show the estimated economic impact from tournaments and events at the local and state levels.

The analysis, prepared exclusively for Pinnacle and the City of Tea in March 2024 by Impact DataSource, indicates that over the next 20 years, tournament visitor spending associated with the proposed facility will exceed $318.9 million (see Table 1 below).

This information is based on tentative plans to host 30 indoor tournament event weekends each year, which are expected to generate more than 25,000 hotel room nights and nearly $2.7 million in lodging revenue.

All told, the proposed sports facility is expected to draw 75,648 visitors during tournament weekends.

Table 1. Tournament Spending Over the Next 20 Years

	Annually	Total*
On-Site Concessions	$244,080	$6,558,521
Hotel Spending	$2,698,112	$72,499,280
Restaurant Spending	$7,587,494	$203,878,816
Other Retail Spending	$1,338,970	$35,978,615
Total	$11,868,656	$318,915,231

* Assumes a 3% annual increase in spending

The project, via its operations and visitor spending, is estimated to support 209 permanent jobs, $6.8 million in annual household earnings and $21.6 million in annual economic output or spending in the two-county region encompassing Lincoln and Minnehaha counties.

ANNUAL ECONOMIC IMPACT IN THE REGION*

$21.6M
SPENDING

209 Jobs
$6.8M Household Earnings

Including direct, indirect, and induced effects

* The two-county region encompassing Lincoln and Minnehaha counties.

The proposed facility also is expected to generate additional benefits for the City of Tea, the City of Sioux Falls and the State of South Dakota (see Table 2 below). Overall, the cities will receive approximately $6.1 million in revenues combined over the 20-year period, while the project will generate $13.3 million in revenues for the state.

Table 2. Tax Revenues Over the Next 20 Years for the City of Tea, City of Sioux Falls and State of South Dakota

	Revenues
City of Tea	$559,627
City of Sioux Falls	$5,535,256
State of South Dakota	$13,284,221
Total	$19,379,104

- Over time, as additional hotels, restaurants, and stores are developed, Tea may capture a greater share of visitor spending, leading to increased sales and municipal gross receipts taxes for the city.

(For more details about the estimated economic impact of this facility, as well as estimated construction costs, see the attached Economic Impact Report.)

Sports Participation Trends

Data used to analyze recent sports participation trends was obtained by the Sports & Fitness Industry Association (SFIA), a leading trade association focused on advocacy, thought leadership and research. The SFIA 2022 Topline Participation Report study results are based on completed surveys and interviews with 18,000 individuals ages 6 and older. Responses were weighted by SFIA to balance the data and ensure that it is reflective of the U.S. population, with consideration given to multiple demographic variables.

Overall, sports participation — in terms of both number of participants and participation rate — increased measurably from 2019 to 2022, despite the COVD-19 pandemic.

Participation in the court sports of basketball and volleyball are especially notable, with basketball ranking as the No. 1 team sport in all four age groups (from 6 years old to 45 and older). Volleyball, meanwhile, experienced big year-over-year changes in participation on a percentage basis (+8.1%). That represents 5.8 million total court-volleyball participants in 2021.

As noted in the "Sports Tourism Industry" section of this report, participation levels in different sports and settings experienced significant shifts and changes due to the environment created by the COVID-19 pandemic.

Organized team sports were severely impacted at the outset of the pandemic, with closures of schools and facilities across the country as well as periods of social distancing and other guidelines. There was, however, an increase in casual/recreational participation of many team sports. The impacts of the pandemic varied across the country, due to different state and local policies on closures and operating guidelines/restrictions.

Top 5 Team Sports by Age

6 to 17	1	Basketball
	2	Baseball
	3	Soccer (Outdoor)
	4	Football (Tackle)
	5	Track and Field

18 to 24	1	Basketball
	2	Baseball
	3	Soccer (Outdoor)
	4	Football (Tackle)
	5	Football (Flag)

25 to 44	1	Basketball
	2	Baseball
	3	Soccer (Outdoor)
	4	Softball (Slow-Pitch)
	5	Football (Flag)

45+	1	Basketball
	2	Baseball
	3	Soccer (Outdoor)
	4	Softball (Slow-Pitch)
	5	Football (Flag)

Source: 2022 SFIA Topline Participation

Overall participation in many team sports rebounded in 2021, though some remained below pre-pandemic levels as a result of lingering restrictions and variations in the timing and choices of individuals to resume participation in such sports.

Participation in Team Sports

U.S. Population Aged 6+

Fig.1d

Total Number of U.S. Team Sports Participants, Aged 6+ (alphabetical)

Team Sports	2016	2017	2018	2019	2020	2021	1-YR Change	2-YR Change
Baseball	14.8 M	15.6 M	15.9 M	15.8 M	15.7 M	15.6 M	-0.9%	-1.4%
Basketball	22.3 M	23.4 M	24.2 M	24.9 M	27.8 M	27.1 M	-2.2%	8.9%
Cheerleading	4.0 M	3.8 M	3.8 M	3.8 M	3.3 M	3.5 M	4.8%	-7.6%
Football (Flag)	6.2 M	6.6 M	6.6 M	6.8 M	7.0 M	6.9 M	-1.6%	1.6%
Football (Tackle)	5.5 M	5.2 M	5.2 M	5.1 M	5.1 M	5.2 M	3.4%	2.4%
Football (Touch)	5.7 M	5.6 M	5.5 M	5.2 M	4.8 M	4.9 M	0.8%	-5.5%
Gymnastics	5.4 M	4.8 M	4.8 M	4.7 M	3.8 M	4.3 M	10.9%	-9.2%
Ice Hockey	2.7 M	2.5 M	2.4 M	2.4 M	2.3 M	2.3 M	1.6%	-2.1%
Lacrosse	2.1 M	2.2 M	2.1 M	2.1 M	1.9 M	1.9 M	0.4%	-10.6%
Paintball	3.7 M	3.4 M	3.1 M	2.9 M	2.8 M	2.6 M	-7.9%	-11.1%
Roller Hockey	1.9 M	1.8 M	1.7 M	1.6 M	1.5 M	1.4 M	-5.0%	-11.8%
Rugby	1.5 M	1.6 M	1.6 M	1.4 M	1.2 M	1.2 M	-0.4%	-11.1%
Soccer (Indoor)	5.1 M	5.4 M	5.2 M	5.3 M	5.4 M	5.4 M	-0.6%	1.4%
Soccer (Outdoor)	11.9 M	11.9 M	11.4 M	11.9 M	12.4 M	12.6 M	0.9%	5.4%
Softball (Fast-Pitch)	2.5 M	2.3 M	2.3 M	2.2 M	1.8 M	2.1 M	15.3%	-6.9%
Softball (Slow-Pitch)	7.7 M	7.3 M	7.4 M	7.1 M	6.3 M	6.0 M	-5.4%	-15.0%
Swimming on a Team	3.4 M	3.0 M	3.0 M	2.8 M	2.6 M	2.8 M	8.0%	0.1%
Track and Field	4.1 M	4.2 M	4.1 M	4.1 M	3.6 M	3.6 M	-1.3%	-13.3%
Ultimate Frisbee	3.7 M	3.1 M	2.7 M	2.3 M	2.3 M	2.2 M	-5.8%	-4.4%
Volleyball (Beach/Sand)	5.5 M	4.9 M	4.8 M	4.4 M	4.3 M	4.2 M	-3.2%	-4.9%
Volleyball (Court)	6.2 M	6.3 M	6.3 M	6.5 M	5.4 M	5.8 M	8.1%	-9.8%
Volleyball (Grass)	4.3 M	3.5 M	3.5 M	3.1 M	2.7 M	2.8 M	2.5%	-10.5%
Wrestling	1.9 M	1.9 M	1.9 M	1.9 M	1.9 M	1.9 M	0.3%	-0.4%

Source: 2022 SFIA Topline Participation

High School Sports Trends

Potential demand associated with any sports facility is somewhat dependent on the attributes of the industry as a whole, as well as specific target market segments. This section outlines key high school sports trends that may impact operation of a new indoor multipurpose sports facility in the Tea market.

The following data is from the 2022-23 High School Athletics Participation Survey, conducted by the National Federation of State High School Associations (NFHS) and based on figures from the 51 NFHS member state high school associations, which includes the District of Columbia

Nationally, high school sports participation is rebounding toward pre-pandemic levels. More than 7.8 million boys (4,529,789) and girls (3,328,180) participated in high school sports in 2022-23.

South Dakota ranks No. 45 in total high school sports participation, with a total of 31,750 boys and girls.

Here are the top 10 boys' sports (nationwide) for the 2022-23 school year:

1. Basketball
2. Outdoor Track and Field
3. Baseball
4. Cross Country
5. Football (11-player)
6. Golf
7. Soccer
8. Wrestling
9. Tennis
10. Swimming and Diving

Here are the top 10 girls' sports (nationwide) for the 2022-23 school year:

1. Basketball
2. Outdoor Track and Field
3. Volleyball
4. Cross Country
5. Fast-Pitch Softball
6. Soccer
7. Golf
8. Tennis
9. Swimming and Diving
10. Competitive Spirit

Ancillary Revenue Opportunities

Due to the nature of the sports and recreation business, a large number of spectators and sports participants regularly frequent indoor sports facilities. This leads to multiple ancillary revenue opportunities that should be explored. They include:

- Sports Performance Training
- Food Service
- Parties
- Youth Development Programs
- Facility Rentals/Events
- Retail
- Corporate Partnerships

Sports Performance Training

Sports performance training can be implemented and overseen in partnership with an area orthopedic or sports performance medical group or performance trainer, or via an independent group leasing space within a facility to carry out this type of activity. As with any business model, a successful sports performance training facility requires proper management and marketing, as well as consideration of partnerships or franchise opportunities.


Pinnacle-developed facility

Food Service

Food service at sports facilities has traditionally been in the form of a small concessions stand and/or vending area. Successful operators know that captive audiences can make for profitable food service operations if done correctly. Hot food options should be offered, along with fountain beverages (which are much less expensive to carry than bottles or cans). Additionally, a strict no carry-in policy should be enforced from Day One. The only exceptions to this policy can be for water bottles and/or private rentals that require more food service options, such as buffet or plate dinners, than are available through current facility offerings. A proactive marketing campaign also should be employed to package food into "meals" and to offer coupons to current participants as part of a membership program or to include certain food or beverage items with packages for groups.

Parties

Birthday, team, school and corporate parties are strong sources of income for any indoor sports facility. Parties should be offered in "packages" to help users create the experience they are looking for while helping the facility ensure maximum revenue. In general, parties can be considered facility rental income, as party customers primarily utilize facility time during their parties.

In addition, opportunities exist to include food and beverage items, party decorations, gifts, staff (party supervisors and on-field attendants), equipment rentals and more — all at a mark-up for extra revenue. Local companies (bakeries, pizza places and party-supply businesses) should be considered for partnership opportunities for parties, similar to food-service partnerships. Meeting rooms and field space can be used to host parties; specific party rooms are not needed unless a facility has the space available and parties become a much larger portion of total revenue. Parties are a significant source of revenue that should not be overlooked.


Pinnacle-developed facility

Youth Development Programs and Summer Camps

Daytime programming opportunities for ages 1 to 5 will be an attraction for young families to join the facility and sign up for other activities as children get older.

Similar programs at other facilities have included open playtime, “mommy and me” classes, homeschool association rentals, senior programming and special events. Additionally, daycare centers, preschools and school groups should be solicited for facility rentals during weekday time slots between 7 a.m. and 3 p.m. These groups also help build the facility’s database (via participant insurance waiver forms) for future youth program marketing.

During the summer months, general summer camps (and separate sports-specific camps) can be held during weekday daytime hours for children too old for daycare but not yet old enough to stay home alone. General summer camps with field trips, arts and craft activities, and a variety of sports experiences can provide a significant source of income during the summer months, as can sports-specific camps and trainings.


Pinnacle-developed facility

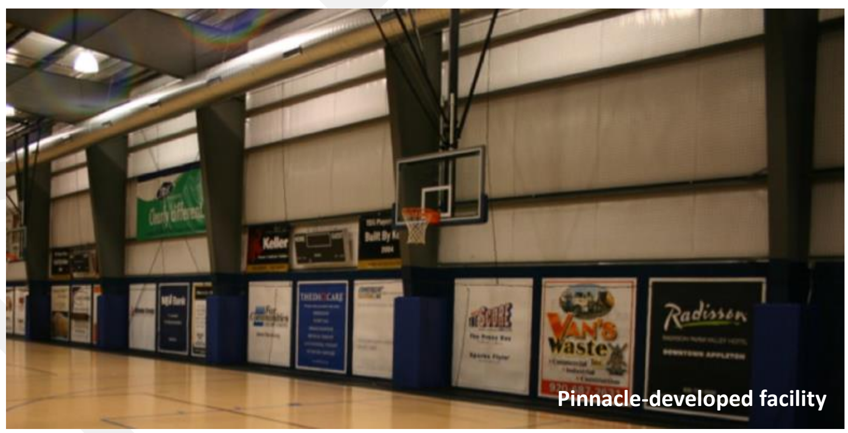
Facility Rentals/Events

Traditionally, sports facility rentals are considered only by sports organizations. However, additional niche revenue opportunities also exist via non-sports businesses and organizations looking for open spaces to host staff outings, corporate get-togethers and team-building sessions, or even small expos and trade shows. Meeting rooms should be designed with sufficient electrical needs for multiple computers and can include built-in overhead projectors, white boards, blackout curtains for windows or doors, and Wi-Fi to ensure that any meeting can be held with ease. Additionally, the facility should be designed with at least one large (14-foot) overhead door, the ability to remove boards on court surfaces as needed for the entrance of large vehicles and equipment, sufficient electrical (in some cases panels that drop from the ceiling), sufficient building egress and air exchange capabilities.

Retail

Retail components can be another source of revenue for indoor sports facilities. Past experience in owning and operating sports facilities has shown that the best retail opportunities are those in which an already established local business leases space from the sports center as a satellite store to their main business. Pinnacle does not recommend the inclusion of an in-house retail component, opting instead to contact existing retail sports stores to see if any of them would be interested in dedicated space to accommodate an existing or expansion location. Once a new facility becomes more fully established, a line of apparel could be offered as part of the membership offerings (free T-shirt when signing up, for example) and sold on a limited basis for additional community marketing through the facility's front desk component.

Corporate Partnerships



Pinnacle-developed facility

Corporate marketing partnerships, sponsorships and more modest advertising arrangements for outside businesses normally provide significant revenue that can be in place by opening day, thereby providing critical cash flow as a new facility grows to capacity. Past experience has shown that commercial arrangements with local businesses in the fields of medical services, auto dealerships, financial institutions, soft drinks and beer, pizza, cellular phones and sporting goods all are prime prospects in competitive situations. Industries catering to new home construction and existing homeowners also generate above-average partnership revenues. Related businesses such as real estate professionals, relocation companies, home-security providers, landscapers and furniture stores are prime prospects, as well.

Existing Regional Competition

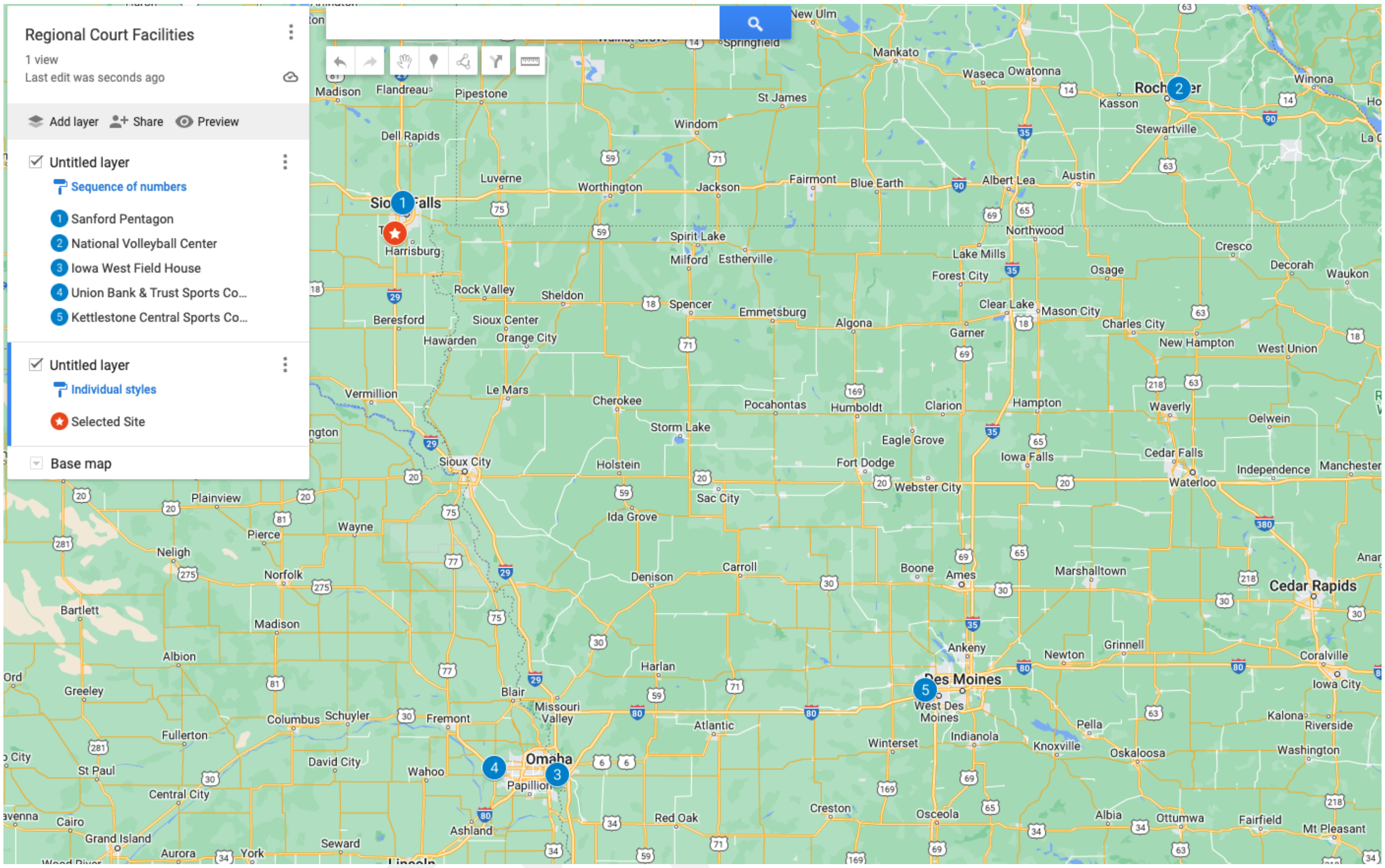
The existing and planned supply of indoor sports facilities in the region is an important factor to consider when evaluating the merits of a proposed new sports complex, as they are likely to compete for tournaments/competitions. Pinnacle reviewed existing facilities in the regional market to better understand the types of facilities that exist and their capacity to host tournaments and other sports events. In order to analyze tm and determine how they relate to tournaments and events, Pinnacle considered the following factors (in no particular order):

- **Location**
  - Pinnacle evaluated the location of existing facilities compared to Tea's location.
- **Amenities**
  - Pinnacle reviewed the number of courts available and their capability to host large tournaments and events.
- **Site**
  - Pinnacle analyzed the condition of the site, layout efficiency and ease of access.
- **Market**
  - Pinnacle considered the sports tourism amenities available in each facility's market.

Pinnacle identified five regional hard-court facilities in South Dakota, Iowa, Nebraska and Minnesota that are within a four-hour drive of Tea that could potentially compete with a sports tourism facility in Tea. Those facilities are detailed below. (Analysis criteria: A minimum of six basketball courts convertible to at least six volleyball courts.)

See map on the next page for exact locations of each facility.

Regional Hardwood Court Competition Sample		
Facility	**Location**	**Assets**
Sanford Pentagon	Sioux Falls, SD	9 hardwood courts
National Volleyball Center	Rochester, MN	6 basketball/11 volleyball courts
Iowa West Fieldhouse	Council Bluffs, IA	8 basketball/12 volleyball courts
Union Bank & Trust Sports Complex	Elkhorn, NE	6 basketball/8 volleyball courts
Kettlestone Central Sports Complex	Waukee, IA	12 basketball/18 volleyball courts (Future development – 2025)


Regional Court Facilities
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Sequence of numbers
1 Sanford Pentagon
2 National Volleyball Center
3 Iowa West Field House
4 Union Bank & Trust Sports Co...
5 Kettlestone Central Sports Co...
Untitled layer
Individual styles
Selected Site
Base map

Existing Local Competition

Pinnacle researched and analyzed existing facilities in the local Tea market, including local service providers that offer amenities and programs similar to those of the proposed facility. These facilities represent potential competitors in the market and may impact operation of the proposed facility. The factors Pinnacle used to perform this analysis included (but were not limited to) the following:

- **Existing sports and recreation inventory**
    - Pinnacle analyzed existing facility inventory in terms of the quantity of available sports and recreation assets in the community.
- **Pricing**
    - Pinnacle examined the market prices of usage fees, rental rates, registration fees and other costs.
- **Seasonality**
    - Pinnacle utilized its experience involving similar facilities to determine the optimized seasonality for hosting programs and events.
- **Program mix and service offerings**
    - Pinnacle reviewed facilities based on type, size, quantity and quality of assets.

These are the types of facilities Pinnacle researched:

- Indoor court facilities
- Indoor turf facilities and baseball/softball training facilities
- Local schools

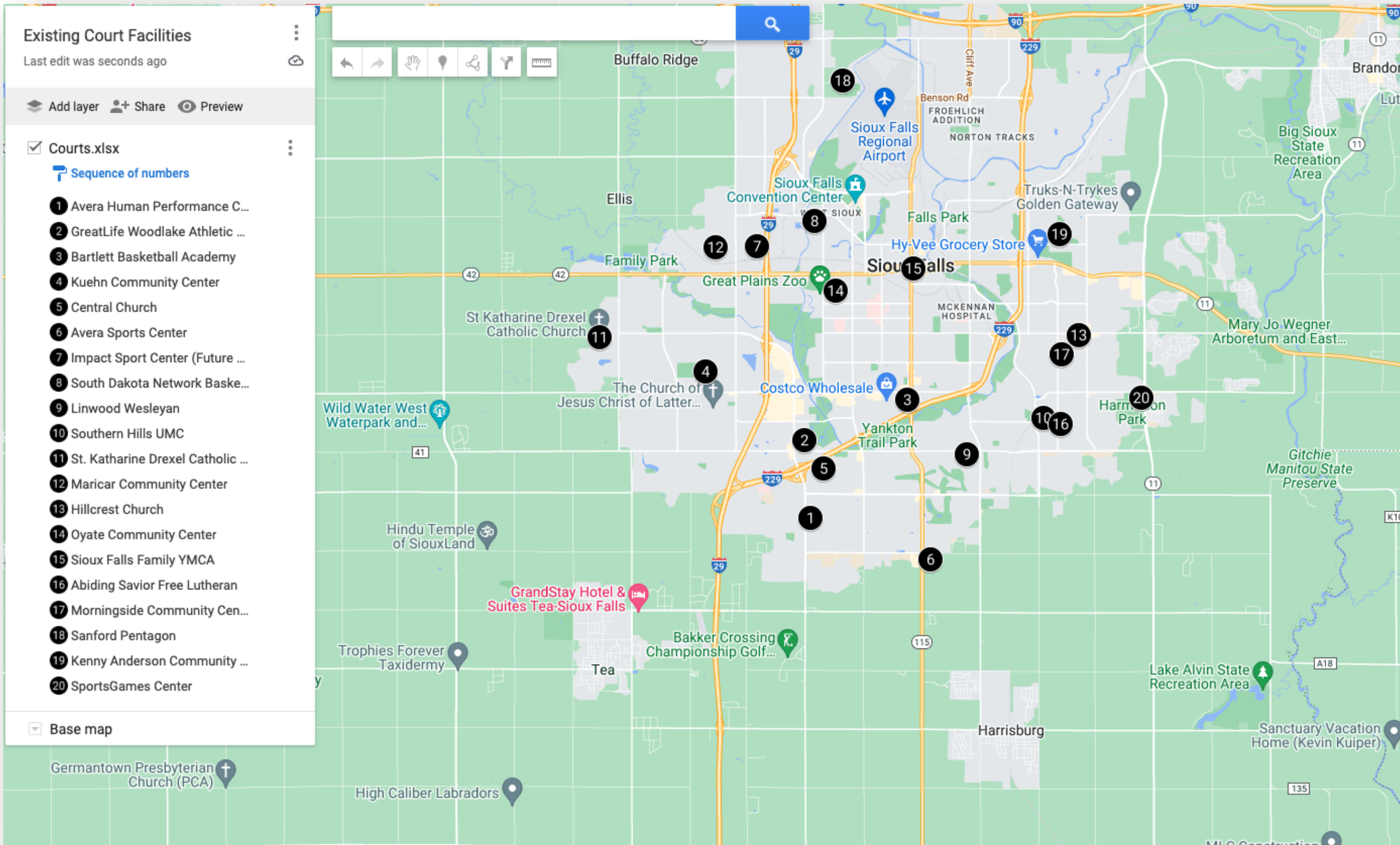
An inventory of indoor courts within a 30-minute drive time near the potential site of the proposed sports facility in Tea reveals 20 indoor court facilities — including municipal recreation and community centers, sports performance centers, a university, churches and a YMCA. While effective in the missions they serve, they are not necessarily intended to host large-scale events that drive tournaments and other events.

Additionally, there are 11 indoor turf field facilities and indoor baseball/softball training facilities within the local 30-minute drive time market.

Pinnacle also identified 14 schools with gymnasiums within a 15-minute drive. Some of those gyms are subject to limited availability, which explains why representatives of local sports organizations said there is a need for more indoor court space in the market.

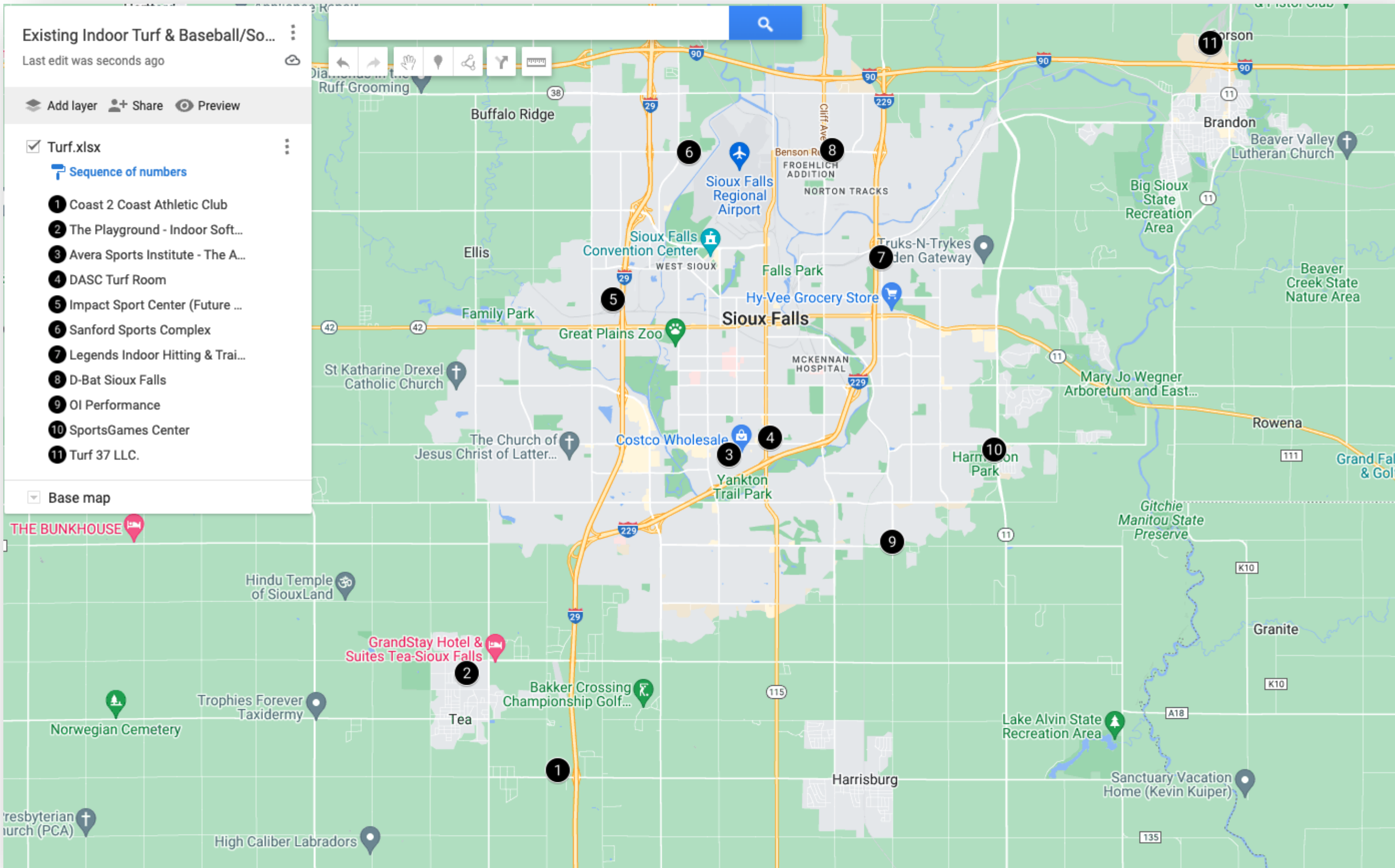
This table lists a sampling of indoor court facilities located within the local 30-minute drive time market. (See map on the next page for specific locations.)

Indoor Court Facilities	Drive time (minutes)
Avera Human Performance Center	9
GreatLife Woodlake Athletic Club	9
Bartlett Basketball Academy	10
Kuehn Community Center	10
Central Church	11
Avera Sports Center	11
Impact Sport Center (Future Development)	11
South Dakota Network Basketball Association	12
Linwood Wesleyan	13
Southern Hills UMC	13
St. Katharine Drexel Catholic Church	13
Maricar Community Center	13
Hillcrest Church	14
Oyate Community Center	14
Sioux Falls Family YMCA	15
Abiding Savior Free Lutheran	15
Morningside Community Center	15
Sanford Pentagon	15
Kenny Anderson Community Center	16
SportsGames Center	18



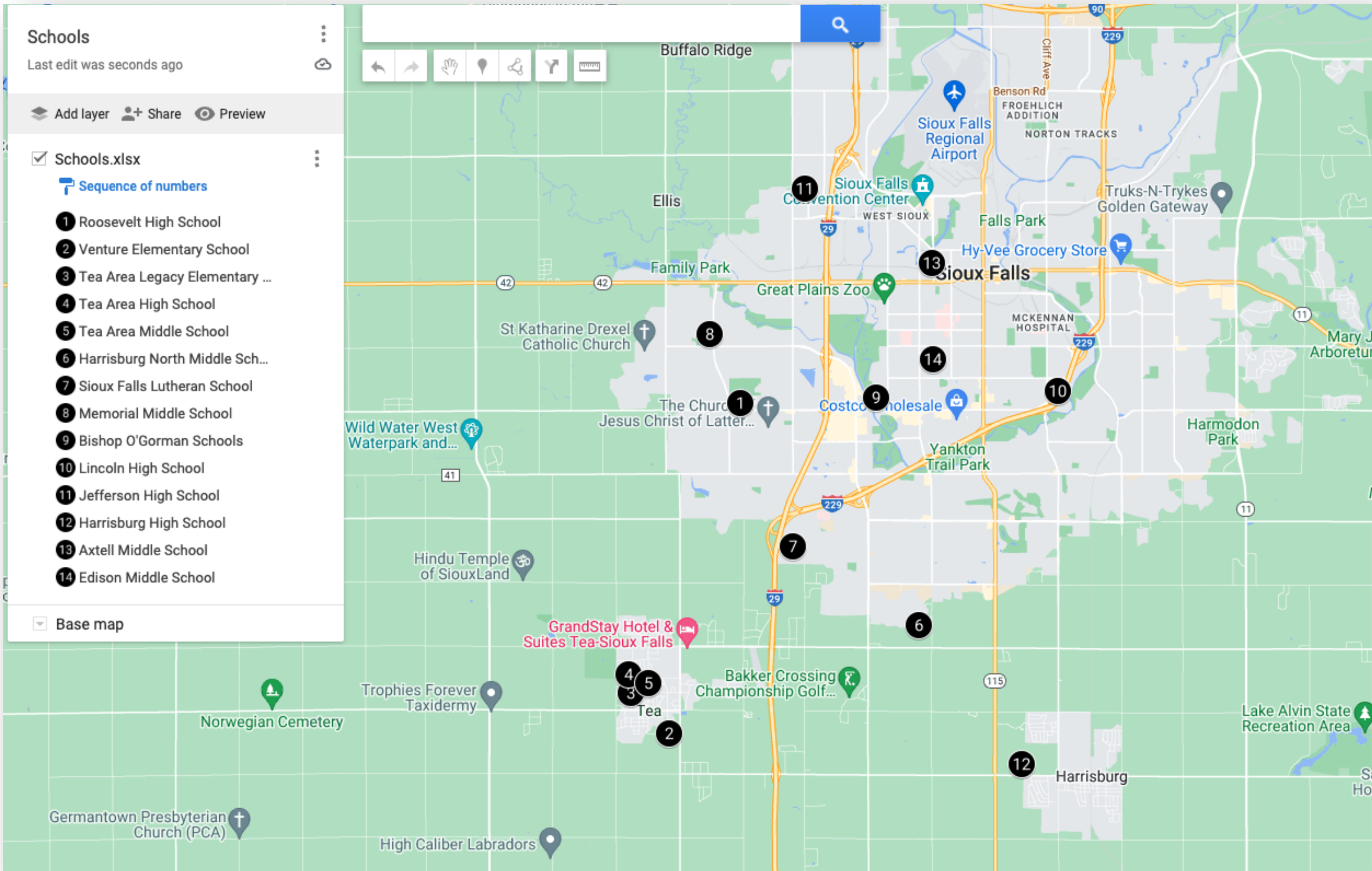
This table lists a sampling of indoor turf facilities and indoor baseball/softball training facilities within the local 30-minute drive time. (See map on the next page for specific locations.)

Indoor Turf Facilities and Baseball/Softball Training Facilities	Drive time (minutes)
Coast 2 Coast Athletic Club	6
The Playground - Indoor Softball Facility	7
Avera Sports Institute - The Avera Dome	10
DASC Turf Room	11
Impact Sport Center (Future Development)	11
Sanford Sports Complex	13
Legends Indoor Hitting & Training Facility	14
D-Bat Sioux Falls	15
OI Performance	17
SportsGames Center	19
Turf 37 LLC.	23



This table lists a sampling of local schools within the local 15-minute drive time. (See map on the next page for specific locations.)

Local Schools	Drive time (minutes)
Roosevelt High School	8
Venture Elementary School	9
Tea Area Legacy Elementary School	9
Tea Area High School	9
Tea Area Middle School	9
Harrisburg North Middle School	10
Sioux Falls Lutheran School	11
Memorial Middle School	11
Bishop O'Gorman Schools	12
Lincoln High School	12
Jefferson High School	14
Harrisburg High School	15
Axtell Middle School	15
Edison Middle School	15


Schools
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Schools.xlsx
Sequence of numbers
1 Roosevelt High School
2 Venture Elementary School
3 Tea Area Legacy Elementary ...
4 Tea Area High School
5 Tea Area Middle School
6 Harrisburg North Middle Sch...
7 Sioux Falls Lutheran School
8 Memorial Middle School
9 Bishop O'Gorman Schools
10 Lincoln High School
11 Jefferson High School
12 Harrisburg High School
13 Axtell Middle School
14 Edison Middle School
Base map
Buffalo Ridge
Sioux Falls Regional Airport
Benson Rd
FROEHLICH ADDITION
NORTON TRACKS
Ellis
Sioux Falls Convention Center
WEST SIOUX
Falls Park
Truks-N-Trykes Golden Gateway
Hy-Vee Grocery Store
Family Park
Great Plains Zoo
Sioux Falls
MCKENNAN HOSPITAL
St Katharine Drexel Catholic Church
Mary Jo Arboretum
The Church of Jesus Christ of Latter...
Costco Wholesale
Wild Water West Waterpark and...
Harmodon Park
Yankton Trail Park
Hindu Temple of SiouxLand
GrandStay Hotel & Suites Tea-Sioux Falls
Bakker Crossing Championship Golf...
Trophies Forever Taxidermy
Tea
Norwegian Cemetery
Lake Alvin State Recreation Area
Harrisburg
Germantown Presbyterian Church (PCA)
High Caliber Labradors

SWOT Analysis

Through multiple interviews, demographics research, existing competition and sports asset analyses, and other market research, Pinnacle identified a range of market characteristics and priorities. The primary driver throughout this process was to analyze the potential for a new indoor sports facility in Tea. The following is a summary of key attributes and advantages, as well as potential and existing challenges:

S

Strengths

- Active market for basketball, volleyball, soccer, baseball/softball and wrestling
- Increasing population and relatively high median household income in target markets
- Tea is located near major interstates and an international airport, and Sioux Falls has a well-developed tourism/hospitality industry
- Tournament amenities (hotels, restaurants, retail, attractions) are available in the area
- Weekend tournaments would offer extended periods for visitor spending
- Youth sports fare well during economic downturns

W

Weaknesses

- National governing bodies and other regional spots associations have well-established relationships with existing facilities
- Limited existing hotel/restaurant inventory in Tea, which would lead to economic-impact leakage into other communities
- Lower-than-average Hispanic population, which could limit adult soccer opportunities
- Youth sports events typically occur on weekends, limiting weekend usage by local residents

O

Opportunities

- Opportunities to forge strategic alliances with local sports organizations and event operators
- Demand/desire for indoor courts and synthetic turf
- Opportunities to host tournaments/events that the market currently is unable to accommodate — thus enhancing the area’s destination reputation
- Opportunities for new indoor programming, including leagues, camps, clinics and youth programming
- Opportunity to provide a climate-controlled environment during summer and extend indoor programming during long winters
- A new sports facility could be a catalyst for new/continued development in the Tea area

T

Threats

- Number of existing facilities in the immediate area surrounding Tea, including well-established sports tourism facilities
- Other private and/or public sports leagues or programming offered in the market
- Future indoor sports facility developments planned for the Sioux Falls area

Project Advantages

Pinnacle identified multiple positive factors as potential contributors to the success of an indoor sports facility. Their impact will be quantified in a full financial model, and they justify taking the next step in the assessment. These factors include the following:

- ***Location's ease of access:*** A primary factor in attracting programming and participants is a location's ease of access; The proposed site for the facility is an easily accessible and desirable location, especially for participants traveling locally or for teams traveling to Tea from out of town for tournaments and events. What's more, the addition of an Interstate 29 interchange near the proposed facility's intended location will create even easier access to the facility.
- ***Public support*:** Successful public or private facilities begin with key institutional alliances that allow for a high level of support throughout the planning, zoning, construction and ongoing operational phases. The proposed project has been met with positive responses from several key organizations in the local market
- ***Sports participation:*** User groups in the local market along with regional and national tournament and event organizers interviewed by Pinnacle expressed enthusiasm for the proposed facility.
- ***Tournament/Event appeal:*** The market surrounding Tea is an established and attractive destination for travel teams to participate in tournaments and other special events, given the high number of teams in the local and subregional and regional markets.
- ***Market:*** Tea is an active community with a strong sports market, and it is expected that a new indoor sports facility would capitalize on local interest when it opens. The facility operator also should seek to expand existing programming in the market at the new facility by partnering with public and/or private program providers.
- ***Available land:*** Land already has been identified and secured for development.

Potential Project Obstacles

As is the case with many new developments, challenges exist for creating and maintaining a financially viable and sustainable indoor sports facility. They include the following:

- ***Financing, capital costs and cost to operate:*** Developing an indoor sports facility is a costly endeavor, and the funding mechanism for the proposed facility must be readily available. Additionally, keep in mind that capital costs have not yet been determined, and there will be an ongoing cost to operating the proposed facility.
- ***Local market rates and market conditions**:* In order to mitigate the need for ongoing subsidization or financial loss, the operations team will need to charge more than the current market rate for space and programs.
- ***Existing competition**:* As outlined elsewhere in this report, the local market has several competing facilities. In order to enter the market, the proposed facility's founding team must be confident in its ability to generate income that meets expectations.
- ***Balance of tournament vs. Local programming:*** There will be limited instances in which local programming competes for inventory of time and space. Therefore, the facility's management team will have to be clear in scheduling and messaging to ensure that local users are aware of tournament and event plans, so that they do not expect to have access to the facility during times when it is programmed for alternate purposes.
- ***Rental business model:*** A business model that relies almost solely on rentals from outsourced local programs sacrifices revenue-generating opportunities, reduces ownership of the business, diminishes control of the customer experience, and limits the facility's ability to maximize scheduling. Existing long-term relationships with key stakeholder organizations, experience in managing facilities and ability to limit overhead expenses help decrease the influence of this issue.

Facility Recommendation & Design Summary

Utilizing detailed research and existing conditions, as well as knowledge of similar sports facilities and experience operating its own facilities, Pinnacle finds demand/opportunity for a new multipurpose indoor sports facility in the Tea market.

Based on the market research conducted as part of this analysis, Pinnacle recommends an approximately 85,000-square-foot multipurpose indoor sports facility with the following elements:

- A competitive floor space for various sports to accommodate six tournament-quality basketball courts — convertible to 12 regulation-size volleyball courts
- One non-boarded synthetic turf indoor field (not intended to drive sports tourism)

By developing the above assets (particularly courts for sports tourism), the facility will have the potential to host a range of events in basketball, volleyball, wrestling, dance, cheer and more — as well as trade shows, expos, and other community events. Given the intended site, there also is room for expansion dependent on the facility's success.

To that end — and as referenced in the Executive Summary — Pinnacle believes that the establishment of a new indoor multipurpose sports and recreation facility in Tea would achieve the following:

- Allow for an improvement in the overall quality of life for Tea residents
- Encourage diverse programming that caters to a variety of partners and stakeholders
- Serve as a destination facility that attracts non-local visitors during off-peak seasons
- Allow for the Tea Parks and Recreation Department to increase its program offerings
- Result in a quality sports facility that generates economic impact
- Spur potential ancillary development by acting as a catalyst for new commercial growth

In order to offer a variety of sports and non-sports programming, Pinnacle suggests several flexible and high-level design recommendations that include the following:

- Attractive entryway with lobby
- Portable/retractable seating
- Meeting/team rooms and office
- Multiple restrooms/changing rooms
- Flex space for meetings/parties
- Ample power supply/configuration
- Public address system
- Full food/drink concessions OR restaurant area with seating
- Retractable space dividers
- Scoreboards and timing systems
- Storage areas
- Wi-Fi service to support live streaming

Other noteworthy recommendations include the following:

- High clear-span ceiling to allow for maximum sports usage
- Overhead doors for large vehicles, portable bleachers and other large equipment access
- Full climate control
- Ample and convenient on-site parking

Such a facility would be utilized to fulfill demand for the following:

- Sports leagues and training
- Sports tournaments and events
- Daytime recreation programs for multiple user groups
- Sports camps and clinics
- Facility rentals by local groups
- General sports/recreation rental

As noted in the Executive Summary, careful consideration also should be given to selecting a location with sufficient adjacent land. This would allow for potential future expansion, contingent upon the initial success of the facility.

As noted elsewhere, the facility would require the commitment of a professional management and operations team with experience in local programming and hosting tournaments/events. Staff must act in the best interests of the facility, from overseeing daily management to actively seeking new programming opportunities to keep the facility operating at peak performance.

Next Steps

Should the Client decide to move forward with the proposed facility, Pinnacle recommends a series of next steps. The typical planning process to assist in fully analyzing the concept for — and the operational performance of — the proposed facility includes the following:

- Confirmation that the designated site for the proposed facility can accommodate the required programmatic elements — resulting in the creation of an optimal facility layout and establishment of business models.
- Development of a capital/funding plan that covers the development costs of a new indoor multipurpose sports facility.
- Exploration of potential partnerships with public and/or private operators with extensive experience in booking, marketing and servicing multipurpose sports tourism facilities.

Pinnacle is available to assist with any or all of the above steps and welcomes the opportunity to discuss these findings with the Client in order to support development of the proposed facility.

Proposed Facility Layout

Forthcoming

Exhibit I: Selected Interview Notes

Basketball

- Heartland States Basketball Championship
- Hoops Midwest
- Mid America Youth Basketball
- Premier 1 Events
- Teammate Basketball

Baseball/Softball

- Sioux Amateur Baseball League

Football

- Sioux Falls Storm Professional Indoor Football

Soccer

- Watertown Youth Soccer Association

Volleyball

- 3STEP Sports
- Blue Silver Sports
- Digz Volleyball
- Junior Volleyball Association (JVA)
- North Country Region Volleyball – USA Volleyball

Other

- Boys & Girls Clubs of the Sioux Empire
- Eastern Sports Management
- Experience Sioux Falls
- National Collegiate Table Tennis
- Prep Network
- Project Victory
- Sioux Falls Area Pickleball
- USA Field Hockey
- USA Taekwondo

PROJECT VICTORY

The following is a summary of interviews Pinnacle conducted with 15 members of the Project Victory Stakeholder Group:

- The group's vision to spur economic development in the area
    - Host enough events and programs for the proposed facility to pay for itself
    - Must be a community asset for active recreation
    - Potentially a phased approach
    - Courts and turf (two infields)
    - How can we balance community usage with sports tourism?
        - Residents are unlikely to enjoy a facility that can't be utilized by the local community
- Funding: TIF District
    - Challenges: Constitutional debt limit, meaning a city can only have a certain amount of debt
        - City of Tea has $27 million available in its debt limit, meaning that's the maximum amount it can borrow
    - There are other funding mechanisms, but the TIF will cover most of the project's cost
    - Residents are "overly sensitive" about taxes right now, especially because of the school development projects
        - Residents already are voicing their opinions about this facility and the tax implications
    - Residents need to understand the tax implications and how the Orthopedic Institute will be involved in any potential project
- There is some concern about whether Tea has the population base to support the type of facility envisioned
- There also is concern about "the big existing facilities … funded by hospital systems"
- It could be a challenge convincing residents who might not have much use for the proposed facility that it would be a positive addition to the community
- Messaging to the community explaining how the proposed facility will be funded and operate will be critical to this project's success
- The area near the proposed site is growing rapidly
- The economic impact report will be key to this project
    - A majority of economic impact will go to Sioux Falls, because most of the new hotels will be in Sioux Falls and not Tea
    - The main goal is develop a facility for the public to use
- There is a need for additional indoor space in the area
    - Space is limited at schools
    - There is the belief that the Sanford Sports Complex and the proposed facility in Tea could co-exist, because of the prevalence of travel teams in the market
    - Both facilities could partner for larger tournaments and events

- Facilities in the area include:
  - Tea Athletic Complex
    - 6 diamond fields
    - 5 youth fields (4 are softball regulation and 1 is slightly larger)
    - 1 older youth field (approximately 325-foot fences)
    - 1 multipurpose field for flag football and soccer
  - Venture elementary gym for indoor sports
    - 3 courts (funded in part by the City, which gives the City access to courts for indoor needs)
    - If the Tea's parks and recreation programs outgrow this space, they could potentially use the proposed facility
- Programs offered by Tea Parks and Recreation
  - Soccer: Spring and Fall
  - Flag Football: Fall
  - Adult Volleyball: Winter
  - Adult Pickleball
  - Youth Indoor Basketball
  - Youth Indoor Softball: Winter
  - Youth Indoor Soccer: January/February
  - Many indoor sports are in their first year but are likely to grow is new assets are offered in the area
- Needs in the community:
  - Open space for simple ballfields for 8U-10U
  - Centrally located hard courts with hoops that can be lowered
  - Full-size indoor turf with dropdown batting cages and adjustable basepaths
  - Indoor track
  - Indoor walking track (requested by residents)
  - Pickleball courts
  - Indoor community pool
  - Concession area with more food options than the traditional hot dogs, pretzels, and chicken fingers
  - Full-size dome to host high school games (Sioux City recently built a dome that appears to be popular)
- From a municipal recreation standpoint, there are opportunities for both competitive and recreational leagues at the proposed facility
- Harrisburg area offers a large basketball league (Big Sioux Youth Basketball League) and volleyball league
  - Primarily recreational in nature
  - Teams play at schools and leagues are at capacity; participants are turned away

- Programming opportunities at the proposed facility:
  - Pickleball
  - Volleyball (While there are no clubs in the Tea area, there clubs in Sioux Falls and Brandon; there also is the perception that Avera Sports monopolizes volleyball programming)
  - Triathlon training
  - Summer wrestling training (2 times per week for 1.5 hours from May-August)
  - Adult sports (little programming exists in the Sioux Falls area for adults)
  - Indoor hitting leagues
  - In-house leagues for other sports
  - Sports performance training
- Tea Parks and Recreation is in the process of starting a softball league with Harrisburg
- Indoor turf space is hard to find in the area
  - Coast 2 Coast in Sioux Falls has cages and a small turf area
  - A local softball coach has her own training space
  - Sanford Sports Complex has indoor turf and cages
- Tea Area High School is in the process of adding a performing arts center and an auxiliary gym
- There is some belief that Sanford Sports Complex's fees are expensive
  - There also is the perception that diamond-field sports are given low priority
- Boys' and girls' wrestling is popular in South Dakota
  - The season runs from December-March
  - Tea Area High School as 120 wrestlers who practice at school and will also use the auxiliary gymnasium when it is built
  - There aren't many wrestling clubs in the area because of sanctions for school participation
  - If the proposed facility comes to fruition, at least one wrestling club likely would be developed there — most likely in the summer (May-August)
  - The state wrestling meet is held at the Denny Sanford PREMIER Center, which charges $40,000 for a 2-day wrestling event; that event is moving to Rapid City
  - The AAU state wrestling tournament has 1,200 wrestlers but is leaving Sioux Falls
  - The Denny Sanford PREMIER Center will not guarantee space for a large wrestling event if there is a more profitable event — such as a rodeo — interested in the space
  - Large wrestling events could be hosted at the proposed facility, if it is designed to accommodate 1,200-1,500 wrestlers
  - Tickets sold last year at a large youth wrestling event with 1,500 participants:
    - 1,900 2-day adult passes
    - 1,400 1-day adult passes
    - 1,100 2-day student passes
    - 100 1-day student passes
    - 600 coaching tickets

        - Approximately 90% of participants and families stayed overnight for the event
        - Event ran from 8 a.m.-6 p.m. and required 8 mats (42-by-42 feet)
        - Requirements:
            - Seating for 5,000-6,000
            - Parking
            - Concessions
            - Locker rooms (not required but would be nice)
    - Basketball is popular in the market
        - AAU programs:
            - May-July (6 -7 mostly regional tournaments)
            - October-February (8-9 tournaments mostly local tournaments)
            - Most off-season training is done at high schools, but gym availability is slim
            - If the proposed facility comes to fruition, local AAU teams would consider using it for the following:
                - Leagues: Yes, potentially 26 teams
                - Camps: Yes, potentially 50 or more participants
                - Clinics: Yes, potentially 25-50 participants
                - Rentals: Yes, for a minimum of twice per week for 1.5 during the season
- Local travel baseball teams train indoors at the high school with five batting cages and compete primarily in local tournaments
- Local youth football programs are active at Sanford Sports Complex
- Local wrestling, baseball and football coaches would potentially use the proposed facility for the following:
    - Leagues
    - Camps
    - Clinics
    - Rentals
        - Wrestling: 3 times per week for 2.5 hours during the season
        - Baseball: 2 times per week for 2 hours
        - Football: 2 times per week for 2.5 hours during the winter if the field is at least 40 yards

BASEBALL/SOFTBALL

Clubs

- Baseball has a lot of participants in South Dakota, and one local baseball club in the area is the **Sioux Amateur Baseball League** — a wood-bat league for adults with 90-foot basepaths and full fields
    - 12 teams

- Teams participate in tournaments with "young" and "senior" brackets
- Geographical reach is up to five hours away
- Season: May-August
- Teams play on outdoor turf fields
- The league uses Gym 3:23 for indoor training; training is determined by players on an individual basis
- A representative of the club believes a new indoor-turf training area with cages would be used consistently
- Ideal facility:
    - Enough space for grounders and infield training
    - Minimum of 2 pitching lanes
- If the proposed facility comes to fruition, club members potentially use it for:
    - Rentals: December-April for at least four hours per week and would pay a membership fee to use cages
- The club representative believes that indoor hitting leagues offer an opportunity

BASKETBALL

<u>Event Promoters</u>

Mid America Youth Basketball: Matt Flaming, Executive Director

- **Mid America Youth Basketball** hosts more than 300 events year round — including 12-15 per year in the Sioux Falls/Tea area
    - Seasonality of events: primarily November-August
    - In the Sioux Falls area, the company hosts events 2 weekends per month between October-July
    - Events are typically 1-events with 3 games guaranteed, but there also are some 2-day events with 4-5 games guaranteed
    - Average number of teams that participate in Sioux Falls-area events
        - 50-60 (winter/spring)
        - 90-100 (summer)
    - Age groups: Grades 1-12 (boys and girls)
    - Fees:
        - $175/team for three games guaranteed
        - $315/team package pricing available for 4-5 games guaranteed
    - Gate fees: Yes
    - No stay to play policy
    - Most events will require 10-12 courts (10 teams per court) but it depends on the number of teams
    - For events in the Sioux Falls/Tea area, approximately 30% of teams travel and stay overnight
    - Facilities used in the Sioux Falls/Tea area vary, and there are area directors that run the events locally

        - Some area directors own their own facilities, while others rent from schools and colleges
        - Typical rental fee: $30-$40 per hour per court.
    - Challenges in the area include gym space and attracting teams to fill all age divisions
    - Ideal facility configuration:
        - 6-8 courts sized for high school or college play
        - Moveable goals down to 8.5 feet
        - Concessions, restrooms and parking
        - Ample room for spectators, especially near the entrances and common areas
    - A company representative indicated interest in utilizing the proposed facility to host 1-2 tournaments per month between November-July
    - The representative believes the Tea (Sioux Falls) market would be a regional draw for tournaments and events, because the promoter has existing successful events in the Tea area
        - Basketball is popular in Tea and the surrounding region

- Another basketball tournament promoter is **Teammate Basketball**, which operates 40-50 events per year in 15-16 states (but not South Dakota)
    - Tournament season: February-June
    - Average about 40-80 teams per event (80 teams if using 6-8 basketball courts) from grades 2-12 (primarily grades 5-8)
    - Tournament entry fees:
        - $225-$350 per team for 2-day events
        - 3 games guaranteed
        - 90% of events are Saturday/Sunday
    - Gate fees: $10/person per day or $20-$25 for the weekend pass
    - The events are held at indoor sports complexes or school gyms, with an average rental cost of $50-$60 per hour per court
    - Up to 60% of teams stay overnight
    - There is no stay-to-play policy
    - The company also operates one national event with 300-350 teams.
        - It was held in Virginia Beach but has relocated to Rock Hill, SC, for the next 3 years
    - The company also runs a Fall/Winter Basketball Series from November-February
        - 1-day tournaments held in Kingsport, TN
    - According to a company representative, access to school gyms is becoming more difficult
    - Impression of a proposed facility in the area = neutral
    - A company representative does believe Tea (Sioux Falls) would be a regional draw for tournaments and events

  - The company would consider hosting 1-2 2-day events at the proposed facility per year
  - Ideal configuration of the proposed facility:
    - 6 hardwood basketball courts (not modular surface)
    - Other Amenities Desired: Spectator seating, parking, restrooms and concessions
    - Event requirements: Hotels and restaurants nearby
  - The company would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities at the proposed facility

- A representative of **Heartland States Basketball Championship** believes Tea is in need of an indoor sports facility, but it would be difficult to attract teams to Tea
  - The promoter would use Sioux Falls as the draw, rather than Tea
  - Six courts at the proposed facility in Tea would not be enough to satisfy the tournament's needs
  - It can be difficult for outside organizations to conduct business with the Sanford Pentagon
  - The 2024 event will be held on 11 courts at three facilities in Sioux City, IA
    - More than 150 teams (with the potential to increase to more than 500 teams)
    - Most teams stay overnight
  - Ideal facility:
    - 8-12 hardwood courts with adequate support spaces
  - The representative does not believe Tea would be a regional draw for tournaments and events

- Another basketball events promoter is **Hoops Midwest**, which operates 30 events per year mostly in Mid-Missouri and parts of Illinois
  - Events are held year-round except during the month of September
  - Number of teams per event average is 20-40 from ages grades 3-12
  - Tournament entry fees: $200 per team for 1-day events and $300 per team for 2-day events
  - 3 games guaranteed for 1-day events and 4 games for 2-day events
  - Depending on the size of event, tournaments are round robin or pool-play format
  - Gate fees = $10 per-day (free for kids under 10) or $15-$20 for a 2-day event
  - Teams travel within a 50- to 250-mile radius
  - Events are held at private sports facilities or municipal facilities
    - Average rental cost: $35 per hour per court
  - Up to 70% of teams stay overnight for 2-day events; up to 25% stay overnight for 1-day events
    - No stay-to-play policy

- Ideal configuration of the proposed facility:
  - 4-8 full-size hardwood basketball courts
  - Other Amenities Desired: Concessions
  - Event requirements: Parking and spectator seating
- The company would not consider hosting events at the proposed facility, since it focuses on primarily on the mid-Missouri market

- **Premier 1 Events** is a basketball event promoter that currently runs basketball tournaments across 12 states — mainly in the Northeast
  - Average about 200 teams per event
  - Events are 2 days, with a national 3-day event held at Spooky Nook in Lancaster, PA, with about 300 teams and utilizing all 30 basketball courts
  - Entry fees are $295-$395 per team for 3 games guaranteed
  - The event does charge gate fees (about $10 per person per day)
  - The organization utilizes/rents private schools, which charge $50-$60 per hour per court
  - On average, 50%-95% of teams stay overnight for events, depending on the location and size of a given event
  - Teams travel within a 3-hour drive time of the event destination; larger events will draw teams from further than 3 hours away
  - There is no stay to play policy
  - Ideal configuration of a proposed facility for tournament play:
    - 8-12 high school full-size basketball courts
    - Preferred Surface: Wood
    - Other Amenities Desired: Spectator seating and concessions
  - A representative of the organization said that while Tea likely would be a regional draw for events, the promoter would not host tournaments at the proposed facility because it is focused on events only in the Northeast
  - The representative did add that, since the pandemic, it has been difficult to secure private school gyms to host events
  - The representative believes that while Tea (Sioux Falls) likely would be a regional draw for tournaments and events, Premier 1 would not have an interest in hosting tournaments at the facility because it is focused on events only in the Northeast

FOOTBALL

<u>Clubs</u>

- The **Sioux Falls Storm** is a professional indoor football team
  - The 8-game season runs March-July, with the playoffs/championship game in August
  - There is no indoor training during the off-season at this time
  - The team practices at the facility at Orthopedic Institute of Sioux Falls

  - Games are held at the Denny Sanford PREMIER Center
  - A team representative opted not to disclose facility rental fees
  - The team offers three free youth camps per year, with approximately 100 participants each
  - The team representative believes there is "absolutely" a need for additional indoor sports space in the area
  - Ideal facility configuration:
    - Multi-use sports/entertainment facility
    - Indoor turf (minimum of 50-by-80 yards) with high ceiling heights and no center-hung obstructions
    - Seating for approximately 3,500
    - Concessions with family-friendly pricing
  - If this facility comes to fruition, the team would consider moving its games there
    - Practices during March-July for an estimated 20 hours per week
  - The representative believes a new sports development in Tea would be a benefit to the entire Sioux Falls Metropolitan Area

SOCCER

<u>Clubs</u>

- Competitive soccer is played year-round in the market, and one popular year-round club is the Watertown Youth Soccer Association, which participates in 2 tournaments every 6 weeks
  - Indoor tournaments are held in the winter, including one in a dome at Aberdeen College
  - The club pays $250 per hour for indoor winter practices on a 25-by-40-yard field
  - The Sanford facility is the largest in the area but has no availability
  - The Avera Sports Center now reportedly has no affiliation with Avera
  - A full-size indoor soccer field at the proposed facility would be ideal
  - A representative of the club believes the facility would be a positive addition to the community, as long as local residents support it
  - The challenge, according to the representative is convincing people who may not use the facility that it will be beneficial to the community
    - Property taxes already are high as a result of school development projects, and residents already are voicing their concerns about the proposed facility and its tax implications
  - If the proposed complex comes to fruition, the club would potentially use it for the following:
    - Leagues: Yes but there needs to be a separation of recreational and competitive divisions
    - Camps: Yes, if it's high-level coaching
    - Clinics: Yes if it's high-level instruction
    - Rentals: Yes, 2 times per week for 3 hours from November-April

VOLLEYBALL

Associations

- There are 15,000 members in USA Volleyball's **North Country Region Volleyball** association
  - The region sanctions about 200 events per year
  - Season: December-May
  - Number of teams per event varies from 16-32 teams
  - Entry Fees:
    - 1-day: $125-$200 per team
    - 2-day: $350-$495 per team
  - Gate fees are determined by the facility and usually range from $5-$10 per person per day
  - About 95% of events are 1-day events
  - In order to host an event, the facility mut be a member of the region
  - The region runs about 15-20 events per year
  - Entry Fees:
    - 1-day: $125-$200 per team
    - 2-day: $350-$495 per team
  - Most are 1-day events; for 2-day events, about 15% of teams stay overnight
  - The association utilizes convention centers, schools and community centers
    - Rental fees on average are $60 per hour per court. Utilize convention centers, schools, and community centers. The Director did mention they stay away from using private facilities since they try to compete with the region
  - The association prefers not to utilize private facilities, because they often compete with the region
  - Impression of a proposed facility in the market = positive
  - The region would commit to running 5 events at a proposed facility from December-May
  - The region would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities
  - Ideal number of courts:
    - Minimum of 4 but ideally 8
    - Hardwood courts
    - Spectator seating, parking, bathrooms, team areas
  - An association representative believes Tea would be a regional draw for tournaments and events
  - Leagues are unregulated at indoor sports facilities
  - The association would consider using the proposed facility for officials training, coaches' education, high performance clinics and more

- Another volleyball association active in the area is the **Junior Volleyball Association**
  - There are 9 JVA member clubs in South Dakota
  - Neighboring states have more members
    - Minnesota (216)
    - Nebraska (47)
    - Iowa (9)
  - JVA considers a reasonable driving distance to be 6 hours, since all of its hosted events are 2 or 3 days.
    - That travel distance is cut by about two-thirds for one-day events
  - Club season is November-June
  - High school season is in the fall
  - Sand season is June-August
  - Sand volleyball is in its early stages of growth but growing fast, thanks to the NCAA collegiate beach volleyball programs
  - JVA sanctions tournaments nationally, with a rundown of all of them at jvavolleyball.org
  - Number of teams per event varies from 24 to 240
  - Entry Fees:
    - 1-day = $250-275 per team
    - 2-day = $525-$550 per team
    - 3-day = $795 per team
    - Gate fees range from $10-$15 per person per day
  - The association partners with Beach Volleyball Clubs of American, an organization that runs sand leagues and events
  - JVA currently holds 1 national and 5 regional events per year, utilizing sites with space allowing for a minimum of 44 volleyball courts — up to 1,112 courts for the largest event
  - Rent is paid and gate fees are retained by the association
  - Local events in rented facilities may see a $10-$15 per person per day gate fee applied and retained by the venue
  - Boys' volleyball is growing nationally (especially in MN, IL and WI) and JVA hosted 4 events in 2023 (1 national and 3 regional events)
  - There is no rule within the association that a facility needs a club to run an event
  - The association does have a need for venues for coaching education, clinics and other special events, and it would potentially use the proposed facility in partnership with club members
  - The association does not run any adult programming or events
  - Volleyball is seeing large growth across the country, and there is an opportunity to spur that growth with a facility in an underserved area
  - A representative of the association believes Tea (Sioux Falls) would be a regional draw for tournaments and events.

Event Promoters

- **Digz Volleyball**, which has been active for 11 years, started as a single tournament in Sioux Falls and grew to approximately 15 tournaments per year
    - The company only rents facilities for tournaments and events
    - Most events are in Sioux Falls, with some schools in Tea utilized
    - 15 events between September-April
        - Held every other weekend
        - Most are 1-day events on a Saturday
        - Only 2 are 2-day events
        - He does 5 teams per court
        - Participation: 20 teams is ideal
    - The company utilizes:
        - Sanford Pentagon on an hourly basis at "a highly discounted rate"
        - Avera on an hourly basis for $30 per hour
        - Unify Center-Special Olympics South Dakota by the day for $25 per hour
    - Majority of tournament teams do not stay overnight
    - The company's large 2-day tournaments (at Sanford) have the most overnight stays (25% of participants)
    - A company representative believes there is a need for additional court space in the area
    - The representative believes Tea is an ideal location for a new facility but cites the lack of dining options
    - Ideal facility:
        - Minimum of 4 volleyball courts
        - Spectator seating and parking
    - If this complex comes to fruition, the promoter would consider renting it or 4 or more tournaments per year
        - The promoter also is open to partnering with the facility to make it one of his full-time tournament locations

- **Blue Silver Sports** operates volleyball tournaments mainly in the Northeast (New England) area
    - Events are sanctioned under AAU, and AAU volleyball is AAU's biggest sport nationally with 230,000 members
    - The promoter operates 12 volleyball events per year
        - December to early May
        - Average number of teams = 300
        - Entry Fees:
            - 2-day event: $525 per team
            - 3-day event: $625 per team
        - Gate fees: $12 per day or $20 for the weekend

        - The events are held at private indoor sports facilities or school gyms; average rental cost is about $65 to $75 per hour per court
        - Percentage of teams that stay overnight for events is about 50-70%; the promoter does not have a stay-to-play policy

    - A representative of the company believes Tea (Sioux Falls) would be a regional draw for events
    - The company would consider hosting 3 volleyball events at the proposed facility from December-May
    - Ideal facility configuration:
        - 12 to 16 volleyball courts
        - Multipurpose surface
        - Ample parking, restrooms and concessions
    - The company would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities

- **3STEP Sports** is an events promoter that runs basketball, volleyball, and soccer events — with basketball being the largest
    - The organization currently runs basketball tournaments across 48 states and hosts about 900 events
    - Average about 214 teams per event
    - Events are 2 days, with the National event being 3 days with 375-400 teams
    - Entry fees are $375-$575 per team for 3 games guaranteed
    - Tournaments do charge gate fees (approximately $20 per person for the entire weekend)
    - About 35% of local/regional teams/participants stay overnight (85% of participants stay overnight for national events)
    - There is no stay-to-play policy for local and regional events, but one is in place for national events
    - Volleyball Events:
        - The company runs about 100 events per year
        - About 120 to 1,000 teams per event
        - Events are 2 days
        - Entry fees: $500-$1,000 per team
    - A company representative did mention that its soccer events are in the early phase of development, but he sees potential growth
    - The organization utilizes/rents private facilities and schools
        - Average rental cost = $55-$70 per hour per court
    - What would it take to move all or some of the organization's events to a proposed facility? Cost (with a multi-year agreement), flexibility and ability to run volleyball events

    - The company representative believes Tea (Sioux Falls) would be regional draw for tournaments and events, but the proposed facility would need support from the CVB to bring events to town because it is a smaller market than some sports tourism destinations
    - Amenities desired at a proposed facility:
        - 8-20 high school full-size basketball courts and 16-24 volleyball courts
        - Wood or modular surface
        - Spectator seating
        - Conference rooms
        - Event Requirements: Hotels, airport access and ample parking
    - The representative said the company would consider hosting events at the proposed facility if there were some form of incentive

OTHER

- The **Boys & Girls Clubs of the Sioux Empire** does not operate any programs in Tea, but there is potential for expansion to the area
    - A representative of the organization did indicate a need for more indoor recreation space in Sioux Falls, but preferably at the organization's existing sites
        - There is not a need for space outside of its own sites
    - Most of the organization's youth programming is held at local schools in partnership with an after-school program
        - Use of school gyms is free
    - The organization's teen programs are located at its teen center in downtown Sioux Falls
    - This spring, the organization is breaking ground on a BGC Club attached to George McGovern Middle School that will include a gym with space dedicated to the club
    - The organization does offer youth sports programs, mainly in basketball and taekwondo
    - The organization does want to add more gyms to its existing sites, but nothing is scheduled
    - In the next 3-5 years, the organization would like to break ground on another middle school club in the Sioux Falls area
    - Sports most in need of indoor facility space in the community = basketball, pickleball, and lacrosse (which is starting to grow in the Sioux Falls area, according to an organization representative)
    - The organization offers summer camp/care for 8 weeks to kids in grades K-5
        - About 750 kids attend the camp
    - Availability of indoor space in the market is limited
    - The representative believes some organizations in West Sioux Falls would gravitate to Tea for programs

  - The representative is unsure if there is a need for an additional indoor sports facility in the market, unless the BGC expands to the Tea area
  - To expand into Tea, the BGC would need understand the area's needs and if there is a large need for afterschool programming
  - Challenges with Tea:
    - Accessibility to Tea based on the location

- **Eastern Sports Management** specializes in the management of sports and recreation complexes across the United States
  - The company is currently designing or managing fourteen facilities in Virginia, Pennsylvania, Tennessee, Oklahoma, Arkansas and Maryland
  - 10 of these 14 facilities are public/private partnerships
  - ESM has another 10 projects in the funding and design stages
  - Gate fees at events vary, but in general fees are $5-$20 per day
  - The company is looking to implement stay-to-play policies for its events
  - Currently, about 30% of teams stay overnight for events/tournaments
  - Impression of a proposed complex in the Tea market = a smaller facility would be prudent (100,000 square feet or smaller)
  - Ideal configuration for this type of facility:
    - 4-6 basketball courts
    - FEC
    - Appropriate storage
    - Full kitchen and seating area
    - Ample parking
  - Requirements for regional tournaments/events:
    - Enough quality hotels and restaurants within 20 minutes of the facility to provide a quality tournament experience
    - On-site entertainment
  - ESM would consider managing/operating the proposed facility, but it would be dependent on the structure of the agreement

- According to **Experience Sioux Falls**, there are 56 hotels in the market (5,071 rooms), with two more hotels under construction that will add 450 rooms
  - Average daily visitor spending in the state is $108.30, with the average hotel daily rate at $118.00
  - Peak hotel season is June-September for sports, conventions, meetings, etc.
  - The organization does pursue new business and, in case-by-case situations, will support sports groups financially (such as bid fees, etc.)
  - The organization also is active in bringing in conventions, sporting events/groups, etc.
  - There is one convention center in Sioux Falls, which is connected to two arenas for a total of 132,000 square feet of space; availability is limited

  - The organization would be willing to help promote the proposed indoor sports facility to outside groups and assist with group sales efforts
  - A representative of the organization is not aware of any new expo/convention space being built in the area but did indicate the City of Sioux Falls is considering building a new convention center and replacing the current one (which is small and outdated) with a recreation center
  - The current convention center is busy and booking 3 years out
  - The representative does believe there is a need/opportunity for a large multipurpose space in the market
  - The representative did state that volleyball and basketball groups have been turned away in recent years, due to a lack of available space
  - Impression of a proposed facility in the market = positive
  - The representative does believe there is a need for an additional indoor sports facility in the market
  - The representative does believe Tea (Sioux Falls) would be a regional draw for tournaments and events
  - Most teams that come to Sioux Falls for events are from within a 3- 5-hour driving distance (Rapid City; Minneapolis; Omaha, NE; Fargo, NE; and some from Kansas City)
  - Ideal configuration of a proposed facility
    - 6-9 basketball courts that convert to 12-18 volleyball courts
    - Pickleball courts

- **National Collegiate Table Tennis** operates events in North America and serves college/university teams (most of which are club sport albeit there are a handful of varsity teams)
  - The association hosts/operates 60 events per year
  - Season: October through April
  - Events are broken down by Division Tournament, Regional Tournament, and National Championship
  - Average number participants per event:
    - Division: 20-60 athletes for 1-day event
    - Regional: 100-200 athletes for 2-day event
    - National: 350 athletes for 5-day event
    - Entry Fees: $800 to $1000 per school
    - Gate fees only for the national event
    - Participants travel from up to 6 hours away
    - About 30% of individuals stay overnight for a division tournament, 50-70% stay overnight for a regional event, and 100% stay overnight for the national event; there is no stay-to-play policy

    - Division and regional events are held at colleges/universities or private indoor sports facilities, with rental fees of $100-$300 per hour for a 12-hour day.
        - The 5-day national event is held at Round Rock Sports Center, which charges $42,000
  - Impression of a proposed facility in the area = positive
  - A representative of the association does believe Tea (Sioux Falls) would be a regional draw for tournaments and events
  - The association would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities
  - The association would consider hosting 2-3 events per year at the proposed facility from October to late April
  - An airport needs to be within a one-hour drive of the hosting facility, and a nearby table tennis club is required to help staff events with volunteers
  - Ideal configuration of the proposed facility:
    - Open space of 40,000 to 60,000 square feet
    - Quality lighting
  - The organization would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities

- **Prep Network** is an events operator that runs basketball, volleyball, and 7-on-7 football and soccer events/tournaments
  - Basketball events are typically independent, but some showcase events are sanctioned by the NCAA or run the day before a USA Volleyball event
  - Most of events are held in the Midwest, with some in the South and Northeast
  - The company operates 200 events per year from March to early July
    - Events average 100 teams
    - Entry fees: $450-$500 per team for a 2-day events with four games guaranteed
    - Gate fees: $15-$20/person for the weekend
    - Teams travel within a 4- to 6-hour drive time of the event destination
    - Events are held at private indoor sports facilities or school gyms, with the average rental cost $50 per hour per court
    - Percentage of teams that stay overnight for events is about 60%; the company does have a stay-to-play policy
  - A company representative’s impression of a proposed facility in the area = positive
  - The representative does believe Tea (Sioux Falls) would be a regional draw for tournaments and events
  - The company would consider hosting 1-3 volleyball events at the proposed facility per year, as well as 1-2 basketball events per year

        - There would need to be a sports-friendly hotel in the area willing to partners with the organizations
    - The promoter also would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities
    - Ideal configuration of a proposed facility for tournament play:
        - 4-12 basketball courts / 8-12 volleyball courts
        - Preferred Surface: Wood for basketball and modular flooring for volleyball
        - Other Amenities Desired: Flex space, spectator seating, concessions, batting cages, scoreboards

- **Sioux Falls Area Pickleball** has more than 800 members, with more than 1,200 members on Facebook
    - The organization's geographic reach is Sioux Falls and surrounding communities
    - A majority of play takes place outdoors, but players move indoors during the colder months
    - Programs: Indoor and outdoor leagues
        - Leagues take place at a variety of locations in local communities
    - The organization also provide indoor/outdoor training sessions
        - Participation varies, based on demand
    - The organization also is involved in tournaments and events
        - Approximately 4 events per year
        - Average about 250 teams
    - Although facilities are currently meeting the organization's needs, a company representative believes that there is a need for additional indoor facilities in the market — especially during inclement weather
    - Ideal facility:
        - Minimum of 6-8 courts, but 12 or more would be ideal because pickleball is popular in the Sioux Falls market
        - Surface needs to be Acrytech by Stegas
    - If this facility comes to fruition and has pickleball-specific courts, the organization would consider it for the following:
    - If the complex has indoor pickleball specific courts
        - Rentals for leagues, clinics and training sessions
        - Rentals for tournaments and events
    - A representative of the organization believes that Tea is an ideal location for a new facility, especially if it is easily accessible and well-equipped

- There are no **USA Field Hockey** members in South Dakota
    - The sport's season runs from December-March
    - The association runs about 30 regional events per year
        - Number of teams per event average 48 to 230 from U10 to U19

        - Entry Fees:
            - 1-day event: $900 per team
            - 2-day event: $1,400 per team
            - 3-day event: $1,500 per team
        - Teams are guaranteed five games and are played shorter for multi-day events
        - No gate fees
        - Events are held at private indoor sports facilities, convention centers or school gyms
        - Indoor sports center rental costs are approximately $24,000 for a 3-day event
        - About 90% of participants are from out of town and travel 75 miles or further to the events the association does have a stay-to-play policy
    - Impression of a proposed facility in the area = USA Field Hockey would struggle to support an event in the Tea/Sioux Falls market
    - A facility must be a member of the association in order to host USA Field Hockey events
    - The organization would not consider exploring the possibility of hosting an event at the proposed facility
    - Ideal configuration for an indoor field hockey facility:
        - 9 regulation-size indoor field hockey courts (90-by-130 feet) with boards/bumpers
        - Preferred Surface: Hardwood or modular flooring
        - Other Amenities Desired: Concessions, ample parking, good viewing area and goal cages/netting

- **USA Taekwondo** operates 7 events per year
    - Season: May to September
    - Average number of athletes per event: 700 to 2,000 depending on the event
    - Entry Fees: $219/athlete
    - Events are 3-4 days long
    - Event format: Matches and rounds in a bracketed system
    - Gate fees are $18 per day or $50 per person for a weekend pass
    - Events are held at convention centers or arenas; the average rental costs range from $0 to $15,000
    - About 98% of teams stay overnight for the events; the organization does not have a stay-to-play policy
    - A representative of the association has no specific impression of a proposed facility in the area
    - The representative does believe Tea (Sioux Falls) would be a regional draw for tournaments and events

- The association would consider hosting 1 event at the proposed facility every two to three years
- The association would consider a contractual arrangement to guarantee space and reduce the hourly cost of activities
- Ideal configuration for the proposed facility:
    - 80,000 to 100,000 square feet
    - Meeting rooms
    - Concessions/catering
    - AV/internet/electrical capabilities
    - Loading dock
    - Ability to utilize tables, chairs, risers and pipe/drape
- An airport with multiple daily flights must be nearby
- Hotels and restaurants must be within walking distance of the proposed facility

Economic Impact Analysis
Tea, South Dakota

A REPORT OF THE ECONOMIC IMPACT OF A PROPOSED SPORTS COMPLEX IN THE CITY OF TEA, SOUTH DAKOTA

March 6, 2024

Prepared by:

IMPACT DataSource

PURPOSE & LIMITATIONS

This report presents the results of an analysis undertaken by Impact DataSource, an Austin, TX based economic consulting firm. The analysis relies on prospective estimates of business activity that are hypothetical projections. Impact DataSource and Pinnacle Indoor Sports made reasonable efforts to ensure that the project-specific data reflects realistic estimates of future activity.

The analysis presented in this report incorporates estimates, assumptions, and other information developed by Impact DataSource from its independent research effort.

Impact DataSource and Pinnacle Indoor Sports make no representation or warranty as to the accuracy or completeness of the information contained herein, and expressly disclaim any and all liability based on or relating to any information contained in, or errors or omissions from, this information or based on or relating to the use of this information.

CONTENTS

Study Highlights

- This study estimates the impact of a proposed sports complex in Tea, SD (the "Project").
- The purpose of the proposed facility would be to generate sports tourism in the market and generate economic impact for the area from visitor spending. Additionally, the facility would provide additional sports and recreation assets that would significantly increase the quality of life for Tea residents.
- The estimated construction and development cost of the sports complex is $17.2 million.
- The proposed facility is designed to include six basketball courts that can convert to 12 volleyball courts as well as an indoor turf field.
- The Project is expected to employ 6-8 full-time workers supporting a total payroll of approximately $400,000 per year including part-time workers. The on-site concessions are expected generate approximately $244,000 in taxable sales per year.
- The City of Tea and the Sioux Falls region will benefit from offsite visitor spending on lodging as well as spending at local restaurants and other retail establishments. The developers anticipate hosting 30 indoor tournament event weekends each year where tournament visitors are expected to support 25,216 hotel nights and ultimately $11.6 million in total off-site visitor spending.
    - $2.7 million in hotel spending
    - $7.6 million in restaurant spending
    - $1.3 million in other retail spending
- Over the next 20 years, the tournament visitor spending is projected to be $318.9 million.

Table 1. Tournament Spending Over the Next 20 Years

	Annually	Total*
On-Site Concessions	$244,080	$6,558,521
Hotel Spending	$2,698,112	$72,499,280
Restaurant Spending	$7,587,494	$203,878,816
Other Retail Spending	$1,338,970	$35,978,615
Total	$11,868,656	$318,915,231

* Assumes a 3% annual increase in spending

- In total, the Project through its operations and visitors' spending is estimated to support 209 permanent jobs, $6.8 million in annual household earnings, and $21.6 million in annual economic output or spending in the two-county region encompassing Lincoln and Minnehaha counties.

ANNUAL ECONOMIC IMPACT IN THE REGION*

$21.6M
SPENDING

209 Jobs
$6.8M Household Earnings

Including direct, indirect, and induced effects

* The two-county region encompassing Lincoln and Minnehaha counties.

Indirect and induced impacts *represent the spin-off economic activity resulting from the business-to-business expenditures initiated by the company and the consumer-to-business expenditures initiated by workers spending a portion of their earnings on goods and services in the economy.* ***Economic output*** *is gross output and is the sum of the intermediate inputs and final use. Economic output can be thought of as the value of goods and services sold in the economy or revenues for businesses in the economy.* ***Household earnings*** *or earnings consist of wages and salaries, employer provided benefits, and proprietors' income. For permanent or on-going activity,* ***Employment*** *consists of a count of jobs that include both full-time and part-time workers.*

Study Highlights - Continued

- It is anticipated that a considerable portion of the spending by visitors attracted to the facility in the City of Tea will occur in Sioux Falls due to the availability of hotels, restaurants, and other businesses in Sioux Falls. For sales tax and municipal gross receipts tax projections, this analysis assumes that 95% of off-site visitor spending will occur in Sioux Falls, with only 5% taking place in Tea.

- The Project will generate additional tax revenues for the City of Tea, City of Sioux Falls and the State of South Dakota, a summary of which is provided below. The source of specific revenues are provided in greater detail for each taxing district in the remainder of the report. Overall, the cities will receive approximately $6.1 million in revenues combined over the 20-year period. The Project will generate $13.3 million in revenues for the state.

Table 2. Tax Revenues Over the Next 20 Years for the City of Tea, City of Sioux Falls and State of South Dakota

	Revenues
City of Tea	$559,627
City of Sioux Falls	$5,535,256
State of South Dakota	$13,284,221
Total	$19,379,104

- Over time, as additional hotels, restaurants, and stores are developed, Tea may capture a greater share of visitor spending, leading to increased sales and municipal gross receipts taxes for the city.

These highlights are just a brief summary of the analysis, additional assumptions and details are provided on the following pages.

Introduction

This report presents the results of an analysis undertaken by Impact DataSource, an Austin, TX based economic consulting firm. The report estimates the impact that a potential project in the City of Tea will have on the local economy and estimates the additional tax revenues for local taxing districts over a 20-year period.

Description of the Project

The project involves the design and development of a 85,000-square-foot indoor multipurpose indoor sports facility in Tea, SD.

The proposed facility should include the following components:
- six (6) basketball courts that can convert to twelve (12) volleyball courts, and
- one (1) indoor turf field (100' x 200').

The facility also would feature support services areas such as an attractive entryway, restrooms and changing areas, concessions stand, administrative offices, meeting rooms, and flex space.

Project Plans

The following construction budget is used to estimate the impact of developing the sports complex. In total the complex is estimated to cost $17.2 million to develop the sports complex.

Table 3. Construction Budget

	Amount
Construction Cost	$17,175,000
Total	$17,175,000

Once constructed, the sports complex is expected to employ 6-8 full-time time workers supporting a total payroll of approximately $400,000 per year including part-time workers. The on-site concessions are expected generate approximately $240,000 in taxable sales per year.

The developer also provided estimates relating to tournaments, teams, and visitors. The table below summarizes visitor spending in the region.

Table 4. Annual Visitor Spending from Weekend Tournament Visitors

	Annual Spending
Lodging Spending	$2,698,112
Restaurant Spending	$7,587,494
Retail Spending	$1,338,970
Total	$11,624,576

The following tables outline the assumptions used in this analysis to estimate this visitor spending.

Indoor Weekend Tournaments

According to projections, the sports complex is expected to host weekend indoor tournaments during 30 weekends per year. In total, 1,968 basketball and volleyball teams are expected to participate in tournament weekends as well as 1,600 other court event participants. Each basketball or volleyball team participating in a tournament weekend is expected to include 12 players/coaches and each court event participant is expected to include participant. Additionally, 2.0 spectators are expected to accompany each player or coach. In total, the sports complex expects to draw 75,648 visitors during tournament weekends.

Table 5. Annual Visitors Due to Weekend Tournaments - Indoor

	Basketball	Volleyball	Other Court Events	Indoor Total
Number of sports tournament weekends	15	13	2	30
Average number of teams (or participants for other court events) per tournament weekend	48	96	800	
Total teams (or participants for court events) per year	720	1,248	1,600	3,568
Average number of players and coaches per team/participant	12	12		
Total players and coaches (or participants for court events) per year	8,640	14,976	1,600	25,216
Average spectators accompanying players/coaches.	2.0	2.0	2.0	
Total spectators per year	17,280	29,952	3,200	50,432
Total Annual Indoor Tournament Visitors	25,920	44,928	4,800	75,648

Tournament Visitor Spending

The 75,648 tournament visitors represents 25,216 "visitor groups" where a visitor group represents 3 visitors. A visitor group is assumed to include a tournament-participating player (or coach) and 2 accompanying spectators. This analysis assumes 50.0% of these visitor groups will stay 2 nights in a hotel in the region. Accordingly, the sports complex is expected to support 25,216 hotel nights in the region. The expected cost of a hotel in the region is assumed to be $107 per night. The total estimated lodging spending in the region is expected to be $2.7 million per year.

Table 6. Annual Tournament Visitor Spending on Lodging

	Number
Total Annual Indoor Tournament Visitors	75,648
Typical size of a visiting group	3.0
Number of visitor groups	25,216
Percent of groups staying in a hotel in the region	50.0%
Nights spent in a hotel in the region	2.0
Annual number of hotel nights supported in region	25,216
Average cost of hotel night for group of typical size*	$107.00
Annual Tournament Visitor Spending on Lodging	$2,698,112

** Federal Lodging Rate Per Diem Standard during FY 2024*
https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-files

In addition to lodging spending, the tournament visitors are expected to spend money at restaurants and retailers in the region. This analysis assumes each visitor will spend $59 per day on taxable items in the region, excluding lodging. The total estimated taxable spending by tournament visitors is expected to be $8.9 million per year.

Table 7. Annual Tournament Visitor Spending on Taxable Items, Excluding Lodging

	Number
Total Annual Indoor Tournament Visitors	75,648
Average number of days spent in the region	2.0
Annual Number of Visitor Days	151,296
Average daily spending for restaurants, groceries and other items per visitor in the region**	$59.00
Annual Tournament Visitor Spending, Excl. Lodging	$8,926,464

*** Federal M&IE Per Diem Standard during FY 2024*
https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-files

This analysis assumes 85% of the daily spending will be take place at restaurants and 15% of the daily spending will be for other retail purchases in the community.

Economic Impact Methodology

The initial construction expenditures and the expenditures made by visitors to the facility will result in economic impacts in the local area as well as across the state. This section explains the metrics measured and the methodology to apply the economic impact model.

Both temporary construction impacts and on-going operations impacts are measured in employment, household earnings (or compensation to employees), economic output and value added. This is to say that spending by visitors supports employment, salaries, and other impacts at various business establishments serving the visitors. The economic impacts are defined as followed:

Employment consists of a count of jobs that include both full-time and part-time workers. In the case of temporary construction activity, employment is presented in "job years". A "job year" is defined as full employment for one person for 2080 hours in a 12-month span.
Household earnings or earnings consist of wages and salaries, employer provided benefits, and proprietors' income.
Economic output is gross output and is the sum of the intermediate inputs and final use. This is a duplicative total in that goods and services will be counted multiple times if they are used in the production of other goods and services. Economic output can be thought of as the value of goods and services sold in the economy or revenues for businesses in the economy.
Value added is defined as the value of gross output less intermediate inputs.

The total economic impact of the Project goes beyond the initial construction expenditures or the spending of visitors in the community. This initial direct spending ripples through the local and state economies supporting additional economic impacts in the form of indirect and induced jobs, household earnings, and economic output. Indirect impacts represent the spin-off economic activity resulting from the business-to-business expenditures initiated when visitors purchase goods and services from businesses. Induced impacts represent the consumer-to-business expenditures initiated by workers spending a portion of their earnings on goods and services in the economy.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U.S. Department of Commerce, Bureau of Economic Analysis.

Temporary Construction Impact

The Project will include an initial period of construction where $17.2 million will be spent to develop the sports complex. It is assumed that 50.0% of the construction expenditure will be spent on materials and 50.0% of the expenditure on labor. The temporary construction activity will support temporary economic impacts in the community in the form of temporary construction employment and sales for local construction firms.

Table 8. Spending and Estimated Direct Employment Impact of Project-Related Construction Activity

			Amount
Total Construction Expenditure			$17,175,000
	Materials	*$8,587,500*	
	Labor	*$8,587,500*	
Temporary Construction Workers Supported (Average Earnings = $63,000)			136.3

The following table presents the temporary economic impacts resulting from the construction.

Table 9. Economic Impact During Construction

	Direct	Indirect & Induced	Total
Number of temporary direct, indirect, and induced job years to be supported*	136.3	71.2	207.5
Salaries to be paid to direct, indirect, and induced workers	$8,587,500	$3,242,640	$11,830,140
Revenues or sales for businesses related to construction	$17,175,000	$10,787,618	$27,962,618

** A job year is defined as full employment for one person for 2080 hours in a 12-month span.*

Taxable sales related to construction activity are presented in the following table. The sales tax revenue generated from construction-period taxable spending is included in the fiscal impact for affected districts during the initial period of construction.

Table 10. Taxable Spending During Construction

		Estimate
Expenditure for Materials		$8,587,500
Percent of Materials subject to sales tax		100.0%
	Subtotal Taxable Materials	$8,587,500
Expenditure for Labor / Paid to construction workers		$8,587,500
Percent of gross earnings spent on taxable goods and services		25.0%
Percent of taxable spending done in state		100.0%
	Subtotal Taxable Construction Worker Spending	$2,146,875
Expenditure for Furniture, Fixtures, & Equipment (FF&E)		$55,000
Percent of FF&E subject to sales tax		100.0%
	Subtotal Taxable FF&E Purchases	$55,000
Total Construction-Related Taxable Spending		$10,789,375

Annual Economic Impact of the Sports Complex

The permanent annual economic impact of the Project includes the Project's on-site impact as well as the impact of off-site visitor spending. The total economic output impact is $21.6 million per year.

Table 11. Annual Economic Impact

		Two-County Region
Economic Output:		
Direct		$11,930,965
Indirect & Induced		$9,646,046
	Total Economic Output	$21,577,012
Value Added:		
	Total Value Added	$11,798,434
Employment:		
Direct		146.5
Indirect & Induced		62.2
	Total Jobs	208.7
Household Earnings:		
Direct		$3,932,122
Indirect & Induced		$2,856,194
	Total Household Earnings	$6,788,315

Impact Breakdown

The annual impact of the Project's operations as summarized above includes onsite impacts as well as offsite visitor spending in various categories. In order to estimate the total annual impact of the Project, the following components were evaluated.

(1) Sports Complex
(2) Restaurant Spending
(3) Retail Spending
(4) Lodging Spending

In total, the Project is estimated to support 209 permanent jobs, $6.8 million in annual household earnings, and $21.6 million in annual economic output in the region.

Table 12. Total Economic Impact Breakout by Activity in the Region

Category	Employment	Household Earnings	Economic Output
Sports Complex	25.7	$687,920	$2,219,854
Restaurant Spending	137.9	$4,495,590	$13,877,527
Retail Spending	7.1	$281,111	$810,548
Lodging Spending	38.1	$1,323,694	$4,669,083
Total	208.7	$6,788,315	$21,577,012

The Project's economic impact is expected to affect industries throughout the economy. The following chart presents a graphical illustration of the total economic output by industry. In total, the Project supports $21.6 million in economic output. The sectors seeing the largest increase in economic output are the food services, accommodation, and recreation industries.

Annual Local Economic Output by Industry Sector

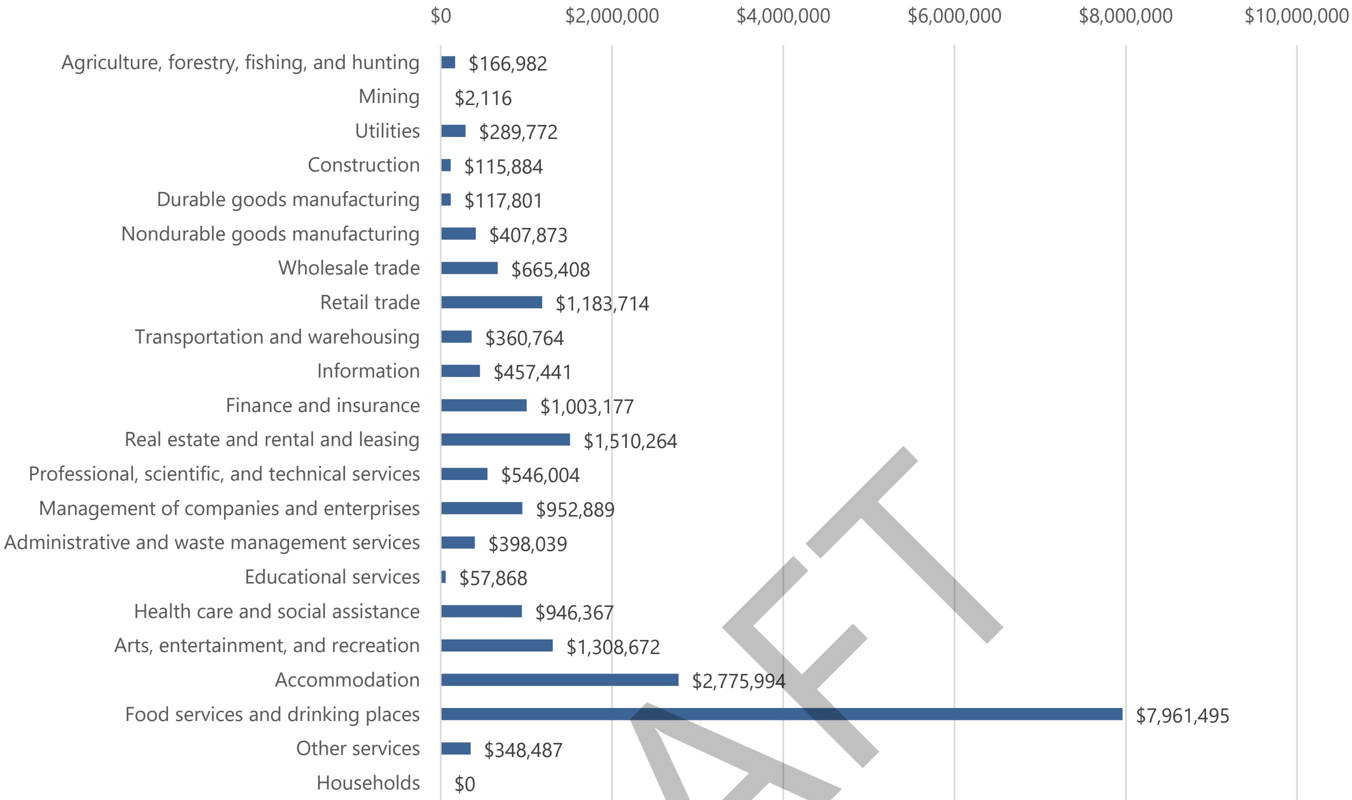


Table 13. Total Local Economic Impact by Industry Sector

	Employment	Household Earnings	Economic Output	Value Added
Agriculture, forestry, fishing, and hunting	0.6	$30,924	$166,982	$59,896
Mining	0.0	$0	$2,116	$1,113
Utilities	0.4	$41,930	$289,772	$157,367
Construction	0.5	$30,390	$115,884	$45,554
Durable goods manufacturing	0.5	$25,036	$117,801	$38,206
Nondurable goods manufacturing	1.3	$67,104	$407,873	$90,209
Wholesale trade	2.1	$157,284	$665,408	$371,936
Retail trade	12.4	$426,235	$1,183,714	$721,093
Transportation and warehousing	2.4	$121,031	$360,764	$163,551
Information	1.4	$96,928	$457,441	$223,312
Finance and insurance	5.1	$253,889	$1,003,177	$514,295
Real estate and rental and leasing	8.1	$233,952	$1,510,264	$1,001,794
Professional, scientific, and technical services	4.5	$258,478	$546,004	$341,327
Management of companies and enterprises	3.6	$373,580	$952,889	$587,144
Administrative and waste management services	4.2	$156,265	$398,039	$226,636
Educational services	0.9	$26,493	$57,868	$36,686
Health care and social assistance	7.0	$403,576	$946,367	$540,490
Arts, entertainment, and recreation	20.8	$434,041	$1,308,672	$273,632
Accommodation	25.6	$735,154	$2,775,994	$1,657,792
Food services and drinking places	102.6	$2,761,883	$7,961,495	$4,547,658
Other services	4.0	$146,448	$348,487	$191,532
Households	0.7	$7,693	$0	$7,210
Total	208.7	$6,788,315	$21,577,012	$11,798,434

Additional detail on the local economic impact of each component is shown next.

<u>Sports Complex</u>

The economic impact associated with on-site activity at the Project is based on the company's projections for employment, payroll, and sales. The RIMS II economic impact model is used to determine the economic impact of this activity.

Table 14. Annual Economic Impact of Sports Complex Operations in the Region

	Direct	Indirect & Induced	Total
Employment	19.1	6.6	25.7
Household Earnings	$400,000	$287,920	$687,920
Economic Output	$1,203,499	$1,016,355	$2,219,854

The Project is expected to employ 19 workers directly and support another 7 spin-off jobs in the region. In total, the project's on-site activity spending will support 26 area jobs. These direct workers will earn approximately $0.4 million per year and spin-off workers will make an additional $0.3 million per year.

The direct economic output supported by these operations is estimated to be $1.2 million per year. The project-related activity will support additional spending through indirect and induced economic output in the amount of $1.0 million annually.

<u>Restaurant Spending</u>

The economic impact associated with restaurant spending is based on the projected visitor spending in this category. Restaurant spending is estimated to total $7.6 million annually. The RIMS II economic impact model is used to determine the economic impact of this activity.

Table 15. Annual Economic Impact of Restaurant Spending in the Region

	Direct	Indirect & Induced	Total
Employment	97.8	40.0	137.9
Household Earnings	$2,642,600	$1,852,991	$4,495,590
Economic Output	$7,587,494	$6,290,033	$13,877,527

Restaurant spending is expected to employ 98 workers directly and support another 40 spin-off jobs in the region. In total, this activity will support 138 area jobs. These direct workers will earn approximately $2.6 million per year and spin-off workers will make an additional $1.9 million per year.

The direct economic output supported by these operations is estimated to be $7.6 million per year. The activity will support additional spending through indirect and induced economic output in the amount of $6.3 million annually.

<u>Retail Spending</u>

The economic impact associated with retail spending is based on the projected visitor spending in this category. Retail spending is estimated to total $1.3 annually. The RIMS II economic impact model is used to determine the economic impact of this activity and only including the retail margin of purchases.

Table 16. Annual Economic Impact of Retail Spending in the Region

	Direct	Indirect & Induced	Total
Employment	4.7	2.4	7.1
Household Earnings	$175,016	$106,095	$281,111
Economic Output	$441,860	$368,688	$810,548

This activity is expected to employ 5 workers directly and support another 2 spin-off jobs in the region. In total, the grocery and retail spending will support 7 area jobs. These direct workers will earn approximately $175,000 per year and spin-off workers will make an additional $106,000 per year.

The direct economic output supported by these operations is estimated to be $441,860 per year. The retail spending will support additional spending through indirect and induced economic output in the amount of $368,688 annually.

Lodging Spending

The economic impact associated with lodging spending is based on the projected visitor spending in this category. Lodging spending is estimated to total $2.7 million annually. The RIMS II economic impact model is used to determine the economic impact of this activity.

Table 17. Annual Economic Impact of Lodging Spending in the Region

	Direct	Indirect & Induced	Total
Employment	24.9	13.2	38.1
Household Earnings	$714,506	$609,188	$1,323,694
Economic Output	$2,698,112	$1,970,971	$4,669,083

This activity is expected to employ 25 workers directly and support another 13 spin-off jobs in the region. In total, the lodging spending will support 38 area jobs. These direct workers will earn approximately $0.7 million per year and spin-off workers will make an additional $609,000 per year.

The direct economic output supported by these operations is estimated to be $2.7 million per year. The lodging spending will support additional spending through indirect and induced economic output in the amount of $2.0 million annually.

Fiscal Impact Overview

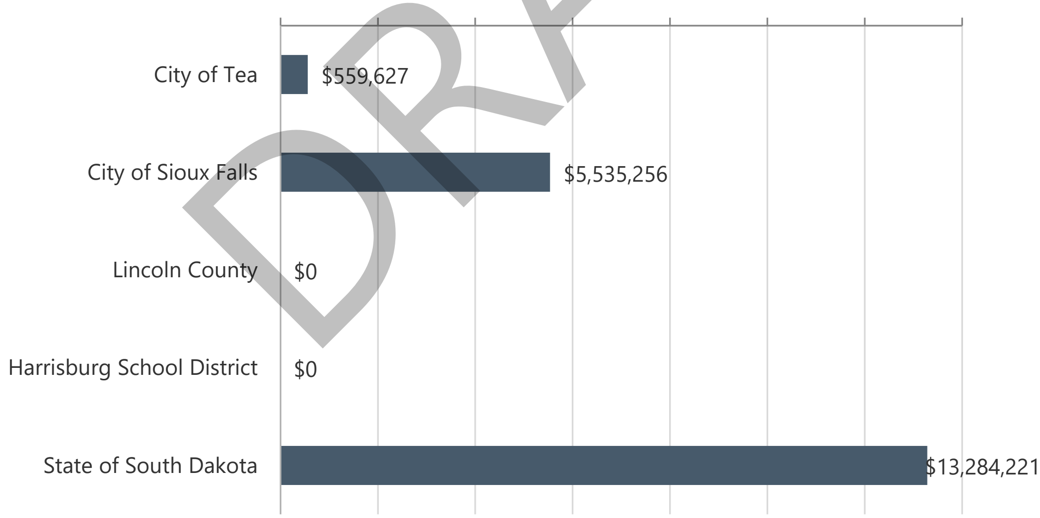
The Project will generate additional tax revenues for the City of Tea, City of Sioux Falls, and the State of South Dakota, a summary of which is provided below. The source of specific revenues are provided in greater detail for each taxing district on subsequent pages. Overall, the cities will receive approximately $6.1 million in tax revenues over the 20-year period. The Project will generate $13.3 million in tax revenues for the state.

Table 18. Tax Revenues Over the Next 20 Years

	Tax Revenues	Present Value of Tax Revenues*
City of Tea	$559,627	$337,514
City of Sioux Falls	$5,535,256	$3,368,120
Lincoln County	$0	$0
Harrisburg School District	$0	$0
State of South Dakota	$13,284,221	$8,068,194
Total	$19,379,104	$11,773,828

** The Present Value of Tax Revenues expresses the future stream of revenues received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.*

Figure 1. Tax Revenues Over the Next 20 Years



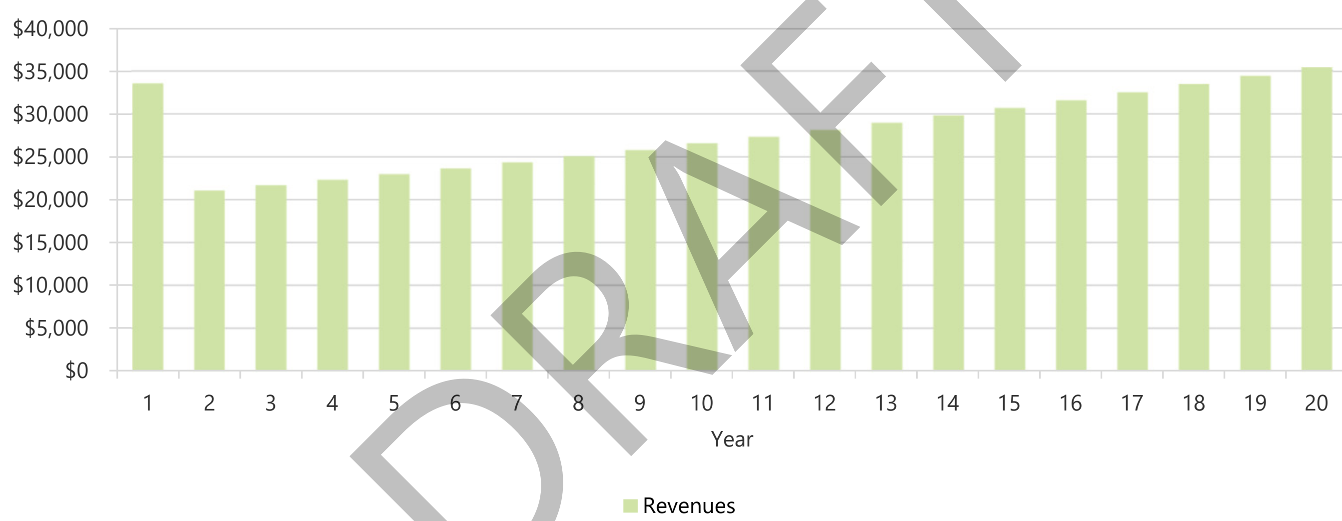
City of Tea

The table below displays the estimated additional tax revenues to be received by the city over the next 20 years of the Project. Appendix C contains the year-by-year calculations.

Table 19. City of Tea: Tax Revenues Over the Next 20 Years

	Amount
Sales Taxes	$415,010
Municipal Gross Receipts Taxes	$144,617
Real Property Taxes	$0
New Residential Property Taxes	$0
Building Permits and Fees	$0
Total Tax Revenues	$559,627
Present Value (5% discount rate)	*$337,514*

Figure 2. Annual Tax Revenues for the City of Tea



City of Sioux Falls

The table below displays the estimated additional tax revenues to be received by the neighboring city of Sioux Falls over the next 20 years of the Project. Appendix C contains the year-by-year calculations.

Table 20. City of Sioux Falls: Tax Revenues Over the Next 20 Years

	Amount
Sales Taxes	$5,392,957
Municipal Gross Receipts Taxes	$142,298
Total Tax Revenues	$5,535,256
Present Value (5% discount rate)	*$3,368,120*

Lincoln County

The table below displays the estimated additional tax revenues to be received by the County over the next 20 years of the Project. Appendix C contains the year-by-year calculations.

Table 21. Lincoln County: Tax Revenues Over the Next 20 Years

	Amount
Real Property Taxes	$0
New Residential Property Taxes	$0
Total Tax Revenues	$0
Present Value (5% discount rate)	*$0*

Harrisburg School District

The table below displays the estimated additional tax revenues to be received by the school district over the next 20 years of the Project. Appendix C contains the year-by-year calculations.

Table 22. Harrisburg School District: Tax Revenues Over the Next 20 Years

	Amount
Real Property Taxes	$0
New Residential Property Taxes	$0
Total Tax Revenues	$0
Present Value (5% discount rate)	*$0*

State of South Dakota

The table below displays the estimated additional tax revenues to be received by the district over the next 20 years of the Project. Appendix C contains the year-by-year calculations.

Table 23. State of South Dakota: Tax Revenues Over the Next 20 Years

	Amount
Sales Taxes	$12,196,732
Tourism Taxes	$1,087,489
Total Tax Revenues	$13,284,221
Present Value (5% discount rate)	*$8,068,194*

Overview of Methodology

This report presents the results of an analysis undertaken by Impact DataSource, an Austin, TX based economic consulting firm. The analysis relies on prospective estimates of development and business activity that may not be realized. Impact DataSource and the Client made reasonable efforts to ensure that the project-specific data reflects realistic estimates of future activity.

The model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 20-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions.

Regional Input-Output Modeling System (RIMS II)

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. The RIMS II model is described in basic detail below.

Generally speaking, input-output modeling attempts to estimate the changes that occur in all industries based on a change in the demand for the output of an industry. An input-output model allows an analyst to identify the subsequent changes occurring in various industries within a regional economy in order to estimate the total impact on the economy. Total economic impact is the sum of three components: (1) direct, (2) indirect, and (3) induced impacts.

If the demand for the output of an industry, measured by industry sales or revenue, increases by $1.0 million, total regional output increases by $1.0 million. This initial change in output is called the change in direct economic output and also referred to as the direct expenditure effect. The change in total economic output in the region resulting from the initial change does not stop with the change in direct economic output. Businesses in a variety of industries within the region will be called upon to increase their production to meet the needs of the industry where the initial increase in demand occurs. Further, other suppliers must also increase production to meet the needs of the group of initial supplier firms to the industry. This increase in expenditures by regional suppliers is considered the indirect economic impact of the initial $1.0 million in sales, and is classified as indirect expenditures of the total economic impact or the change in indirect economic output.

The total economic impact of the $1.0 million in sales includes one more component, the induced impact. All economic activity, whether direct or indirect, that results from the initial increase in demand of $1.0 million, requires workers, and these workers must be paid for their labor. This means that part of the direct and indirect expenditures is actually in the form of wages and salaries paid to workers in the various affected industries. These wages and salaries will in turn be spent in part on goods and services produced locally in the region. This spending is another part of the regional economic impacts referred to as induced impacts and is classified as induced expenditures or the change in induced economic output.

Based on the initial direct impact, the RIMS II model can be used to estimate the direct, indirect and induced impacts on economic output, value added, earnings and employment in a given region. Economic output is gross output and is the sum of the intermediate inputs and final use. This is a duplicative total in that goods and services will be counted multiple times if they are used in the production of other goods and services. Value added is defined as the value of gross output less intermediate inputs. Workers' earnings or earnings consist of wages and salaries, employer provided benefits and proprietors' income. Employment consists of a count of jobs that include both full-time and part-time workers.

The RIMS II model is based on regional multipliers, which are summary measures of economic impacts generated from changes in direct expenditures, earnings, or employment. Multipliers show the overall impact to a regional economy resulting from a change in demand in a particular industry. Multipliers can vary widely by region. Multipliers are higher for regions with a diverse industry mix. Industries that buy most of their materials from outside the state or region tend to have lower multipliers.

Multipliers tend to be higher for industries located in larger areas because more of the spending by the industry stays within the area.

The RIMS II model generates six types of multipliers for approximately 400 industrial sectors for any region in the United States. The multipliers include four "final-demand" multipliers and two "direct-effect" multipliers. Final demand multipliers indicate the impact of changes in final demand for the output of a particular regional industry on total regional output, earnings, employment and value added. Direct-effect multipliers indicate the impact of changes in regional earnings or employment within a particular industry on total employment or earnings within a region.

Final-demand output multipliers indicate the total regional output (direct, indirect and induced expenditures) that results from an increase in direct expenditures for a good produced by a particular regional industry. For example, if an industry in a particular region is said to have a final demand output multiplier of 2, this tells us that a $1 increase in final demand for the good produced by that industry results in a $2 increase in total output or expenditures within the regional economy. Final-demand earnings multipliers indicate the impact of an increase in final demand for the good of a particular regional industry on the total earned income of households within the region. Final-demand employment multipliers indicate the increase in total regional employment that results from a $1.0 million increase in final demand for the good produced by a particular regional industry. Final-demand value-added multipliers indicate the increase in total regional value added that results from a $1.0 million increase in final demand for the good produced by a particular regional industry. Direct-effect earnings multipliers indicate the impact of a $1 change in earnings within a particular regional industry on total earnings in all industries within a region. Direct-effect employment multipliers indicate the impact of a change in employment in a particular regional industry on total employment in all industries within a region.

Theoretically, changes in final demand drive the total change in economic output, earnings, and employment. However, these multipliers relationships can be used to estimate impacts in other ways if only limited information is known about a project. For example, the multiplier relationships can be used to estimate the increase in direct economic output based on a given level of employment in a specific industry.

Additional Notes on RIMS II

RIMS II multipliers are based on the average relationships between the inputs and outputs produced in a local economy. The multipliers are a useful tool for studying the potential impacts of changes in economic activity. However, the relative simplicity of input-output multipliers comes at the cost of several limiting assumptions.

- Firms have no supply constraints—Input-output based multipliers assume that industries can increase their demand for inputs and labor as needed to meet additional demand.
- Firms have fixed patterns of purchases—Input-output based multipliers assume that an industry must double its inputs to double its output.
- Firms use local inputs when they are available—The method used by RIMS II to develop regional multipliers assumes that firms will purchase inputs from firms in the region before using imports.

RIMS II, like all input-output models, is a “static equilibrium” model. This means that there is no specific time dimension associated with the results using the model. For the RIMS II model, it is customary to assume that the impacts occur in one year because the model is based on annual data.

The fiscal impacts calculated in this report are detailed in Appendix C. Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates.

About Impact DataSource

Impact DataSource is an Austin economic consulting, research, and analysis firm founded in 1993. The firm has conducted over 2,500 economic impact analyses of firms, projects, and activities in most industry groups in Texas and more than 30 other states.

In addition, Impact DataSource has prepared and customized more than 50 economic impact models for its clients to perform their own analyses of economic development projects. These clients include the New Mexico Economic Development Department and the Tennessee Department of Economic and Community Development.

The New Mexico Department of Economic Development uses Impact DataSource’s computer model to project the economic impact of new or expanding firms in the state, including costs and benefits for the State of New Mexico, as well as each local taxing district. The model also analyzes the amount of eligible state and local incentives and calculates a rate of return and payback period for these incentives.

Appendix A
Data and Rates

Tax Rates

Sales Tax Rate		
	City of Tea	2.000%
	City of Sioux Falls	2.000%
	State of South Dakota	4.200%
Municipal Gross Receipts Tax Rates (Prepared Food & Lodging)		
	City of Tea	1.00%
	City of Sioux Falls	1.00%
Tourism Tax Rate (Hotel Spending)		
	State of South Dakota	1.50%
Property Tax Rates, per $1,000 of valuation		
	City of Tea	4.9650
	Lincoln County	1.9460
	Harrisburg School District	15.441
	Assessment Ratios	96.90%

City Data

Percent of new workers who will move to the City to take a job		
	Project's workers	0.0%
	Spin-off workers	0.0%
Percent of workers who move to the area that will buy a new home or require that new residential property be built for them		15.0%
Average taxable value of a new single family residence constructed in the area		$283,600

County Data

Percent of new workers who will move to the County to take a job		
	Project's workers	0.0%
	Spin-off workers	0.0%

Other Rates and Assumptions

Amount of building and improvements costs added to local tax rolls		0.0%
Percent annual increase in the taxable value of real property		
	Commercial/Industrial	2.0%
	Residential	2.0%
Household size of a typical new worker moving to the area		2.60
Number of school children in a typical worker's household		0.50
Percent of the gross salaries that workers will spend on taxable goods and services		
	New Workers	25.0%
	Temporary Construction Workers	25.0%
Discount rate for calculating the present value of costs and benefits		5.0%
Expected average annual inflation rate		3.0%

Project Investments

The Project's capital investment each year

Year	Land	Buildings and Other Real Property Improvements	Furniture, Fixtures, and Equipment	Total
1	$0	$17,175,000	$55,000	$17,230,000
2	$0	$0	$0	$0
3	$0	$0	$0	$0
4	$0	$0	$0	$0
5	$0	$0	$0	$0
6	$0	$0	$0	$0
7	$0	$0	$0	$0
8	$0	$0	$0	$0
9	$0	$0	$0	$0
10	$0	$0	$0	$0
11	$0	$0	$0	$0
12	$0	$0	$0	$0
13	$0	$0	$0	$0
14	$0	$0	$0	$0
15	$0	$0	$0	$0
16	$0	$0	$0	$0
17	$0	$0	$0	$0
18	$0	$0	$0	$0
19	$0	$0	$0	$0
20	$0	$0	$0	$0
Total	$0	$17,175,000	$55,000	$17,230,000

Percent of building and improvement costs for materials and labor

Materials	50.0%
Labor	50.0%

Percent of construction materials that will be purchased in the area and subject to sales taxes: 100.0%

Percent of taxable spending by construction workers in the area and subject to sales taxes: 100.0%

Percent of furniture, fixtures, and equipment to be purchased in the area and subject to sales taxes: 100.0%

Building permits and fees to be paid to the City during construction, if applicable

Year	Total City Building Permits and Fees
1	$0
2	$0
3	$0
4	$0
5	$0
6	$0
7	$0
8	$0
9	$0
10	$0
11	$0
12	$0
13	$0
14	$0
15	$0
16	$0
17	$0
18	$0
19	$0
20	$0

Estimated spending for construction

Year	Spending on Construction
1	$17,175,000
2	$0
3	$0
4	$0
5	$0
6	$0
7	$0
8	$0
9	$0
10	$0
11	$0
12	$0
13	$0
14	$0
15	$0
16	$0
17	$0
18	$0
19	$0
20	$0

Activities During the Project's Operations

Number of direct jobs to be added in the community

Year	Sports Complex	Restaurants	Retail	Hotels	Total
1	19	98	5	25	147
2	0	0	0	0	0
3	0	0	0	0	0
4	0	0	0	0	0
5	0	0	0	0	0
6	0	0	0	0	0
7	0	0	0	0	0
8	0	0	0	0	0
9	0	0	0	0	0
10	0	0	0	0	0
11	0	0	0	0	0
12	0	0	0	0	0
13	0	0	0	0	0
14	0	0	0	0	0
15	0	0	0	0	0
16	0	0	0	0	0
17	0	0	0	0	0
18	0	0	0	0	0
19	0	0	0	0	0
20	0	0	0	0	0

Note: The sports complex is estimated to hire 6 FT & 75-100 PT

Direct payroll each year

Year	Sports Complex Payroll	Restaurants Payroll	Retail Payroll	Hotels Payroll	Total Annual Payroll
1	$400,000	$2,642,600	$175,016	$714,506	$3,932,122
2	$408,000	$2,695,452	$178,517	$728,796	$4,010,764
3	$416,160	$2,749,361	$182,087	$743,372	$4,090,980
4	$424,483	$2,804,348	$185,729	$758,239	$4,172,799
5	$432,973	$2,860,435	$189,443	$773,404	$4,256,255
6	$441,632	$2,917,643	$193,232	$788,872	$4,341,380
7	$450,465	$2,975,996	$197,097	$804,650	$4,428,208
8	$459,474	$3,035,516	$201,039	$820,743	$4,516,772
9	$468,664	$3,096,227	$205,060	$837,158	$4,607,108
10	$478,037	$3,158,151	$209,161	$853,901	$4,699,250
11	$487,598	$3,221,314	$213,344	$870,979	$4,793,235
12	$497,350	$3,285,740	$217,611	$888,398	$4,889,099
13	$507,297	$3,351,455	$221,963	$906,166	$4,986,881
14	$517,443	$3,418,484	$226,402	$924,290	$5,086,619
15	$527,792	$3,486,854	$230,930	$942,775	$5,188,351
16	$538,347	$3,556,591	$235,549	$961,631	$5,292,118
17	$549,114	$3,627,723	$240,260	$980,864	$5,397,961
18	$560,097	$3,700,277	$245,065	$1,000,481	$5,505,920
19	$571,298	$3,774,283	$249,966	$1,020,490	$5,616,038
20	$582,724	$3,849,769	$254,966	$1,040,900	$5,728,359

The Project's estimated taxable purchases of materials, supplies, and services in the community and the Project's estimated taxable sales that will be subject to sales taxes in the community

Year	Taxable Purchases	Taxable Sales
1	$0	$244,080
2	$0	$251,402
3	$0	$258,944
4	$0	$266,713
5	$0	$274,714
6	$0	$282,956
7	$0	$291,444
8	$0	$300,188
9	$0	$309,193
10	$0	$318,469
11	$0	$328,023
12	$0	$337,864
13	$0	$348,000
14	$0	$358,440
15	$0	$369,193
16	$0	$380,269
17	$0	$391,677
18	$0	$403,427
19	$0	$415,530
20	$0	$427,996

The Project's total taxable purchases and taxable utilities

Year	Taxable Purchases of Supplies, Materials, and Services	Utilities Subject to Sales Tax			Total
		Utilities Subject to Sales Tax	Percent Taxable	Taxable Utilities	
1	$0	$0	100%	$0	$0
2	$0	$0	100%	$0	$0
3	$0	$0	100%	$0	$0
4	$0	$0	100%	$0	$0
5	$0	$0	100%	$0	$0
6	$0	$0	100%	$0	$0
7	$0	$0	100%	$0	$0
8	$0	$0	100%	$0	$0
9	$0	$0	100%	$0	$0
10	$0	$0	100%	$0	$0
11	$0	$0	100%	$0	$0
12	$0	$0	100%	$0	$0
13	$0	$0	100%	$0	$0
14	$0	$0	100%	$0	$0
15	$0	$0	100%	$0	$0
16	$0	$0	100%	$0	$0
17	$0	$0	100%	$0	$0
18	$0	$0	100%	$0	$0
19	$0	$0	100%	$0	$0
20	$0	$0	100%	$0	$0

Appendix B

Economic Impact Calculations

Number of jobs added and worker salaries to be paid each year in the City

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
1	146.5	33.4	179.9	$3,932,122	$1,532,348	$5,464,470
2	0.0	0.0	0.0	$4,010,764	$1,562,995	$5,573,759
3	0.0	0.0	0.0	$4,090,980	$1,594,254	$5,685,234
4	0.0	0.0	0.0	$4,172,799	$1,626,140	$5,798,939
5	0.0	0.0	0.0	$4,256,255	$1,658,663	$5,914,918
6	0.0	0.0	0.0	$4,341,380	$1,691,836	$6,033,216
7	0.0	0.0	0.0	$4,428,208	$1,725,673	$6,153,881
8	0.0	0.0	0.0	$4,516,772	$1,760,186	$6,276,958
9	0.0	0.0	0.0	$4,607,108	$1,795,389	$6,402,497
10	0.0	0.0	0.0	$4,699,250	$1,831,297	$6,530,547
11	0.0	0.0	0.0	$4,793,235	$1,867,923	$6,661,158
12	0.0	0.0	0.0	$4,889,099	$1,905,282	$6,794,381
13	0.0	0.0	0.0	$4,986,881	$1,943,388	$6,930,269
14	0.0	0.0	0.0	$5,086,619	$1,982,255	$7,068,874
15	0.0	0.0	0.0	$5,188,351	$2,021,901	$7,210,252
16	0.0	0.0	0.0	$5,292,118	$2,062,339	$7,354,457
17	0.0	0.0	0.0	$5,397,961	$2,103,585	$7,501,546
18	0.0	0.0	0.0	$5,505,920	$2,145,657	$7,651,577
19	0.0	0.0	0.0	$5,616,038	$2,188,570	$7,804,608
20	0.0	0.0	0.0	$5,728,359	$2,232,342	$7,960,701
Total		33.4	179.9	$95,540,221	$37,232,021	$132,772,242

Number of direct and indirect workers and their families who will move to the City and their children who will attend local public schools

Year	New Workers Moving to the Area	Total New Residents	Total New Students
1	0.0	0.0	0.0
2	0.0	0.0	0.0
3	0.0	0.0	0.0
4	0.0	0.0	0.0
5	0.0	0.0	0.0
6	0.0	0.0	0.0
7	0.0	0.0	0.0
8	0.0	0.0	0.0
9	0.0	0.0	0.0
10	0.0	0.0	0.0
11	0.0	0.0	0.0
12	0.0	0.0	0.0
13	0.0	0.0	0.0
14	0.0	0.0	0.0
15	0.0	0.0	0.0
16	0.0	0.0	0.0
17	0.0	0.0	0.0
18	0.0	0.0	0.0
19	0.0	0.0	0.0
20	0.0	0.0	0.0
Total	0.0	0.0	0.0

Number of new residential properties that may be built in the City for direct and indirect workers who will move to the City and the taxable value over time

Year	New Residential Properties	Taxable Value of New City Residential Property
1	0.0	$0
2	0.0	$0
3	0.0	$0
4	0.0	$0
5	0.0	$0
6	0.0	$0
7	0.0	$0
8	0.0	$0
9	0.0	$0
10	0.0	$0
11	0.0	$0
12	0.0	$0
13	0.0	$0
14	0.0	$0
15	0.0	$0
16	0.0	$0
17	0.0	$0
18	0.0	$0
19	0.0	$0
20	0.0	$0
Total	0.0	

Number of jobs added each year and worker salaries to be paid in the Region

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
1	146.5	0.0	0.0	$3,932,122	$2,856,194	$6,788,316
2	0.0	0.0	0.0	$4,010,764	$2,913,317	$6,924,081
3	0.0	0.0	0.0	$4,090,980	$2,971,584	$7,062,564
4	0.0	0.0	0.0	$4,172,799	$3,031,015	$7,203,814
5	0.0	0.0	0.0	$4,256,255	$3,091,636	$7,347,891
6	0.0	0.0	0.0	$4,341,380	$3,153,468	$7,494,848
7	0.0	0.0	0.0	$4,428,208	$3,216,538	$7,644,746
8	0.0	0.0	0.0	$4,516,772	$3,280,869	$7,797,641
9	0.0	0.0	0.0	$4,607,108	$3,346,486	$7,953,594
10	0.0	0.0	0.0	$4,699,250	$3,413,416	$8,112,666
11	0.0	0.0	0.0	$4,793,235	$3,481,684	$8,274,919
12	0.0	0.0	0.0	$4,889,099	$3,551,317	$8,440,416
13	0.0	0.0	0.0	$4,986,881	$3,622,344	$8,609,225
14	0.0	0.0	0.0	$5,086,619	$3,694,791	$8,781,410
15	0.0	0.0	0.0	$5,188,351	$3,768,686	$8,957,037
16	0.0	0.0	0.0	$5,292,118	$3,844,060	$9,136,178
17	0.0	0.0	0.0	$5,397,961	$3,920,942	$9,318,903
18	0.0	0.0	0.0	$5,505,920	$3,999,361	$9,505,281
19	0.0	0.0	0.0	$5,616,038	$4,079,347	$9,695,385
20	0.0	0.0	0.0	$5,728,359	$4,160,935	$9,889,294
Total	0.0	0.0	0.0	$95,540,219	$69,397,990	$164,938,209

Number of direct and indirect workers and their families who will move to the Region and their children who will attend local public schools

Year	New Workers Moving to the Area	Total New Residents	Total New Students
1	0.0	0.0	0.0
2	0.0	0.0	0.0
3	0.0	0.0	0.0
4	0.0	0.0	0.0
5	0.0	0.0	0.0
6	0.0	0.0	0.0
7	0.0	0.0	0.0
8	0.0	0.0	0.0
9	0.0	0.0	0.0
10	0.0	0.0	0.0
11	0.0	0.0	0.0
12	0.0	0.0	0.0
13	0.0	0.0	0.0
14	0.0	0.0	0.0
15	0.0	0.0	0.0
16	0.0	0.0	0.0
17	0.0	0.0	0.0
18	0.0	0.0	0.0
19	0.0	0.0	0.0
20	0.0	0.0	0.0
Total	0.0	0.0	0.0

Number of new residential properties that may be built in the Region for direct and indirect workers who will move to the Region and the taxable value over time

Year	New Residential Properties	Taxable Value of New County Residential Property
1	0.0	$0
2	0.0	$0
3	0.0	$0
4	0.0	$0
5	0.0	$0
6	0.0	$0
7	0.0	$0
8	0.0	$0
9	0.0	$0
10	0.0	$0
11	0.0	$0
12	0.0	$0
13	0.0	$0
14	0.0	$0
15	0.0	$0
16	0.0	$0
17	0.0	$0
18	0.0	$0
19	0.0	$0
20	0.0	$0
Total	0.0	

Taxable spending on which sales taxes will be collected

Year	Construction Workers' Spending and Furniture, Fixtures, and Equipment	Direct and Indirect Workers' Spending	Visitors' Spending	Taxable Sales from the Project	The Project's Local Purchases and Taxable Utilities	Total
1	$10,789,375	$1,366,118	$8,926,464	$244,080	$0	$21,326,037
2	$0	$1,393,440	$9,194,258	$251,402	$0	$10,839,100
3	$0	$1,421,309	$9,470,086	$258,944	$0	$11,150,339
4	$0	$1,449,735	$9,754,188	$266,713	$0	$11,470,636
5	$0	$1,478,730	$10,046,814	$274,714	$0	$11,800,258
6	$0	$1,508,304	$10,348,218	$282,956	$0	$12,139,478
7	$0	$1,538,470	$10,658,665	$291,444	$0	$12,488,579
8	$0	$1,569,240	$10,978,425	$300,188	$0	$12,847,852
9	$0	$1,600,624	$11,307,778	$309,193	$0	$13,217,595
10	$0	$1,632,637	$11,647,011	$318,469	$0	$13,598,117
11	$0	$1,665,290	$11,996,421	$328,023	$0	$13,989,734
12	$0	$1,698,595	$12,356,314	$337,864	$0	$14,392,773
13	$0	$1,732,567	$12,727,003	$348,000	$0	$14,807,570
14	$0	$1,767,219	$13,108,813	$358,440	$0	$15,234,472
15	$0	$1,802,563	$13,502,078	$369,193	$0	$15,673,834
16	$0	$1,838,614	$13,907,140	$380,269	$0	$16,126,023
17	$0	$1,875,387	$14,324,354	$391,677	$0	$16,591,418
18	$0	$1,912,894	$14,754,085	$403,427	$0	$17,070,406
19	$0	$1,951,152	$15,196,707	$415,530	$0	$17,563,389
20	$0	$1,990,175	$15,652,609	$427,996	$0	$18,070,780
Total	$10,789,375	$33,193,061	$239,857,431	$6,558,521	$0	$290,398,387

Taxable spending on which municipal gross receipts taxes will be collected

Year	Direct and Indirect Workers' Spending at Restaurants	Visitors' Spending at Restaurants	Taxable Sales from the Project	Visitors' Spending on Lodging	Total
1	$68,306	$7,587,494	$244,080	$2,698,112	$10,597,992
2	$69,672	$7,815,119	$251,402	$2,779,055	$10,915,249
3	$71,065	$8,049,573	$258,944	$2,862,427	$11,242,010
4	$72,487	$8,291,060	$266,713	$2,948,300	$11,578,559
5	$73,936	$8,539,792	$274,714	$3,036,749	$11,925,191
6	$75,415	$8,795,986	$282,956	$3,127,851	$12,282,208
7	$76,924	$9,059,865	$291,444	$3,221,687	$12,649,920
8	$78,462	$9,331,661	$300,188	$3,318,337	$13,028,648
9	$80,031	$9,611,611	$309,193	$3,417,888	$13,418,723
10	$81,632	$9,899,959	$318,469	$3,520,424	$13,820,484
11	$83,264	$10,196,958	$328,023	$3,626,037	$14,234,282
12	$84,930	$10,502,867	$337,864	$3,734,818	$14,660,478
13	$86,628	$10,817,953	$348,000	$3,846,863	$15,099,443
14	$88,361	$11,142,491	$358,440	$3,962,268	$15,551,560
15	$90,128	$11,476,766	$369,193	$4,081,136	$16,017,224
16	$91,931	$11,821,069	$380,269	$4,203,571	$16,496,839
17	$93,769	$12,175,701	$391,677	$4,329,678	$16,990,825
18	$95,645	$12,540,972	$403,427	$4,459,568	$17,499,612
19	$97,558	$12,917,201	$415,530	$4,593,355	$18,023,644
20	$99,509	$13,304,717	$427,996	$4,731,156	$18,563,378
Total	$1,659,653	$203,878,816	$6,558,521	$72,499,280	$284,596,270

Taxable value of the Project's property on local tax rolls

	The Project's Property		
Year	Land on Local Tax Rolls	Buildings and Other Real Property on Local Tax Rolls	Total Taxable Property
1	$0	$0	$0
2	$0	$0	$0
3	$0	$0	$0
4	$0	$0	$0
5	$0	$0	$0
6	$0	$0	$0
7	$0	$0	$0
8	$0	$0	$0
9	$0	$0	$0
10	$0	$0	$0
11	$0	$0	$0
12	$0	$0	$0
13	$0	$0	$0
14	$0	$0	$0
15	$0	$0	$0
16	$0	$0	$0
17	$0	$0	$0
18	$0	$0	$0
19	$0	$0	$0
20	$0	$0	$0

Appendix C

Fiscal Impact Calculations

Fiscal Impact: City of Tea

Sales tax collections

Year	During Construction and Purchases of Furniture, Fixtures, and Equipment	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales from the Project	Local Purchases and Taxable Utilities from the Project	Total
1	$10,789	$1,366	$8,926	$4,882	$0	$25,964
2	$0	$1,393	$9,194	$5,028	$0	$15,616
3	$0	$1,421	$9,470	$5,179	$0	$16,070
4	$0	$1,450	$9,754	$5,334	$0	$16,538
5	$0	$1,479	$10,047	$5,494	$0	$17,020
6	$0	$1,508	$10,348	$5,659	$0	$17,516
7	$0	$1,538	$10,659	$5,829	$0	$18,026
8	$0	$1,569	$10,978	$6,004	$0	$18,551
9	$0	$1,601	$11,308	$6,184	$0	$19,092
10	$0	$1,633	$11,647	$6,369	$0	$19,649
11	$0	$1,665	$11,996	$6,560	$0	$20,222
12	$0	$1,699	$12,356	$6,757	$0	$20,812
13	$0	$1,733	$12,727	$6,960	$0	$21,420
14	$0	$1,767	$13,109	$7,169	$0	$22,045
15	$0	$1,803	$13,502	$7,384	$0	$22,688
16	$0	$1,839	$13,907	$7,605	$0	$23,351
17	$0	$1,875	$14,324	$7,834	$0	$24,033
18	$0	$1,913	$14,754	$8,069	$0	$24,736
19	$0	$1,951	$15,197	$8,311	$0	$25,458
20	$0	$1,990	$15,653	$8,560	$0	$26,203
Total	$10,789	$33,193	$239,857	$131,170	$0	$415,010

Fiscal Impact: City of Tea

Municipal Gross Receipts Taxes

Year	Direct and Indirect Workers' Spending at Restaurants	Visitors' Spending at Restaurants	Taxable Sales from the Project	Visitors' Spending on Lodging	Visitors' Spending on Lodging
1	$34	$3,794	$2,441	$1,349	$7,618
2	$35	$3,908	$126	$1,390	$5,458
3	$36	$4,025	$129	$1,431	$5,621
4	$36	$4,146	$133	$1,474	$5,789
5	$37	$4,270	$137	$1,518	$5,963
6	$38	$4,398	$141	$1,564	$6,141
7	$38	$4,530	$146	$1,611	$6,325
8	$39	$4,666	$150	$1,659	$6,514
9	$40	$4,806	$155	$1,709	$6,709
10	$41	$4,950	$159	$1,760	$6,910
11	$42	$5,098	$164	$1,813	$7,117
12	$42	$5,251	$169	$1,867	$7,330
13	$43	$5,409	$174	$1,923	$7,550
14	$44	$5,571	$179	$1,981	$7,776
15	$45	$5,738	$185	$2,041	$8,009
16	$46	$5,911	$190	$2,102	$8,248
17	$47	$6,088	$196	$2,165	$8,495
18	$48	$6,270	$202	$2,230	$8,750
19	$49	$6,459	$208	$2,297	$9,012
20	$50	$6,652	$214	$2,366	$9,282
Total	$830	$101,939	$5,598	$36,250	$144,617

Fiscal Impact: City of Tea

Property tax collections on new residential property

Year	New Residential Property Tax Collections
1	$0
2	$0
3	$0
4	$0
5	$0
6	$0
7	$0
8	$0
9	$0
10	$0
11	$0
12	$0
13	$0
14	$0
15	$0
16	$0
17	$0
18	$0
19	$0
20	$0
Total	$0

Fiscal Impact: City of Tea

Property tax collections on the Project's Real Property

	Land		Buildings & Other Real Property Improvements		
Year	Taxes Collected	Taxes Abated	Taxes Collected	Taxes Abated	Total Real Property Taxes Collected after Abated
1	$0	$0	$0	$0	$0
2	$0	$0	$0	$0	$0
3	$0	$0	$0	$0	$0
4	$0	$0	$0	$0	$0
5	$0	$0	$0	$0	$0
6	$0	$0	$0	$0	$0
7	$0	$0	$0	$0	$0
8	$0	$0	$0	$0	$0
9	$0	$0	$0	$0	$0
10	$0	$0	$0	$0	$0
11	$0	$0	$0	$0	$0
12	$0	$0	$0	$0	$0
13	$0	$0	$0	$0	$0
14	$0	$0	$0	$0	$0
15	$0	$0	$0	$0	$0
16	$0	$0	$0	$0	$0
17	$0	$0	$0	$0	$0
18	$0	$0	$0	$0	$0
19	$0	$0	$0	$0	$0
20	$0	$0	$0	$0	$0
Total	$0	$0	$0	$0	$0

Fiscal Impact: City of Tea

Building Permits

Year	Building Permits and Fees
1	$0
2	$0
3	$0
4	$0
5	$0
6	$0
7	$0
8	$0
9	$0
10	$0
11	$0
12	$0
13	$0
14	$0
15	$0
16	$0
17	$0
18	$0
19	$0
20	$0
Total	$0

Fiscal Impact: City of Tea

Total Tax Revenues

Year	Revenues	Cumulative Revenues
1	$33,581	$33,581
2	$21,073	$54,655
3	$21,691	$76,346
4	$22,327	$98,673
5	$22,982	$121,656
6	$23,657	$145,313
7	$24,351	$169,664
8	$25,066	$194,729
9	$25,802	$220,531
10	$26,559	$247,090
11	$27,339	$274,430
12	$28,142	$302,572
13	$28,969	$331,541
14	$29,821	$361,362
15	$30,697	$392,059
16	$31,600	$423,659
17	$32,529	$456,187
18	$33,485	$489,673
19	$34,470	$524,143
20	$35,484	$559,627
Total	$559,627	

Fiscal Impact: City of Sioux Falls

Sales tax collections

Year	During Construction and Purchases of Furniture, Fixtures, and Equipment	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales from the Project	Local Purchases and Taxable Utilities from the Project	Total
1	$204,998	$25,956	$169,603	$0	$0	$400,557
2	$0	$26,475	$174,691	$0	$0	$201,166
3	$0	$27,005	$179,932	$0	$0	$206,936
4	$0	$27,545	$185,330	$0	$0	$212,875
5	$0	$28,096	$190,889	$0	$0	$218,985
6	$0	$28,658	$196,616	$0	$0	$225,274
7	$0	$29,231	$202,515	$0	$0	$231,746
8	$0	$29,816	$208,590	$0	$0	$238,406
9	$0	$30,412	$214,848	$0	$0	$245,260
10	$0	$31,020	$221,293	$0	$0	$252,313
11	$0	$31,641	$227,932	$0	$0	$259,573
12	$0	$32,273	$234,770	$0	$0	$267,043
13	$0	$32,919	$241,813	$0	$0	$274,732
14	$0	$33,577	$249,067	$0	$0	$282,645
15	$0	$34,249	$256,539	$0	$0	$290,788
16	$0	$34,934	$264,236	$0	$0	$299,169
17	$0	$35,632	$272,163	$0	$0	$307,795
18	$0	$36,345	$280,328	$0	$0	$316,673
19	$0	$37,072	$288,737	$0	$0	$325,809
20	$0	$37,813	$297,400	$0	$0	$335,213
Total	$204,998	$630,668	$4,557,291	$0	$0	$5,392,957

Fiscal Impact: City of Sioux Falls

Municipal Gross Receipts Taxes

Year	Direct and Indirect Workers' Spending at Restaurants	Visitors' Spending at Restaurants	Taxable Sales from the Project	Visitors' Spending on Lodging	Visitors' Spending on Lodging
1	$649	$72,081	$0	$25,632	$5,299
2	$662	$74,244	$0	$26,401	$5,458
3	$675	$76,471	$0	$27,193	$5,621
4	$689	$78,765	$0	$28,009	$5,789
5	$702	$81,128	$0	$28,849	$5,963
6	$716	$83,562	$0	$29,715	$6,141
7	$731	$86,069	$0	$30,606	$6,325
8	$745	$88,651	$0	$31,524	$6,514
9	$760	$91,310	$0	$32,470	$6,709
10	$776	$94,050	$0	$33,444	$6,910
11	$791	$96,871	$0	$34,447	$7,117
12	$807	$99,777	$0	$35,481	$7,330
13	$823	$102,771	$0	$36,545	$7,550
14	$839	$105,854	$0	$37,642	$7,776
15	$856	$109,029	$0	$38,771	$8,009
16	$873	$112,300	$0	$39,934	$8,248
17	$891	$115,669	$0	$41,132	$8,495
18	$909	$119,139	$0	$42,366	$8,750
19	$927	$122,713	$0	$43,637	$9,012
20	$945	$126,395	$0	$44,946	$9,282
Total	$15,767	$1,936,849	$0	$688,743	$142,298

Fiscal Impact: City of Sioux Falls

Total Tax Revenues

Year	Revenues	Cumulative Revenues
1	$405,856	$405,856
2	$206,624	$612,480
3	$212,557	$825,038
4	$218,664	$1,043,701
5	$224,948	$1,268,649
6	$231,415	$1,500,064
7	$238,071	$1,738,135
8	$244,920	$1,983,055
9	$251,969	$2,235,024
10	$259,224	$2,494,247
11	$266,690	$2,760,937
12	$274,374	$3,035,310
13	$282,282	$3,317,592
14	$290,420	$3,608,012
15	$298,797	$3,906,809
16	$307,418	$4,214,227
17	$316,290	$4,530,517
18	$325,422	$4,855,940
19	$334,821	$5,190,761
20	$344,495	$5,535,256
Total	$5,535,256	

Fiscal Impact: Lincoln County

Property tax collections on new residential property

Year	New Residential Property Tax Collections
1	$0
2	$0
3	$0
4	$0
5	$0
6	$0
7	$0
8	$0
9	$0
10	$0
11	$0
12	$0
13	$0
14	$0
15	$0
16	$0
17	$0
18	$0
19	$0
20	$0
Total	$0

Fiscal Impact: Lincoln County

Property tax collections on the Project's Real Property

	Land		Buildings & Other Real Property Improvements		
Year	Taxes Collected	Taxes Abated	Taxes Collected	Taxes Abated	Total Real Property Taxes Collected after Abated
1	$0	$0	$0	$0	$0
2	$0	$0	$0	$0	$0
3	$0	$0	$0	$0	$0
4	$0	$0	$0	$0	$0
5	$0	$0	$0	$0	$0
6	$0	$0	$0	$0	$0
7	$0	$0	$0	$0	$0
8	$0	$0	$0	$0	$0
9	$0	$0	$0	$0	$0
10	$0	$0	$0	$0	$0
11	$0	$0	$0	$0	$0
12	$0	$0	$0	$0	$0
13	$0	$0	$0	$0	$0
14	$0	$0	$0	$0	$0
15	$0	$0	$0	$0	$0
16	$0	$0	$0	$0	$0
17	$0	$0	$0	$0	$0
18	$0	$0	$0	$0	$0
19	$0	$0	$0	$0	$0
20	$0	$0	$0	$0	$0
Total	$0	$0	$0	$0	$0

Fiscal Impact: Lincoln County

Total Tax Revenues

Year	Revenues	Cumulative Revenues
1	$0	$0
2	$0	$0
3	$0	$0
4	$0	$0
5	$0	$0
6	$0	$0
7	$0	$0
8	$0	$0
9	$0	$0
10	$0	$0
11	$0	$0
12	$0	$0
13	$0	$0
14	$0	$0
15	$0	$0
16	$0	$0
17	$0	$0
18	$0	$0
19	$0	$0
20	$0	$0
Total	$0	

Fiscal Impact: Harrisburg School District

Property tax collections on new residential property

Year	New Residential Property Tax Collections
1	$0
2	$0
3	$0
4	$0
5	$0
6	$0
7	$0
8	$0
9	$0
10	$0
11	$0
12	$0
13	$0
14	$0
15	$0
16	$0
17	$0
18	$0
19	$0
20	$0
Total	$0

Fiscal Impact: Harrisburg School District

Property tax collections on the Project's Real Property

	Land		Buildings & Other Real Property Improvements		Total Real Property Taxes Collected after Abated
Year	Taxes Collected	Taxes Abated	Taxes Collected	Taxes Abated	
1	$0	$0	$0	$0	$0
2	$0	$0	$0	$0	$0
3	$0	$0	$0	$0	$0
4	$0	$0	$0	$0	$0
5	$0	$0	$0	$0	$0
6	$0	$0	$0	$0	$0
7	$0	$0	$0	$0	$0
8	$0	$0	$0	$0	$0
9	$0	$0	$0	$0	$0
10	$0	$0	$0	$0	$0
11	$0	$0	$0	$0	$0
12	$0	$0	$0	$0	$0
13	$0	$0	$0	$0	$0
14	$0	$0	$0	$0	$0
15	$0	$0	$0	$0	$0
16	$0	$0	$0	$0	$0
17	$0	$0	$0	$0	$0
18	$0	$0	$0	$0	$0
19	$0	$0	$0	$0	$0
20	$0	$0	$0	$0	$0
Total	$0	$0	$0	$0	$0

Fiscal Impact: Harrisburg School District

Total Tax Revenues

Year	Revenues	Cumulative Revenues
1	$0	$0
2	$0	$0
3	$0	$0
4	$0	$0
5	$0	$0
6	$0	$0
7	$0	$0
8	$0	$0
9	$0	$0
10	$0	$0
11	$0	$0
12	$0	$0
13	$0	$0
14	$0	$0
15	$0	$0
16	$0	$0
17	$0	$0
18	$0	$0
19	$0	$0
20	$0	$0
Total	$0	

Fiscal Impact: State of South Dakota

Sales tax collections

Year	During Construction and Purchases of Furniture, Fixtures, and Equipment	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales from the Project	Local Purchases and Taxable Utilities from the Project	Total
1	$453,154	$57,377	$374,911	$10,251	$0	$895,694
2	$0	$58,524	$386,159	$10,559	$0	$455,242
3	$0	$59,695	$397,744	$10,876	$0	$468,314
4	$0	$60,889	$409,676	$11,202	$0	$481,767
5	$0	$62,107	$421,966	$11,538	$0	$495,611
6	$0	$63,349	$434,625	$11,884	$0	$509,858
7	$0	$64,616	$447,664	$12,241	$0	$524,520
8	$0	$65,908	$461,094	$12,608	$0	$539,610
9	$0	$67,226	$474,927	$12,986	$0	$555,139
10	$0	$68,571	$489,174	$13,376	$0	$571,121
11	$0	$69,942	$503,850	$13,777	$0	$587,569
12	$0	$71,341	$518,965	$14,190	$0	$604,496
13	$0	$72,768	$534,534	$14,616	$0	$621,918
14	$0	$74,223	$550,570	$15,054	$0	$639,848
15	$0	$75,708	$567,087	$15,506	$0	$658,301
16	$0	$77,222	$584,100	$15,971	$0	$677,293
17	$0	$78,766	$601,623	$16,450	$0	$696,840
18	$0	$80,342	$619,672	$16,944	$0	$716,957
19	$0	$81,948	$638,262	$17,452	$0	$737,662
20	$0	$83,587	$657,410	$17,976	$0	$758,973
Total	$453,154	$1,394,109	$10,074,012	$275,458	$0	$12,196,732

Fiscal Impact: State of South Dakota

Tourism Taxes

Year	Total Tourism Taxes
1	$40,472
2	$41,686
3	$42,936
4	$44,224
5	$45,551
6	$46,918
7	$48,325
8	$49,775
9	$51,268
10	$52,806
11	$54,391
12	$56,022
13	$57,703
14	$59,434
15	$61,217
16	$63,054
17	$64,945
18	$66,894
19	$68,900
20	$70,967
Total	$1,087,489

Fiscal Impact: State of South Dakota

Total Tax Revenues

Year	Revenues	Cumulative Revenues
1	$936,165	$936,165
2	$496,928	$1,433,093
3	$511,251	$1,944,344
4	$525,991	$2,470,335
5	$541,162	$3,011,497
6	$556,776	$3,568,273
7	$572,846	$4,141,119
8	$589,385	$4,730,503
9	$606,407	$5,336,911
10	$623,927	$5,960,838
11	$641,959	$6,602,797
12	$660,519	$7,263,316
13	$679,621	$7,942,937
14	$699,282	$8,642,219
15	$719,518	$9,361,737
16	$740,347	$10,102,083
17	$761,785	$10,863,868
18	$783,851	$11,647,719
19	$806,563	$12,454,281
20	$829,940	$13,284,221
Total	$13,284,221	

Detailed Demographics Reports

Tea, South Dakota

City of Tea, SD (Local & Sub Regional)

February 16, 2024

Pop-Facts® Executive Summary | Population & Household

Trade Area: 2415 Bakker Landing Ave - 30 min

POPULATION

The population in this area is estimated to change from **251,849** to **272,199**, resulting in a growth of **8.1%** between 2020 and the current year. Over the next five years, the population is projected to grow by **7.2%**.

The population in the base area is estimated to change from **331,449,281** to **336,157,119**, resulting in a growth of **1.4%** between 2020 and the current year. Over the next five years, the population is projected to grow by **2.4%**.

The current year median age for this area is **36.6**, while the average age is **37.9**. Five years from now, the median age is projected to be **37.7**.

The current year median age for the base area is **39.7**, while the average age is **40.6**. Five years from now, the median age is projected to be **40.7**.

Of this area's current year estimated population:
81.2% are White Alone, **5.3%** are Black or African American Alone, **2.4%** are American Indian and Alaska Nat. Alone, **2.1%** are Asian Alone, **0.0%** are Nat. Hawaiian and Other Pacific Isl. Alone, **2.7%** are Some Other Race, and **6.3%** are Two or More Races.

Of the base area's current year estimated population:
60.1% are White Alone, **12.5%** are Black or African American Alone, **1.1%** are American Indian and Alaska Nat. Alone, **6.2%** are Asian Alone, **0.2%** are Nat. Hawaiian and Other Pacific Isl. Alone, **8.9%** are Some Other Race, and **10.9%** are Two or More Races.

This area's current estimated Hispanic or Latino population is **6.1%**, while the base area's current estimated Hispanic or Latino population is **19.9%**.

HOUSEHOLD

The number of households in this area is estimated to change from **99,671** to **107,951**, resulting in an increase of **8.3%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **7.4%**.

The number of households in the base area is estimated to change from **126,817,580** to **129,079,042**, resulting in an increase of **1.8%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **2.7%**.

Benchmark: USA

Trade Area: 2415 Bakker Landing Ave - 30 min

EDUCATION

Currently, it is estimated that **8.1%** of the population age 25 and over in this area had earned a Master's Degree, **2.3%** had earned a Professional School Degree, **1.0%** had earned a Doctorate Degree and **24.7%** had earned a Bachelor's Degree.

In comparison, for the base area, it is estimated that for the population over age 25, **9.6%** had earned a Master's Degree, **2.3%** had earned a Professional School Degree, **1.6%** had earned a Doctorate Degree and **20.9%** had earned a Bachelor's Degree.

INCOME

The average household income is estimated to be **$110,132** for the current year, while the average household income for the base area is estimated to be **$108,671** for the same time frame.

The average household income in this area is projected to change over the next five years, from **$110,132** to **$122,654**.

The average household income in the base area is projected to change over the next five years, from **$108,671** to **$118,937**.

HOUSING

Most of the dwellings in this area (**64.0%**) are estimated to be **Owner-Occupied** for the current year. For the base area the majority of the housing units are **Owner-Occupied** (**63.2%**).

The majority of dwellings in this area (**60.2%**) are estimated to be structures of **1 Unit Detached** for the current year. The majority of the dwellings in the base area (**61.5%**) are estimated to be structure of **1 Unit Detached** for the same year.

The majority of housing units in this area (**17.7%**) are estimated to have been **Built 2000 to 2009** for the current year.

The majority of housing units in the base area (**14.4%**) are estimated to have been **Built 1970 to 1979** for the current year.

Benchmark: USA

Pop-Facts® Executive Summary | Labor

Trade Area: 2415 Bakker Landing Ave - 30 min

LABOR

For this area, **2415 Bakker Landing Ave - 30 min**, **98.2%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.3% are in the Armed Forces, **72.2%** are employed civilians, **1.3%** are unemployed civilians, and **26.1%** are not in the labor force.

The occupational classification for this area are as follows:
21.6% hold blue collar occupations, **62.4%** hold white collar occupations, and **16.0%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in this area, it is estimated that they are employed in the following occupational categories:
1.9% are in Architecture and Engineering, **2.0%** are in Arts, Entertainment and Sports, **5.7%** are in Business and Financial Operations, **3.6%** are in Computers and Mathematics, **4.8%** are in Education, Training and Libraries, **8.8%** are in Healthcare Practitioners and Technicians, **3.0%** are in Healthcare Support, **0.7%** are in Life, Physical and Social Sciences, **11.0%** are in Management, **11.0%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **5.1%** are in Food Preparation and Serving, **1.1%** are in Legal Services, **1.4%** are in Protective Services, **9.9%** are in Sales and Related Services, **2.9%** are in Personal Care Services.

3.0% are in Building and Grounds Maintenance, **5.0%** are in Construction and Extraction, **0.5%** are in Farming, Fishing and Forestry, **3.3%** are in Maintenance and Repair, **5.7%** are in Production, **7.7%** are in Transportation and Moving.

For the base area, **USA**, **94.2%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.5% are in the Armed Forces, **59.0%** are employed civilians, **3.6%** are unemployed civilians, and **36.9%** are not in the labor force.

The occupational classification for the base area are as follows:
21.2% hold blue collar occupations, **61.5%** hold white collar occupations, and **17.3%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in the base area, it is estimated that they are employed in the following occupational categories:
2.2% are in Architecture and Engineering, **2.0%** are in Arts, Entertainment and Sports, **5.8%** are in Business and Financial Operations, **3.5%** are in Computers and Mathematics, **6.2%** are in Education, Training and Libraries, **6.3%** are in Healthcare Practitioners and Technicians, **3.3%** are in Healthcare Support, **1.1%** are in Life, Physical and Social Sciences, **11.0%** are in Management, **10.8%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **5.2%** are in Food Preparation and Serving, **1.2%** are in Legal Services, **2.1%** are in Protective Services, **9.5%** are in Sales and Related Services, **2.5%** are in Personal Care Services.

3.5% are in Building and Grounds Maintenance, **5.0%** are in Construction and Extraction, **0.6%** are in Farming, Fishing and Forestry, **3.1%** are in Maintenance and Repair, **5.5%** are in Production, **7.7%** are in Transportation and Moving.

Benchmark: USA

Pop-Facts® Demographics | Population & Race

claritas

Trade Area: 2415 Bakker Landing Ave - 30 min

POPULATION

272,199

HOUSEHOLDS

107,951

ETHNICITY

6.1%

Index:31

Hispanic/Latino

HISPANIC ORIGIN*

51.7%

Index:87

Mexican

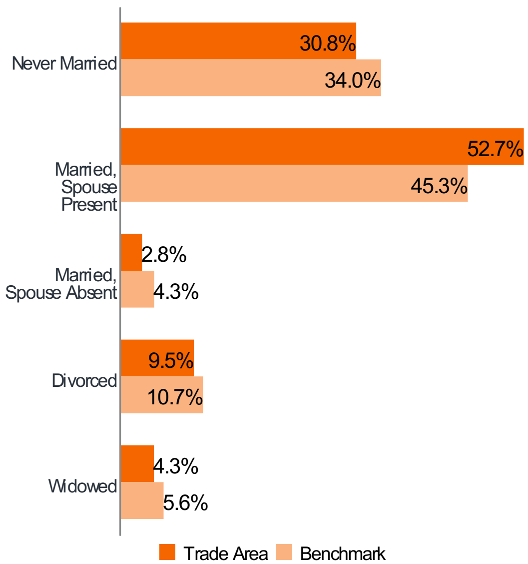
HOME LANGUAGE*

91.8%

Index:117

Only English

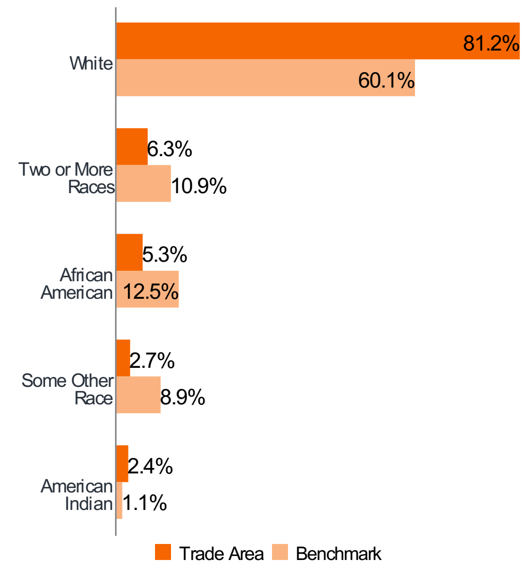
MARITAL STATUS



POPULATION BY AGE

Age	Count	%	Index
0 - 4	18,821	6.9	127
5 - 9	19,013	7.0	124
10 - 14	19,627	7.2	117
15 - 17	11,075	4.1	105
18 - 20	11,315	4.2	94
21 - 24	13,272	4.9	91
25 - 34	36,614	13.5	104
35 - 44	39,232	14.4	111
45 - 54	31,099	11.4	95
55 - 64	29,919	11.0	87
65 - 74	25,235	9.3	85
75 - 84	12,544	4.6	80
85+	4,434	1.6	81

POPULATION BY RACE**



Benchmark:USA

Index Colors:	<80	80 - 110	110+

*Top variable chosen from percent composition ranking

**Top 5 variables chosen from percent composition ranking

Pop-Facts® Demographics | Housing & Household

Trade Area: 2415 Bakker Landing Ave - 30 min

Population: 272,199 | **Households:** 107,951

MEDIAN AGE OF HOUSEHOLDER

49

Index:**91**

PRESENCE OF OWN CHILDREN*

31.2%

Index: **116**

AGE OF HOUSING**

9 - 18 years old

% Comp:**17.7** Index:**132**

HOUSING TENURE

Own

64.0%

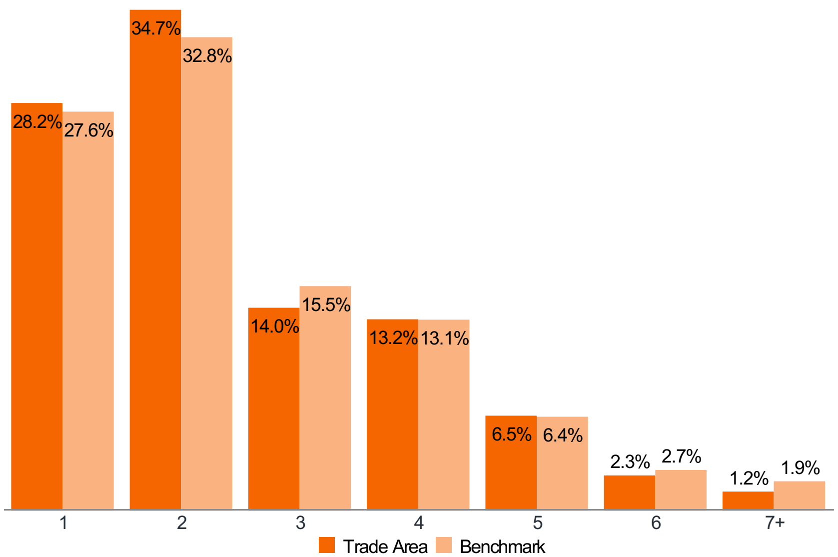
Index: **101**

Rent

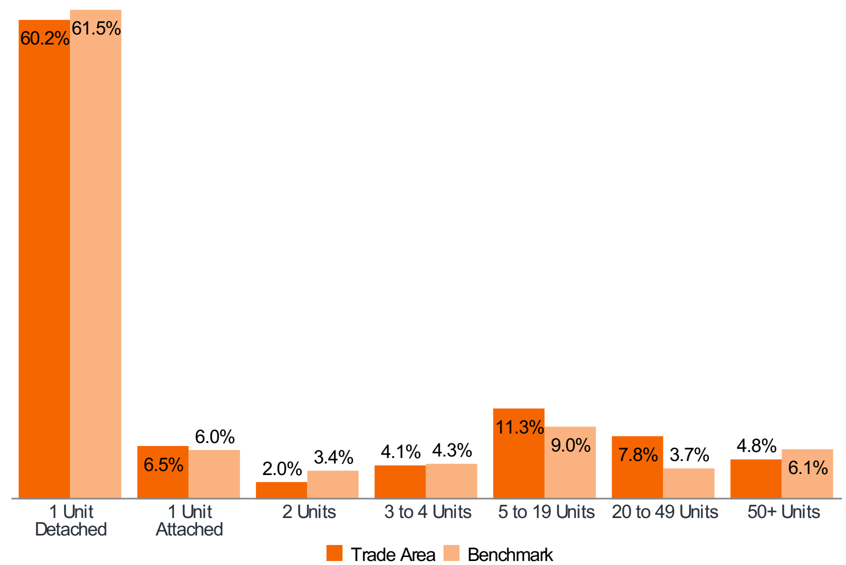
36.0%

Index:**98**

HOUSEHOLD SIZE



HOUSING UNITS IN STRUCTURE



Benchmark: USA

Index Colors:	<80	80 - 110	110+

**Uses the variable "Households with people under age 18"*

***Chosen from percent composition ranking*

Pop-Facts® Demographics | Affluence & Education

claritas

Trade Area: 2415 Bakker Landing Ave - 30 min

Population: 272,199 | **Households:** 107,951

EDUCATIONAL ATTAINMENT: TOP 2*

24.7%
Index: 118

Bachelor's Degree

24.1%
Index: 91

High School Graduate

EDUCATION: HISPANIC/LATINO

0.9%
Index: 26

Bachelor's degree or higher

POVERTY STATUS

94.4%
Index: 104

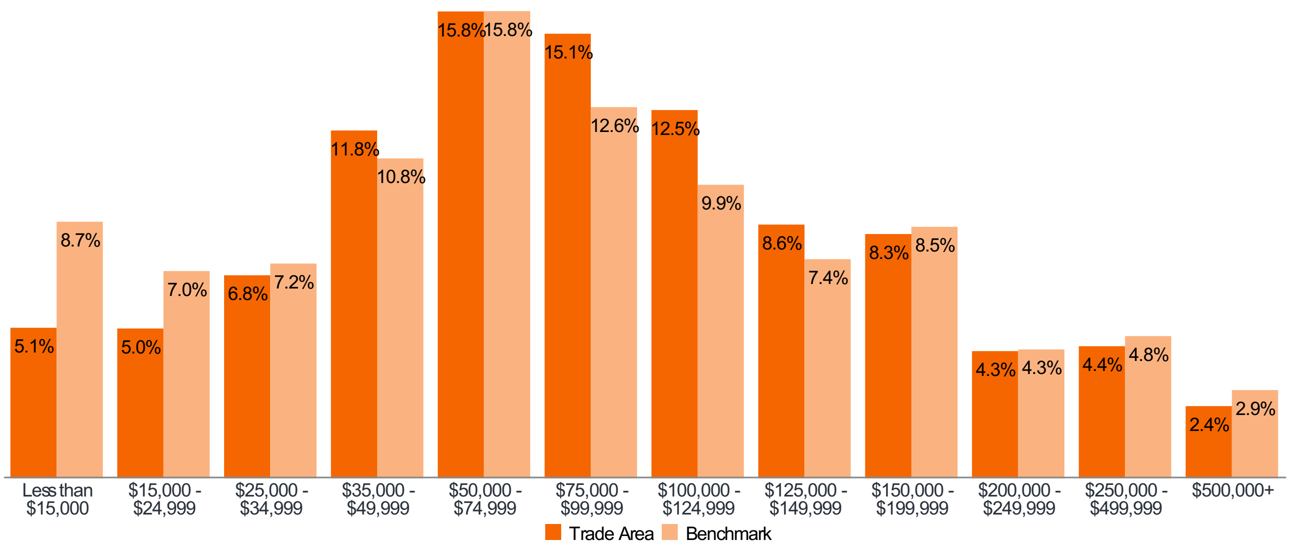
At or above poverty

HOUSEHOLD INCOME

Median Household Income
$83,778
Index: 111

Average Household Income
$110,132
Index: 101

HOUSEHOLD INCOME DISTRIBUTION



Benchmark: USA

**Ranked by percent composition*

Index Colors:	<80	80 - 110	110+

Trade Area: 2415 Bakker Landing Ave - 30 min

Population: 272,199 | **Households:** 107,951

OCCUPATIONAL CLASS*

62.4%

Index:**101**

White Collar

UNEMPLOYMENT RATE

1.7%

Index:**29**

Percent of civilian labor force unemployed

METHOD OF TRAVEL TO WORK: TOP 2*

77.9%

Index:**110**

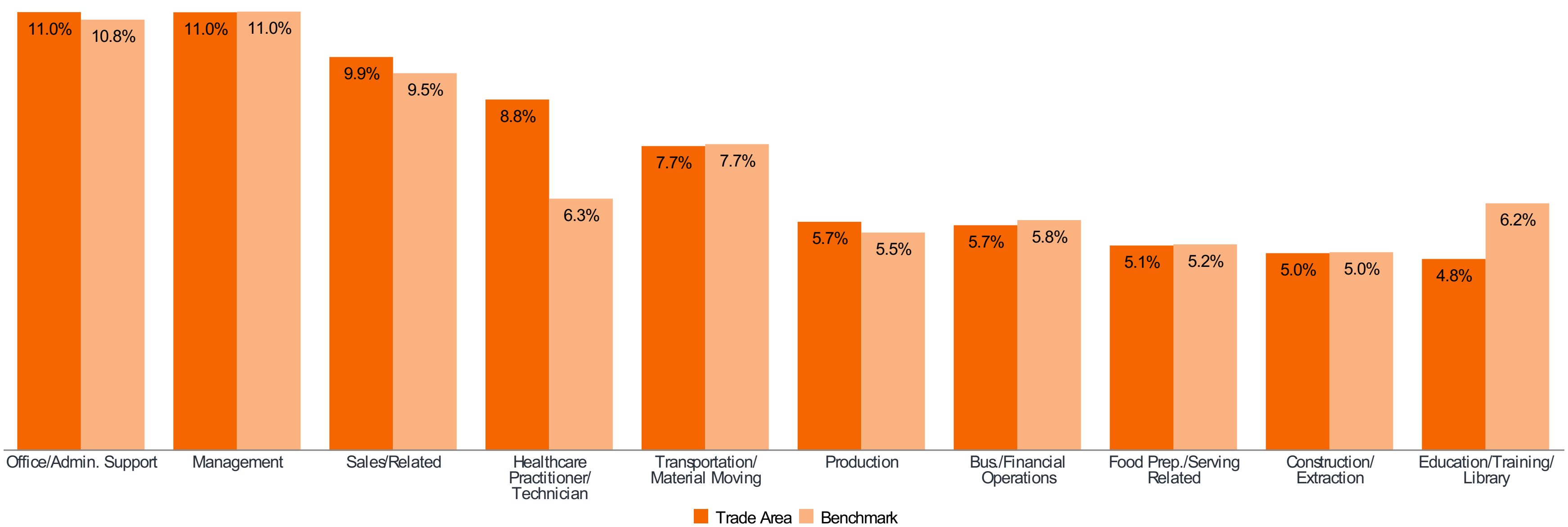
Travel to work by **Driving Alone**

7.5%

Index:**91**

Travel to work by **Carpooling**

OCCUPATION: TOP 10*



Benchmark: USA

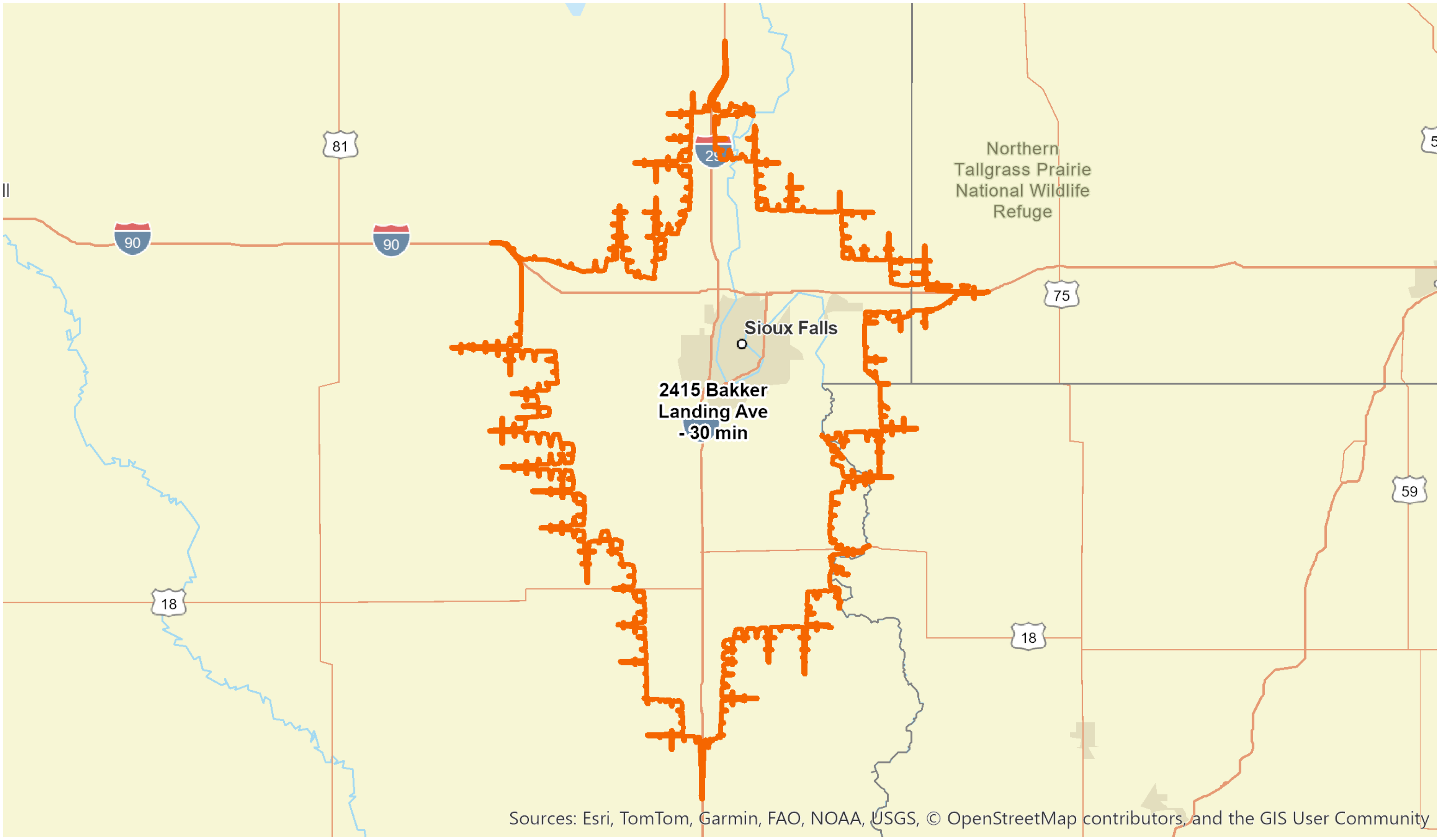
Chosen from percent composition ranking

Index Colors:	<80	80 - 110	110+

Pop-Facts® Demographics | Map

Trade Area: 2415 Bakker Landing Ave - 30 min

Population: 272,199 | **Households:** 107,951



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Trade Area: 2415 Bakker Landing Ave - 90 min

POPULATION

The population in this area is estimated to change from **668,377** to **691,771**, resulting in a growth of **3.5%** between 2020 and the current year. Over the next five years, the population is projected to grow by **3.9%**.

The population in the base area is estimated to change from **331,449,281** to **336,157,119**, resulting in a growth of **1.4%** between 2020 and the current year. Over the next five years, the population is projected to grow by **2.4%**.

The current year median age for this area is **36.8**, while the average age is **38.6**. Five years from now, the median age is projected to be **37.4**.

The current year median age for the base area is **39.7**, while the average age is **40.6**. Five years from now, the median age is projected to be **40.7**.

Of this area's current year estimated population:
80.3% are White Alone, **3.8%** are Black or African American Alone, **2.2%** are American Indian and Alaska Nat. Alone, **1.9%** are Asian Alone, **0.2%** are Nat. Hawaiian and Other Pacific Isl. Alone, **4.8%** are Some Other Race, and **6.8%** are Two or More Races.

Of the base area's current year estimated population:
60.1% are White Alone, **12.5%** are Black or African American Alone, **1.1%** are American Indian and Alaska Nat. Alone, **6.2%** are Asian Alone, **0.2%** are Nat. Hawaiian and Other Pacific Isl. Alone, **8.9%** are Some Other Race, and **10.9%** are Two or More Races.

This area's current estimated Hispanic or Latino population is **10.5%**, while the base area's current estimated Hispanic or Latino population is **19.9%**.

HOUSEHOLD

The number of households in this area is estimated to change from **258,722** to **267,861**, resulting in an increase of **3.5%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **4.0%**.

The number of households in the base area is estimated to change from **126,817,580** to **129,079,042**, resulting in an increase of **1.8%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **2.7%**.

Benchmark: USA

Trade Area: 2415 Bakker Landing Ave - 90 min

EDUCATION

Currently, it is estimated that **6.7%** of the population age 25 and over in this area had earned a Master's Degree, **1.7%** had earned a Professional School Degree, **1.1%** had earned a Doctorate Degree and **20.7%** had earned a Bachelor's Degree.

In comparison, for the base area, it is estimated that for the population over age 25, **9.6%** had earned a Master's Degree, **2.3%** had earned a Professional School Degree, **1.6%** had earned a Doctorate Degree and **20.9%** had earned a Bachelor's Degree.

INCOME

The average household income is estimated to be **$100,828** for the current year, while the average household income for the base area is estimated to be **$108,671** for the same time frame.

The average household income in this area is projected to change over the next five years, from **$100,828** to **$112,410**.

The average household income in the base area is projected to change over the next five years, from **$108,671** to **$118,937**.

HOUSING

Most of the dwellings in this area (**67.2%**) are estimated to be **Owner-Occupied** for the current year. For the base area the majority of the housing units are **Owner-Occupied** (**63.2%**).

The majority of dwellings in this area (**68.5%**) are estimated to be structures of **1 Unit Detached** for the current year. The majority of the dwellings in the base area (**61.5%**) are estimated to be structure of **1 Unit Detached** for the same year.

The majority of housing units in this area (**18.5%**) are estimated to have been **Built 1939 or Earlier** for the current year.

The majority of housing units in the base area (**14.4%**) are estimated to have been **Built 1970 to 1979** for the current year.

Benchmark: USA

Trade Area: 2415 Bakker Landing Ave - 90 min

LABOR

For this area, **2415 Bakker Landing Ave - 90 min**, **97.6%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.2% are in the Armed Forces, **68.5%** are employed civilians, **1.7%** are unemployed civilians, and **29.6%** are not in the labor force.

The occupational classification for this area are as follows:
25.4% hold blue collar occupations, **57.4%** hold white collar occupations, and **17.2%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in this area, it is estimated that they are employed in the following occupational categories:
1.6% are in Architecture and Engineering, **1.7%** are in Arts, Entertainment and Sports, **4.4%** are in Business and Financial Operations, **2.2%** are in Computers and Mathematics, **5.9%** are in Education, Training and Libraries, **7.0%** are in Healthcare Practitioners and Technicians, **3.0%** are in Healthcare Support, **0.9%** are in Life, Physical and Social Sciences, **11.1%** are in Management, **10.6%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **5.3%** are in Food Preparation and Serving, **0.8%** are in Legal Services, **1.3%** are in Protective Services, **9.4%** are in Sales and Related Services, **2.8%** are in Personal Care Services.

3.3% are in Building and Grounds Maintenance, **5.2%** are in Construction and Extraction, **1.3%** are in Farming, Fishing and Forestry, **3.6%** are in Maintenance and Repair, **8.1%** are in Production, **8.4%** are in Transportation and Moving.

For the base area, **USA**, **94.2%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.5% are in the Armed Forces, **59.0%** are employed civilians, **3.6%** are unemployed civilians, and **36.9%** are not in the labor force.

The occupational classification for the base area are as follows:
21.2% hold blue collar occupations, **61.5%** hold white collar occupations, and **17.3%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in the base area, it is estimated that they are employed in the following occupational categories:
2.2% are in Architecture and Engineering, **2.0%** are in Arts, Entertainment and Sports, **5.8%** are in Business and Financial Operations, **3.5%** are in Computers and Mathematics, **6.2%** are in Education, Training and Libraries, **6.3%** are in Healthcare Practitioners and Technicians, **3.3%** are in Healthcare Support, **1.1%** are in Life, Physical and Social Sciences, **11.0%** are in Management, **10.8%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **5.2%** are in Food Preparation and Serving, **1.2%** are in Legal Services, **2.1%** are in Protective Services, **9.5%** are in Sales and Related Services, **2.5%** are in Personal Care Services.

3.5% are in Building and Grounds Maintenance, **5.0%** are in Construction and Extraction, **0.6%** are in Farming, Fishing and Forestry, **3.1%** are in Maintenance and Repair, **5.5%** are in Production, **7.7%** are in Transportation and Moving.

Benchmark: USA

Pop-Facts® Demographics | Population & Race

Trade Area: 2415 Bakker Landing Ave - 90 min

POPULATION

691,771

HOUSEHOLDS

267,861

ETHNICITY

10.5%

Index:53

Hispanic/Latino

HISPANIC ORIGIN*

65.1%

Index:109

Mexican

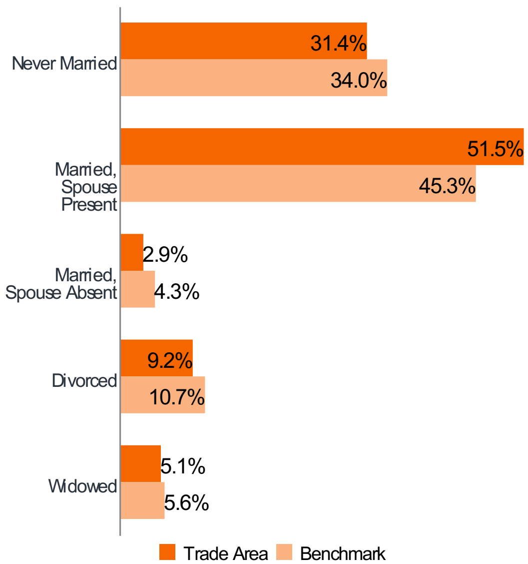
HOME LANGUAGE*

89.9%

Index:114

Only English

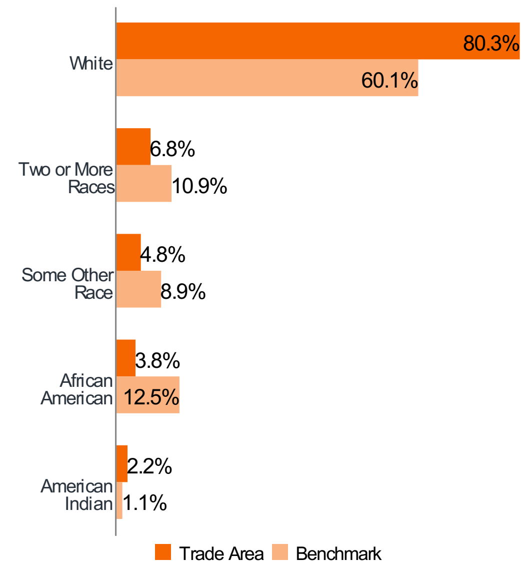
MARITAL STATUS



POPULATION BY AGE

Age	Count	%	Index
0 - 4	46,069	6.7	122
5 - 9	46,294	6.7	119
10 - 14	48,667	7.0	114
15 - 17	28,972	4.2	109
18 - 20	35,387	5.1	116
21 - 24	39,590	5.7	107
25 - 34	84,590	12.2	94
35 - 44	88,328	12.8	99
45 - 54	75,110	10.9	91
55 - 64	77,923	11.3	89
65 - 74	69,716	10.1	93
75 - 84	36,012	5.2	90
85+	15,114	2.2	109

POPULATION BY RACE**



Benchmark:USA

Index Colors:	<80	80 - 110	110+

*Top variable chosen from percent composition ranking

**Top 5 variables chosen from percent composition ranking

Pop-Facts® Demographics | Housing & Household

Trade Area: 2415 Bakker Landing Ave - 90 min

Population: 691,771 | **Households:** 267,861

MEDIAN AGE OF HOUSEHOLDER

52

Index:96

PRESENCE OF OWN CHILDREN*

29.6%

Index: 110

AGE OF HOUSING**

79+ years old

% Comp:**18.5** Index:**159**

HOUSING TENURE

Own

67.2%

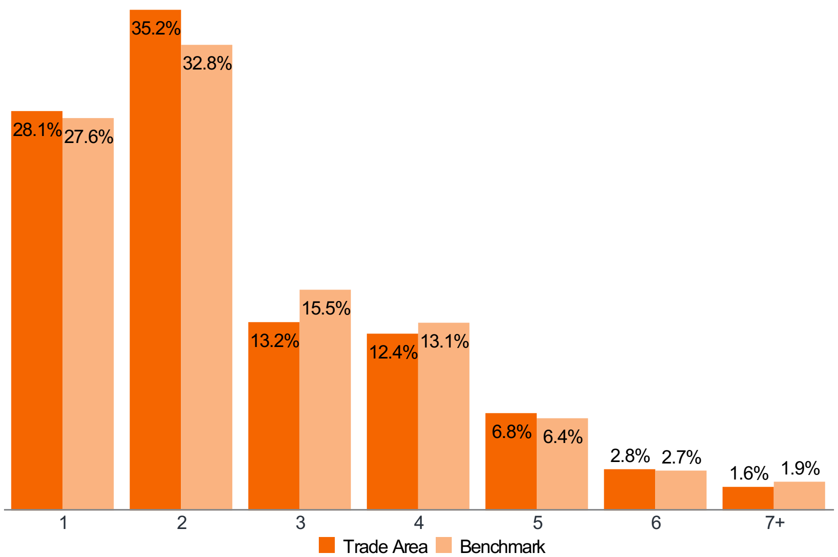
Index: 106

Rent

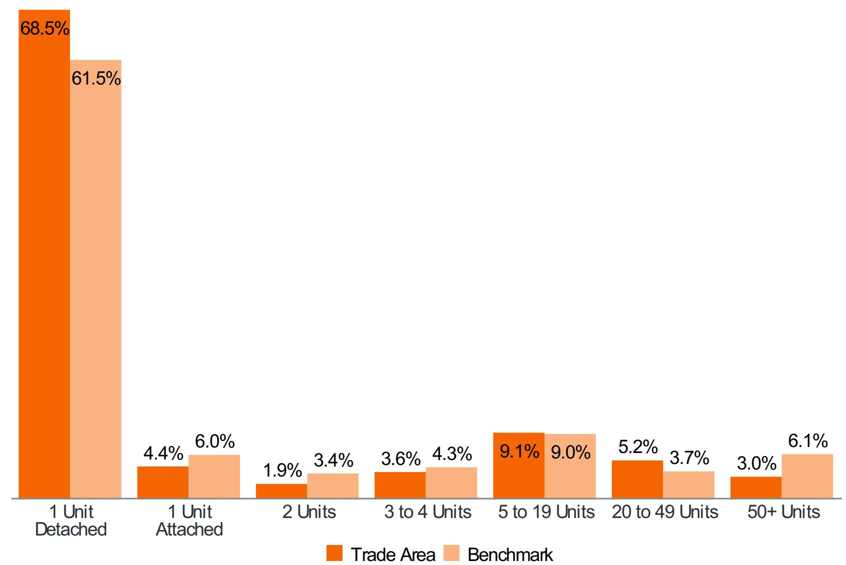
32.8%

Index:89

HOUSEHOLD SIZE



HOUSING UNITS IN STRUCTURE



Benchmark: USA

Index Colors:	<80	80 - 110	110+

**Uses the variable "Households with people under age 18"*

***Chosen from percent composition ranking*

Pop-Facts® Demographics | Affluence & Education

Trade Area: 2415 Bakker Landing Ave - 90 min

Population: 691,771 | **Households:** 267,861

EDUCATIONAL ATTAINMENT: TOP 2*

29.0%
Index: 110
High School Graduate

20.7%
Index: 99
Bachelor's Degree

EDUCATION: HISPANIC/LATINO

0.8%
Index:26
Bachelor's degree or higher

POVERTY STATUS

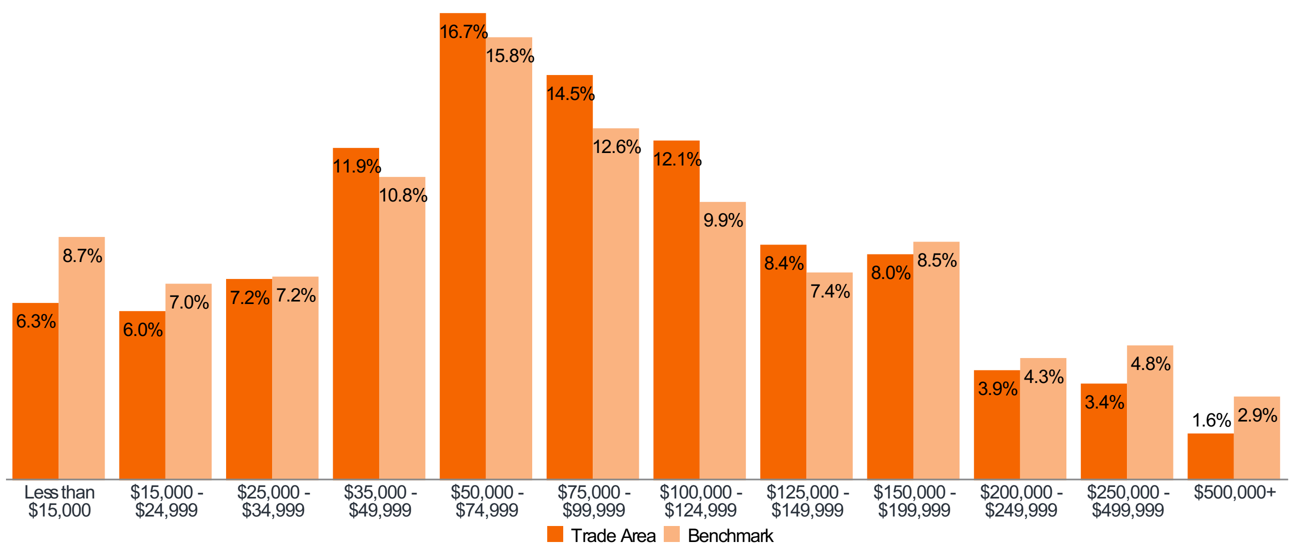
93.3%
Index:103
At or above poverty

HOUSEHOLD INCOME

Median Household Income
$78,180
Index:103

Average Household Income
$100,828
Index:93

HOUSEHOLD INCOME DISTRIBUTION



Benchmark: USA

**Ranked by percent composition*

Index Colors:	<80	80 - 110	110+

Pop-Facts® Demographics | Employment & Occupation

Trade Area: 2415 Bakker Landing Ave - 90 min

Population: 691,771 | **Households:** 267,861

OCCUPATIONAL CLASS*

57.4%

Index:93

White Collar

UNEMPLOYMENT RATE

2.4%

Index:40

Percent of civilian labor force unemployed

METHOD OF TRAVEL TO WORK: TOP 2*

78.3%

Index:111

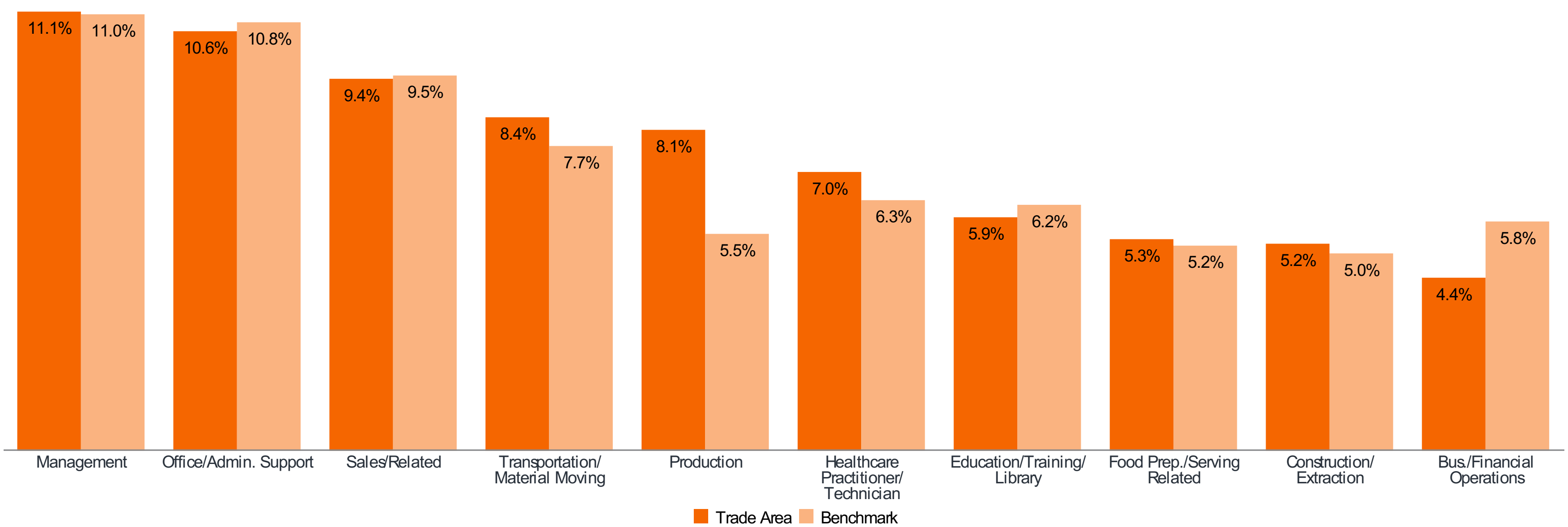
Travel to work by **Driving Alone**

8.2%

Index:100

Travel to work by **Carpooling**

OCCUPATION: TOP 10*



Benchmark: USA

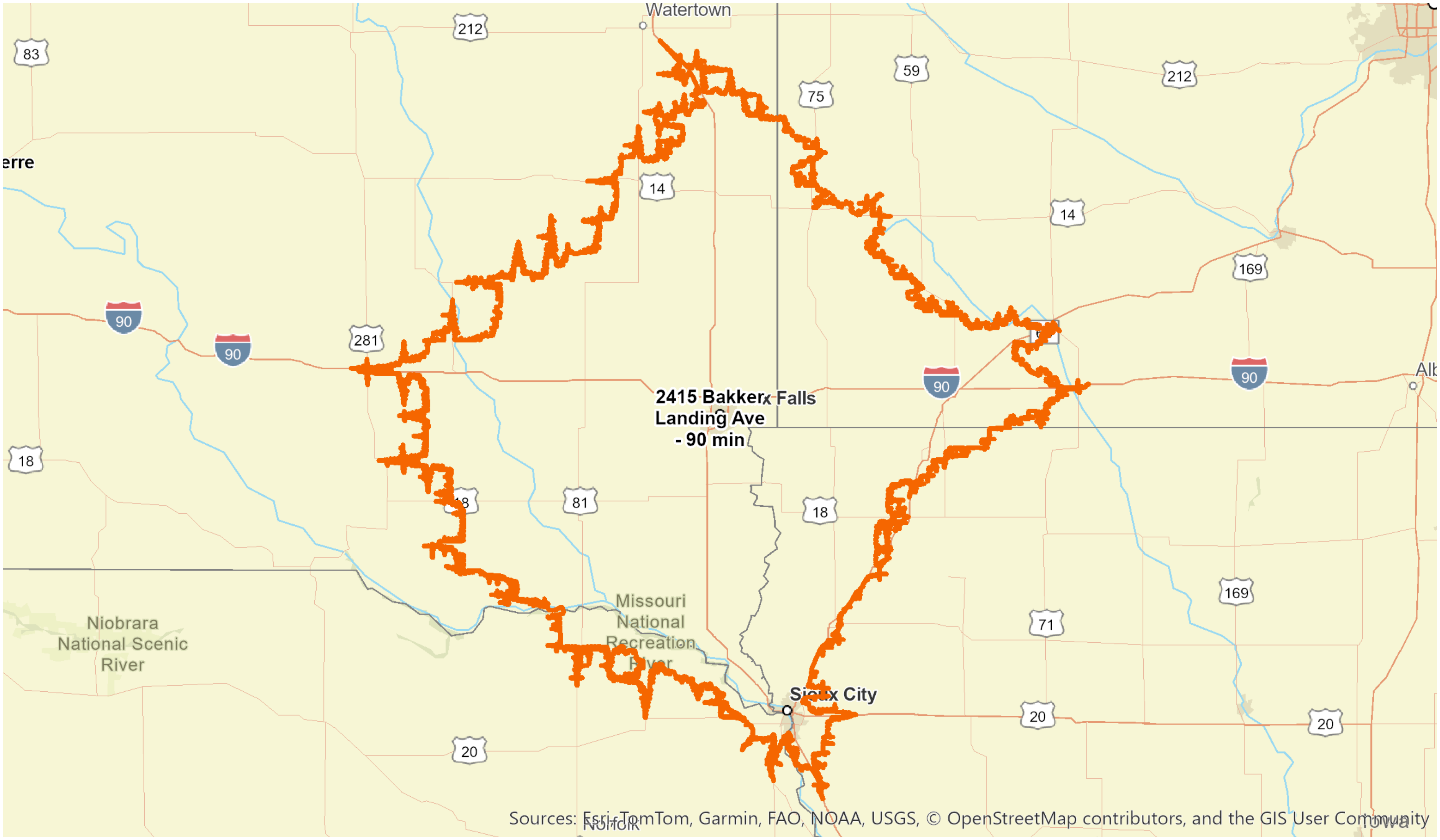
**Chosen from percent composition ranking*

Index Colors:	<80	80 - 110	110+

Pop-Facts® Demographics | Map

Trade Area: 2415 Bakker Landing Ave - 90 min

Population: 691,771 | **Households:** 267,861



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Report Details

Name:	City of Tea, SD (Local & Sub Regional)
Date / Time:	2/16/2024 10:41:04 AM
Workspace Vintage:	2024

Trade Area

Name	Level	Geographies
2415 Bakker Landing Ave - 30 min		N/A
2415 Bakker Landing Ave - 90 min		N/A
2415 Bakker Landing Ave - 30 min		N/A
2415 Bakker Landing Ave - 90 min		N/A

Benchmark

Name	Level	Geographies
USA	Entire US	United States

DataSource

Product	Provider	Copyright
Claritas Pop-Facts® Premier 2024	Claritas	©Claritas, LLC 2024 (https://claritas.easpotlight.com/Spotlight/About
SPOTLIGHT Pop-Facts® Premier 2024, including 2010 US Census, 2024 estimates and 2029 projections	Claritas	©Claritas, LLC 2024 (https://claritas.easpotlight.com/Spotlight/About

City of Tea, SD (Regional)

February 16, 2024

Pop-Facts® Executive Summary | Population & Household

Trade Area: 2415 Bakker Landing Ave - 150 min

POPULATION

The population in this area is estimated to change from **1,238,982** to **1,258,655**, resulting in a growth of **1.6%** between 2020 and the current year. Over the next five years, the population is projected to grow by **2.4%**.

The population in the base area is estimated to change from **331,449,281** to **336,157,119**, resulting in a growth of **1.4%** between 2020 and the current year. Over the next five years, the population is projected to grow by **2.4%**.

The current year median age for this area is **38.7**, while the average age is **40.1**. Five years from now, the median age is projected to be **38.9**.

The current year median age for the base area is **39.7**, while the average age is **40.6**. Five years from now, the median age is projected to be **40.7**.

Of this area's current year estimated population:
82.1% are White Alone, **2.8%** are Black or African American Alone, **2.6%** are American Indian and Alaska Nat. Alone, **1.7%** are Asian Alone, **0.2%** are Nat. Hawaiian and Other Pacific Isl. Alone, **4.4%** are Some Other Race, and **6.2%** are Two or More Races.

Of the base area's current year estimated population:
60.1% are White Alone, **12.5%** are Black or African American Alone, **1.1%** are American Indian and Alaska Nat. Alone, **6.2%** are Asian Alone, **0.2%** are Nat. Hawaiian and Other Pacific Isl. Alone, **8.9%** are Some Other Race, and **10.9%** are Two or More Races.

This area's current estimated Hispanic or Latino population is **9.6%**, while the base area's current estimated Hispanic or Latino population is **19.9%**.

HOUSEHOLD

The number of households in this area is estimated to change from **490,806** to **498,063**, resulting in an increase of **1.5%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **2.3%**.

The number of households in the base area is estimated to change from **126,817,580** to **129,079,042**, resulting in an increase of **1.8%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **2.7%**.

Benchmark: USA

Trade Area: 2415 Bakker Landing Ave - 150 min

EDUCATION

Currently, it is estimated that **5.8%** of the population age 25 and over in this area had earned a Master's Degree, **1.5%** had earned a Professional School Degree, **1.0%** had earned a Doctorate Degree and **18.7%** had earned a Bachelor's Degree.

In comparison, for the base area, it is estimated that for the population over age 25, **9.6%** had earned a Master's Degree, **2.3%** had earned a Professional School Degree, **1.6%** had earned a Doctorate Degree and **20.9%** had earned a Bachelor's Degree.

INCOME

The average household income is estimated to be **$96,475** for the current year, while the average household income for the base area is estimated to be **$108,671** for the same time frame.

The average household income in this area is projected to change over the next five years, from **$96,475** to **$107,659**.

The average household income in the base area is projected to change over the next five years, from **$108,671** to **$118,937**.

HOUSING

Most of the dwellings in this area (**69.8%**) are estimated to be **Owner-Occupied** for the current year. For the base area the majority of the housing units are **Owner-Occupied** (**63.2%**).

The majority of dwellings in this area (**73.8%**) are estimated to be structures of **1 Unit Detached** for the current year. The majority of the dwellings in the base area (**61.5%**) are estimated to be structure of **1 Unit Detached** for the same year.

The majority of housing units in this area (**23.2%**) are estimated to have been **Built 1939 or Earlier** for the current year.

The majority of housing units in the base area (**14.4%**) are estimated to have been **Built 1970 to 1979** for the current year.

Benchmark: USA

Trade Area: 2415 Bakker Landing Ave - 150 min

LABOR

For this area, **2415 Bakker Landing Ave - 150 min**, **97.2%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.2% are in the Armed Forces, **66.1%** are employed civilians, **1.9%** are unemployed civilians, and **31.8%** are not in the labor force.

The occupational classification for this area are as follows:
26.4% hold blue collar occupations, **56.0%** hold white collar occupations, and **17.6%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in this area, it is estimated that they are employed in the following occupational categories:
1.4% are in Architecture and Engineering, **1.4%** are in Arts, Entertainment and Sports, **4.0%** are in Business and Financial Operations, **1.7%** are in Computers and Mathematics, **6.1%** are in Education, Training and Libraries, **6.5%** are in Healthcare Practitioners and Technicians, **3.2%** are in Healthcare Support, **0.9%** are in Life, Physical and Social Sciences, **11.7%** are in Management, **10.9%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **5.0%** are in Food Preparation and Serving, **0.6%** are in Legal Services, **1.4%** are in Protective Services, **9.1%** are in Sales and Related Services, **2.7%** are in Personal Care Services.

3.4% are in Building and Grounds Maintenance, **5.3%** are in Construction and Extraction, **1.8%** are in Farming, Fishing and Forestry, **3.8%** are in Maintenance and Repair, **8.5%** are in Production, **8.7%** are in Transportation and Moving.

For the base area, **USA**, **94.2%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.5% are in the Armed Forces, **59.0%** are employed civilians, **3.6%** are unemployed civilians, and **36.9%** are not in the labor force.

The occupational classification for the base area are as follows:
21.2% hold blue collar occupations, **61.5%** hold white collar occupations, and **17.3%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in the base area, it is estimated that they are employed in the following occupational categories:
2.2% are in Architecture and Engineering, **2.0%** are in Arts, Entertainment and Sports, **5.8%** are in Business and Financial Operations, **3.5%** are in Computers and Mathematics, **6.2%** are in Education, Training and Libraries, **6.3%** are in Healthcare Practitioners and Technicians, **3.3%** are in Healthcare Support, **1.1%** are in Life, Physical and Social Sciences, **11.0%** are in Management, **10.8%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **5.2%** are in Food Preparation and Serving, **1.2%** are in Legal Services, **2.1%** are in Protective Services, **9.5%** are in Sales and Related Services, **2.5%** are in Personal Care Services.

3.5% are in Building and Grounds Maintenance, **5.0%** are in Construction and Extraction, **0.6%** are in Farming, Fishing and Forestry, **3.1%** are in Maintenance and Repair, **5.5%** are in Production, **7.7%** are in Transportation and Moving.

Benchmark: USA

Pop-Facts® Demographics | Population & Race

Trade Area: 2415 Bakker Landing Ave - 150 min

POPULATION

1,258,655

HOUSEHOLDS

498,063

ETHNICITY

9.6%

Index:48

Hispanic/Latino

HISPANIC ORIGIN*

68.4%

Index:115

Mexican

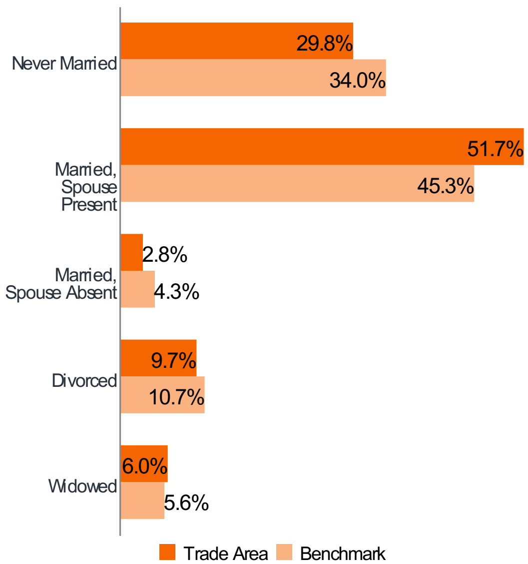
HOME LANGUAGE*

91.4%

Index:116

Only English

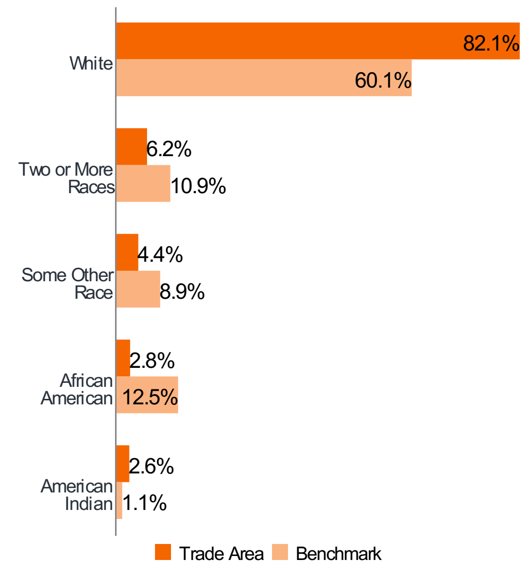
MARITAL STATUS



POPULATION BY AGE

Age	Count	%	Index
0 - 4	81,147	6.4	118
5 - 9	81,358	6.5	115
10 - 14	86,189	6.8	111
15 - 17	51,807	4.1	107
18 - 20	59,611	4.7	107
21 - 24	68,063	5.4	101
25 - 34	144,062	11.4	88
35 - 44	153,042	12.2	94
45 - 54	133,562	10.6	89
55 - 64	150,023	11.9	95
65 - 74	140,529	11.2	103
75 - 84	75,291	6.0	103
85+	33,971	2.7	135

POPULATION BY RACE**



Benchmark:USA

Index Colors:	<80	80 - 110	110+

*Top variable chosen from percent composition ranking

**Top 5 variables chosen from percent composition ranking

Pop-Facts® Demographics | Housing & Household

Trade Area: 2415 Bakker Landing Ave - 150 min

Population: 1,258,655 | **Households:** 498,063

MEDIAN AGE OF HOUSEHOLDER

54

Index:100

PRESENCE OF OWN CHILDREN*

27.8%

Index: 104

AGE OF HOUSING**

79+ years old

% Comp:**23.2** Index:**200**

HOUSING TENURE

Own

69.8%

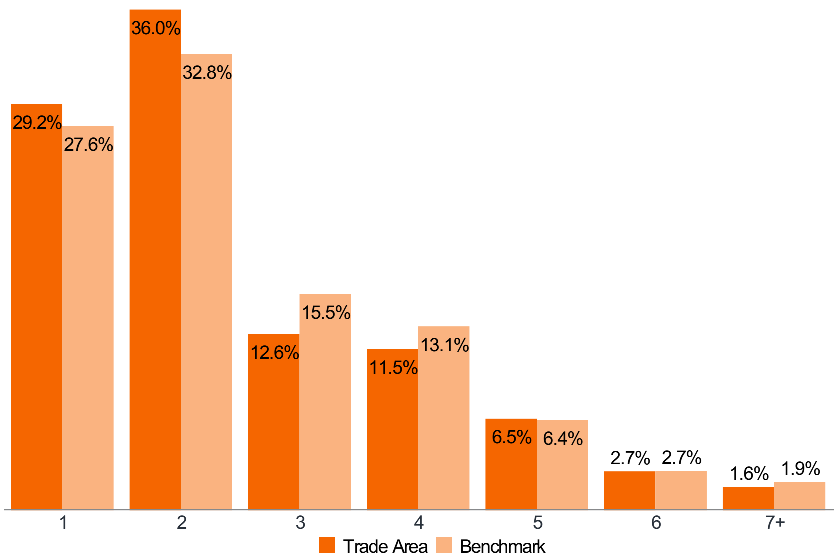
Index: 110

Rent

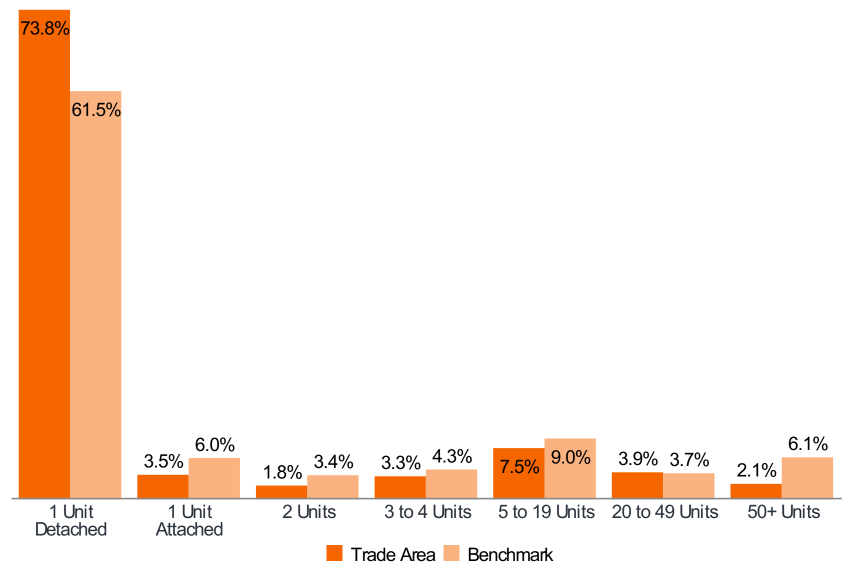
30.1%

Index:82

HOUSEHOLD SIZE



HOUSING UNITS IN STRUCTURE



Benchmark: USA

Uses the variable "Households with people under age 18"

***Chosen from percent composition ranking*

Index Colors:	<80	80 - 110	110+

Trade Area: 2415 Bakker Landing Ave - 150 min

Population: 1,258,655 | **Households:**498,063

EDUCATIONAL ATTAINMENT: TOP 2*

31.6%

Index: 119

High School Graduate

20.5%

Index: 105

Some College, No Degree

EDUCATION: HISPANIC/LATINO

0.7%

Index:23

Bachelor's degree or higher

POVERTY STATUS

93.1%

Index:102

At or above poverty

HOUSEHOLD INCOME

Median Household Income

$74,719

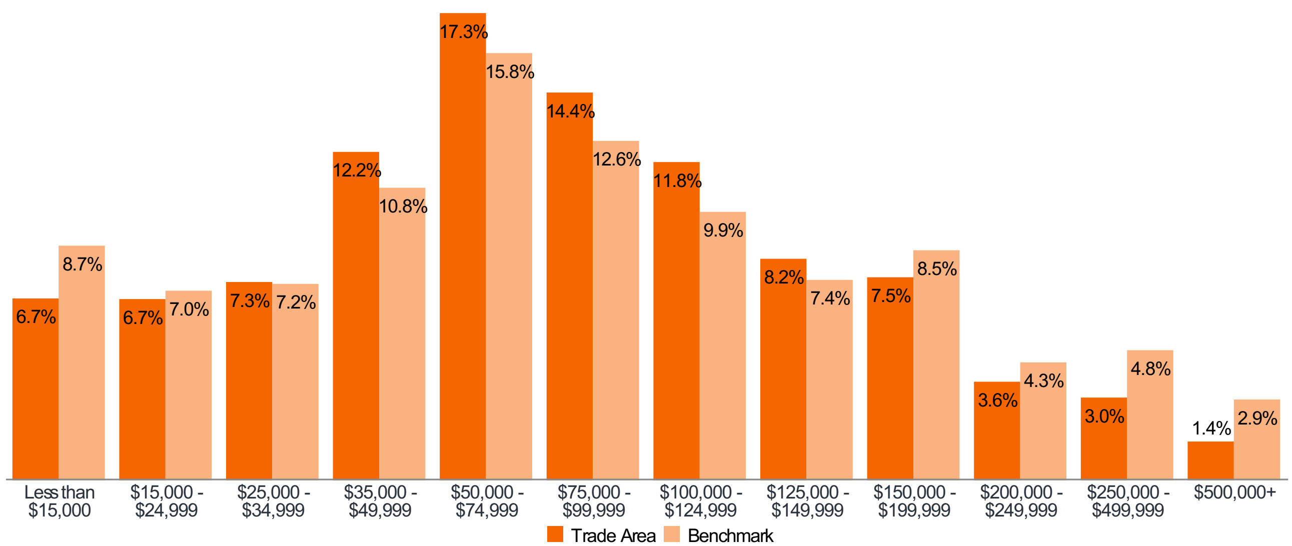
Index:99

Average Household Income

$96,475

Index:89

HOUSEHOLD INCOME DISTRIBUTION



Benchmark:USA

**Ranked by percent composition*

Index Colors:	<80	80 - 110	110+

Pop-Facts® Demographics | Employment & Occupation

Trade Area: 2415 Bakker Landing Ave - 150 min

Population: 1,258,655 | **Households:** 498,063

OCCUPATIONAL CLASS*

56.0%

Index:91

White Collar

UNEMPLOYMENT RATE

2.9%

Index:48

Percent of civilian labor force unemployed

METHOD OF TRAVEL TO WORK: TOP 2*

78.4%

Index:111

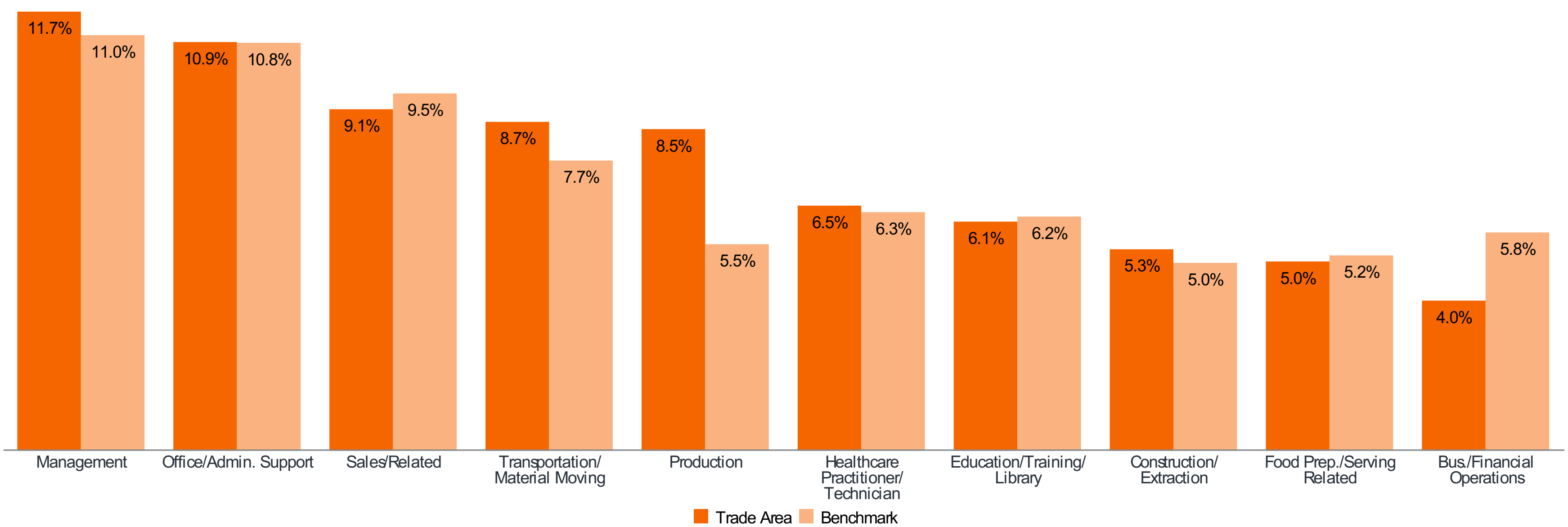
Travel to work by **Driving Alone**

8.1%

Index:98

Travel to work by **Carpooling**

OCCUPATION: TOP 10*



Benchmark: USA

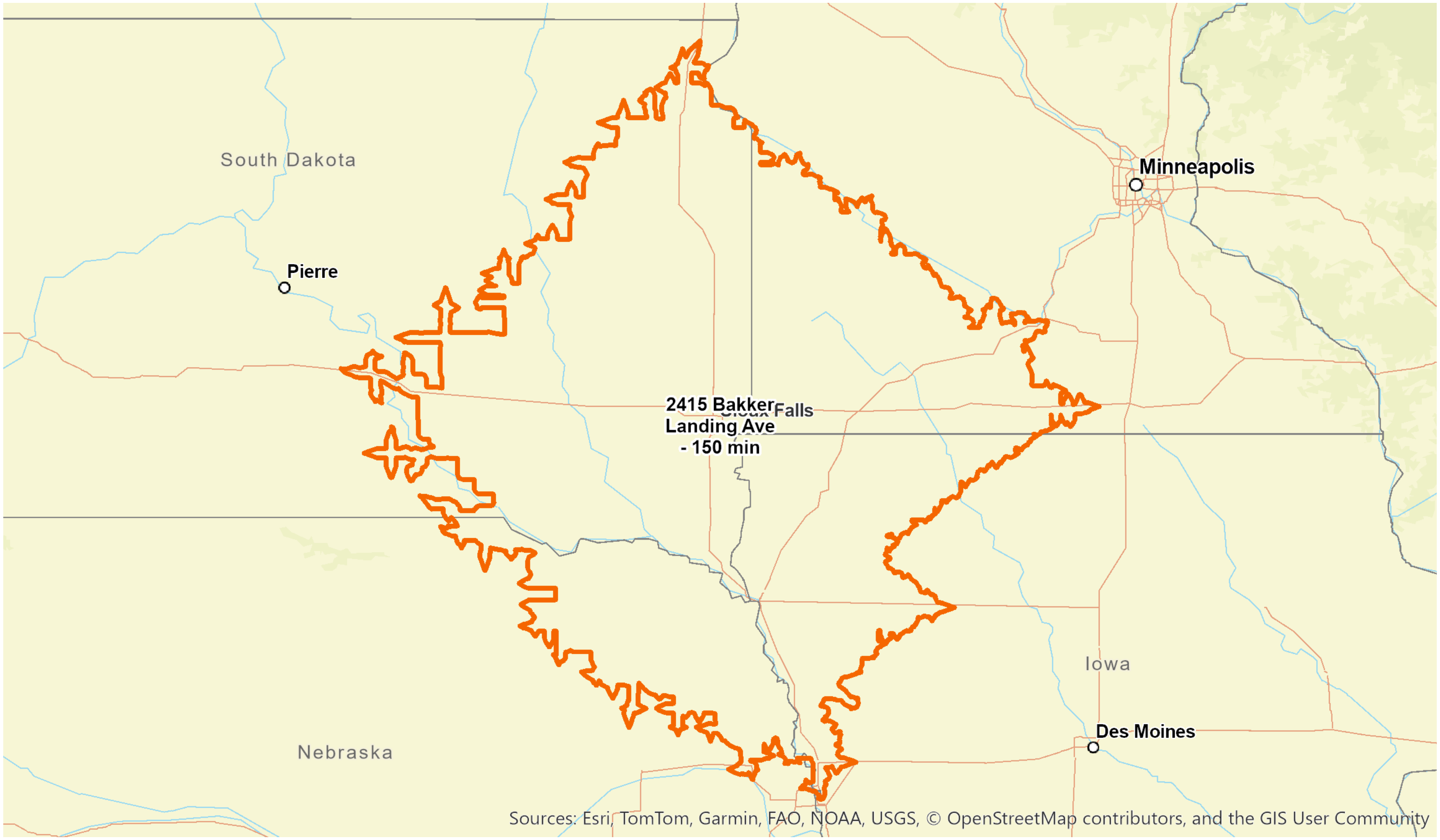
**Chosen from percent composition ranking*

Index Colors:	<80	80 - 110	110+

Pop-Facts® Demographics | Map

Trade Area: 2415 Bakker Landing Ave - 150 min

Population: 1,258,655 | **Households:** 498,063



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claritas

Trade Area: 2415 Bakker Landing Ave - 210 min

POPULATION

The population in this area is estimated to change from **3,578,871** to **3,625,963**, resulting in a growth of **1.3%** between 2020 and the current year. Over the next five years, the population is projected to grow by **2.5%**.

The population in the base area is estimated to change from **331,449,281** to **336,157,119**, resulting in a growth of **1.4%** between 2020 and the current year. Over the next five years, the population is projected to grow by **2.4%**.

The current year median age for this area is **38.3**, while the average age is **39.7**. Five years from now, the median age is projected to be **38.8**.

The current year median age for the base area is **39.7**, while the average age is **40.6**. Five years from now, the median age is projected to be **40.7**.

Of this area's current year estimated population:
79.6% are White Alone, **4.3%** are Black or African American Alone, **1.7%** are American Indian and Alaska Nat. Alone, **2.6%** are Asian Alone, **0.2%** are Nat. Hawaiian and Other Pacific Isl. Alone, **4.6%** are Some Other Race, and **7.0%** are Two or More Races.

Of the base area's current year estimated population:
60.1% are White Alone, **12.5%** are Black or African American Alone, **1.1%** are American Indian and Alaska Nat. Alone, **6.2%** are Asian Alone, **0.2%** are Nat. Hawaiian and Other Pacific Isl. Alone, **8.9%** are Some Other Race, and **10.9%** are Two or More Races.

This area's current estimated Hispanic or Latino population is **10.3%**, while the base area's current estimated Hispanic or Latino population is **19.9%**.

HOUSEHOLD

The number of households in this area is estimated to change from **1,412,636** to **1,431,453**, resulting in an increase of **1.3%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **2.5%**.

The number of households in the base area is estimated to change from **126,817,580** to **129,079,042**, resulting in an increase of **1.8%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **2.7%**.

Benchmark: USA

Trade Area: 2415 Bakker Landing Ave - 210 min

EDUCATION

Currently, it is estimated that **7.2%** of the population age 25 and over in this area had earned a Master's Degree, **1.8%** had earned a Professional School Degree, **1.2%** had earned a Doctorate Degree and **21.0%** had earned a Bachelor's Degree.

In comparison, for the base area, it is estimated that for the population over age 25, **9.6%** had earned a Master's Degree, **2.3%** had earned a Professional School Degree, **1.6%** had earned a Doctorate Degree and **20.9%** had earned a Bachelor's Degree.

INCOME

The average household income is estimated to be **$100,360** for the current year, while the average household income for the base area is estimated to be **$108,671** for the same time frame.

The average household income in this area is projected to change over the next five years, from **$100,360** to **$110,563**.

The average household income in the base area is projected to change over the next five years, from **$108,671** to **$118,937**.

HOUSING

Most of the dwellings in this area (**68.6%**) are estimated to be **Owner-Occupied** for the current year. For the base area the majority of the housing units are **Owner-Occupied** (**63.2%**).

The majority of dwellings in this area (**72.1%**) are estimated to be structures of **1 Unit Detached** for the current year. The majority of the dwellings in the base area (**61.5%**) are estimated to be structure of **1 Unit Detached** for the same year.

The majority of housing units in this area (**20.2%**) are estimated to have been **Built 1939 or Earlier** for the current year.

The majority of housing units in the base area (**14.4%**) are estimated to have been **Built 1970 to 1979** for the current year.

Benchmark: USA

Pop-Facts® Executive Summary | Labor

Trade Area: 2415 Bakker Landing Ave - 210 min

LABOR

For this area, **2415 Bakker Landing Ave - 210 min**, **97.0%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.3% are in the Armed Forces, **66.1%** are employed civilians, **2.1%** are unemployed civilians, and **31.6%** are not in the labor force.

The occupational classification for this area are as follows:
24.5% hold blue collar occupations, **58.4%** hold white collar occupations, and **17.0%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in this area, it is estimated that they are employed in the following occupational categories:
1.6% are in Architecture and Engineering, **1.5%** are in Arts, Entertainment and Sports, **5.1%** are in Business and Financial Operations, **2.7%** are in Computers and Mathematics, **6.3%** are in Education, Training and Libraries, **6.6%** are in Healthcare Practitioners and Technicians, **3.2%** are in Healthcare Support, **1.0%** are in Life, Physical and Social Sciences, **11.3%** are in Management, **10.8%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **4.9%** are in Food Preparation and Serving, **0.7%** are in Legal Services, **1.5%** are in Protective Services, **9.1%** are in Sales and Related Services, **2.7%** are in Personal Care Services.

3.3% are in Building and Grounds Maintenance, **5.2%** are in Construction and Extraction, **1.3%** are in Farming, Fishing and Forestry, **3.5%** are in Maintenance and Repair, **7.8%** are in Production, **8.0%** are in Transportation and Moving.

For the base area, **USA**, **94.2%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.5% are in the Armed Forces, **59.0%** are employed civilians, **3.6%** are unemployed civilians, and **36.9%** are not in the labor force.

The occupational classification for the base area are as follows:
21.2% hold blue collar occupations, **61.5%** hold white collar occupations, and **17.3%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in the base area, it is estimated that they are employed in the following occupational categories:
2.2% are in Architecture and Engineering, **2.0%** are in Arts, Entertainment and Sports, **5.8%** are in Business and Financial Operations, **3.5%** are in Computers and Mathematics, **6.2%** are in Education, Training and Libraries, **6.3%** are in Healthcare Practitioners and Technicians, **3.3%** are in Healthcare Support, **1.1%** are in Life, Physical and Social Sciences, **11.0%** are in Management, **10.8%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **5.2%** are in Food Preparation and Serving, **1.2%** are in Legal Services, **2.1%** are in Protective Services, **9.5%** are in Sales and Related Services, **2.5%** are in Personal Care Services.

3.5% are in Building and Grounds Maintenance, **5.0%** are in Construction and Extraction, **0.6%** are in Farming, Fishing and Forestry, **3.1%** are in Maintenance and Repair, **5.5%** are in Production, **7.7%** are in Transportation and Moving.

Benchmark: USA

Pop-Facts® Demographics | Population & Race

claritas

Trade Area: 2415 Bakker Landing Ave - 210 min

POPULATION

3,625,963

HOUSEHOLDS

1,431,453

ETHNICITY

10.3%

Index:52

Hispanic/Latino

HISPANIC ORIGIN*

69.8%

Index:117

Mexican

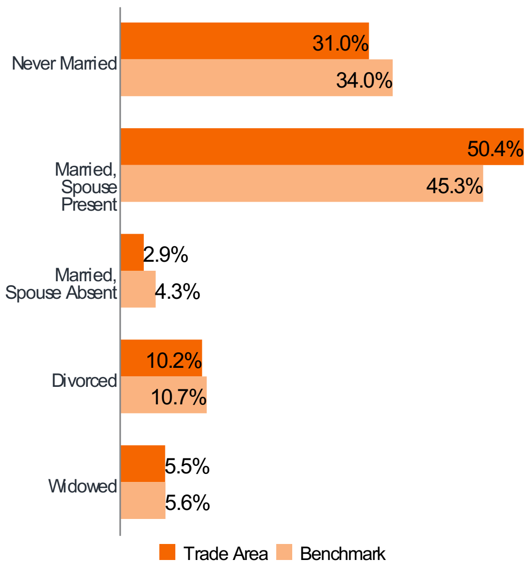
HOME LANGUAGE*

90.3%

Index:115

Only English

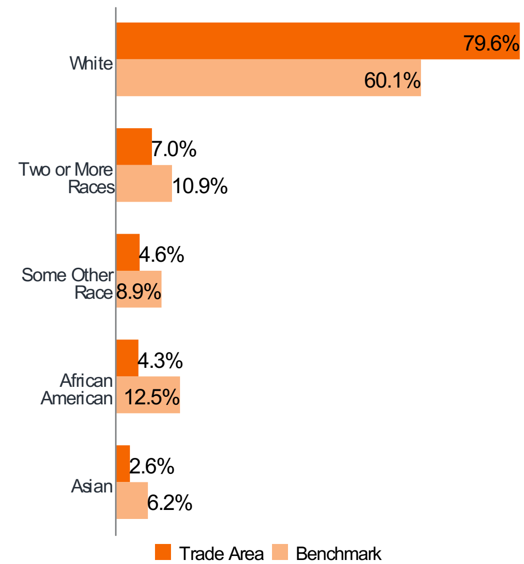
MARITAL STATUS



POPULATION BY AGE

Age	Count	%	Index
0 - 4	228,443	6.3	116
5 - 9	230,784	6.4	113
10 - 14	247,197	6.8	111
15 - 17	149,757	4.1	107
18 - 20	171,478	4.7	107
21 - 24	198,429	5.5	102
25 - 34	432,650	11.9	92
35 - 44	459,147	12.7	98
45 - 54	399,638	11.0	92
55 - 64	431,702	11.9	95
65 - 74	386,923	10.7	98
75 - 84	204,240	5.6	97
85+	85,575	2.4	118

POPULATION BY RACE**



Benchmark:USA

*Top variable chosen from percent composition ranking

**Top 5 variables chosen from percent composition ranking

Index Colors:	<80	80 - 110	110+

Trade Area: 2415 Bakker Landing Ave - 210 min

Population: 3,625,963 | **Households:** 1,431,453

MEDIAN AGE OF HOUSEHOLDER

53

Index:99

PRESENCE OF OWN CHILDREN*

28.0%

Index: 105

AGE OF HOUSING**

79+ years old

% Comp:**20.2** Index:**174**

HOUSING TENURE

Own

68.6%

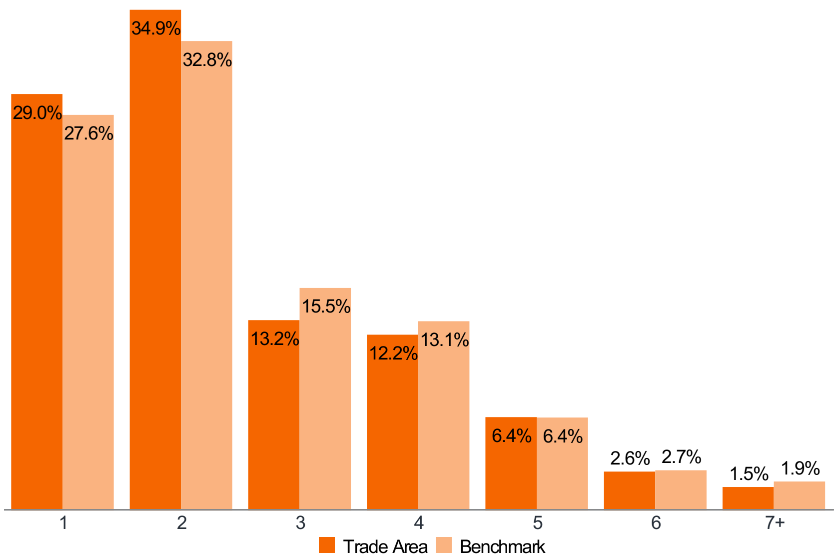
Index: 108

Rent

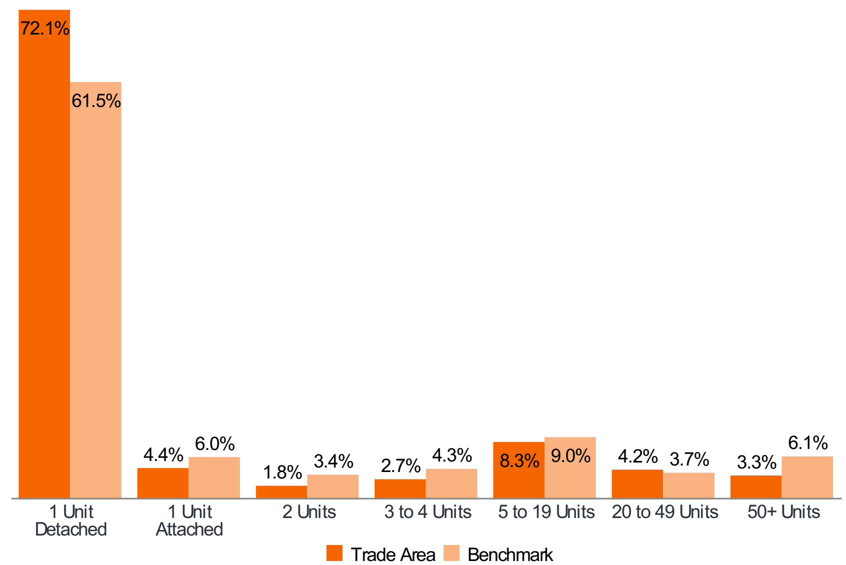
31.4%

Index:86

HOUSEHOLD SIZE



HOUSING UNITS IN STRUCTURE



Benchmark: USA

Index Colors:	<80	80 - 110	110+

**Uses the variable "Households with people under age 18"*

***Chosen from percent composition ranking*

Pop-Facts® Demographics | Affluence & Education

Trade Area: 2415 Bakker Landing Ave - 210 min

Population: 3,625,963 | **Households:** 1,431,453

EDUCATIONAL ATTAINMENT: TOP 2*

28.2%
Index: 106
High School Graduate

21.0%
Index: 101
Bachelor's Degree

EDUCATION: HISPANIC/LATINO

1.1%
Index:33
Bachelor's degree or higher

POVERTY STATUS

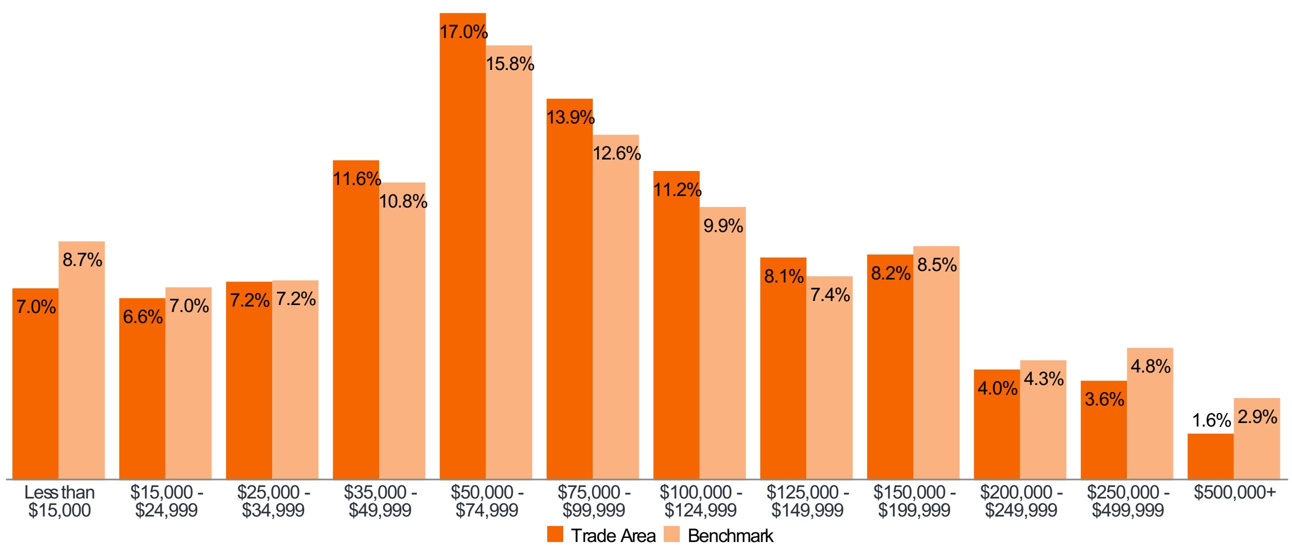
93.4%
Index:103
At or above poverty

HOUSEHOLD INCOME

Median Household Income
$75,991
Index:100

Average Household Income
$100,360
Index:92

HOUSEHOLD INCOME DISTRIBUTION



Benchmark:USA

**Ranked by percent composition*

Index Colors:	<80	80 - 110	110+

Pop-Facts® Demographics | Employment & Occupation

claritas

Trade Area: 2415 Bakker Landing Ave - 210 min

Population: 3,625,963 | **Households:** 1,431,453

OCCUPATIONAL CLASS*

58.4%

Index:95

White Collar

UNEMPLOYMENT RATE

3.1%

Index:51

Percent of civilian labor force unemployed

METHOD OF TRAVEL TO WORK: TOP 2*

77.3%

Index:110

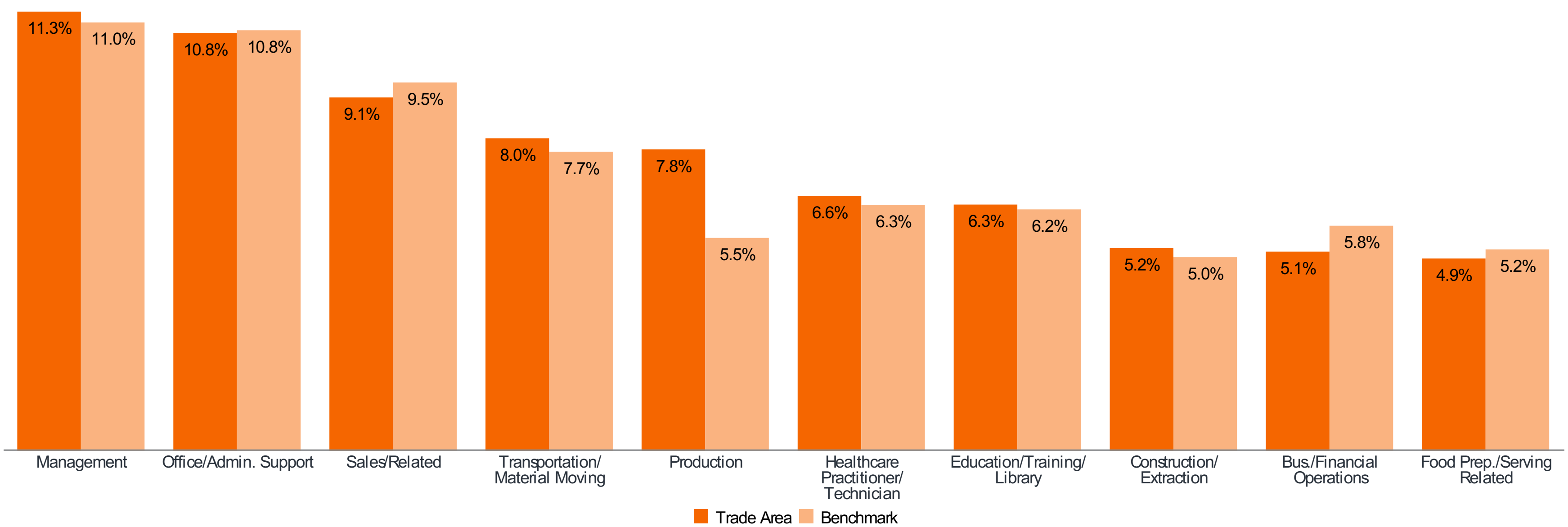
Travel to work by **Driving Alone**

8.0%

Index:98

Travel to work by **Carpooling**

OCCUPATION: TOP 10*



Benchmark: USA

Chosen from percent composition ranking

Index Colors:	<80	80 - 110	110+

Pop-Facts® Demographics | Map

Trade Area: 2415 Bakker Landing Ave - 210 min

Population: 3,625,963 | **Households:** 1,431,453

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Trade Area: 2415 Bakker Landing Ave - 270 min

POPULATION

The population in this area is estimated to change from **9,570,114** to **9,706,606**, resulting in a growth of **1.4%** between 2020 and the current year. Over the next five years, the population is projected to grow by **2.7%**.

The population in the base area is estimated to change from **331,449,281** to **336,157,119**, resulting in a growth of **1.4%** between 2020 and the current year. Over the next five years, the population is projected to grow by **2.4%**.

The current year median age for this area is **38.4**, while the average age is **39.6**. Five years from now, the median age is projected to be **39.2**.

The current year median age for the base area is **39.7**, while the average age is **40.6**. Five years from now, the median age is projected to be **40.7**.

Of this area's current year estimated population:
76.9% are White Alone, **6.6%** are Black or African American Alone, **1.2%** are American Indian and Alaska Nat. Alone, **4.5%** are Asian Alone, **0.1%** are Nat. Hawaiian and Other Pacific Isl. Alone, **3.8%** are Some Other Race, and **6.9%** are Two or More Races.

Of the base area's current year estimated population:
60.1% are White Alone, **12.5%** are Black or African American Alone, **1.1%** are American Indian and Alaska Nat. Alone, **6.2%** are Asian Alone, **0.2%** are Nat. Hawaiian and Other Pacific Isl. Alone, **8.9%** are Some Other Race, and **10.9%** are Two or More Races.

This area's current estimated Hispanic or Latino population is **8.4%**, while the base area's current estimated Hispanic or Latino population is **19.9%**.

HOUSEHOLD

The number of households in this area is estimated to change from **3,778,628** to **3,835,068**, resulting in an increase of **1.5%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **2.8%**.

The number of households in the base area is estimated to change from **126,817,580** to **129,079,042**, resulting in an increase of **1.8%** between 2020 and the current year. Over the next five years, the number of households is projected to increase by **2.7%**.

Benchmark: USA

Trade Area: 2415 Bakker Landing Ave - 270 min

EDUCATION

Currently, it is estimated that **8.8%** of the population age 25 and over in this area had earned a Master's Degree, **2.2%** had earned a Professional School Degree, **1.5%** had earned a Doctorate Degree and **24.3%** had earned a Bachelor's Degree.

In comparison, for the base area, it is estimated that for the population over age 25, **9.6%** had earned a Master's Degree, **2.3%** had earned a Professional School Degree, **1.6%** had earned a Doctorate Degree and **20.9%** had earned a Bachelor's Degree.

INCOME

The average household income is estimated to be **$108,922** for the current year, while the average household income for the base area is estimated to be **$108,671** for the same time frame.

The average household income in this area is projected to change over the next five years, from **$108,922** to **$118,503**.

The average household income in the base area is projected to change over the next five years, from **$108,671** to **$118,937**.

HOUSING

Most of the dwellings in this area (**68.1%**) are estimated to be **Owner-Occupied** for the current year. For the base area the majority of the housing units are **Owner-Occupied** (**63.2%**).

The majority of dwellings in this area (**66.8%**) are estimated to be structures of **1 Unit Detached** for the current year. The majority of the dwellings in the base area (**61.5%**) are estimated to be structure of **1 Unit Detached** for the same year.

The majority of housing units in this area (**17.3%**) are estimated to have been **Built 1939 or Earlier** for the current year.

The majority of housing units in the base area (**14.4%**) are estimated to have been **Built 1970 to 1979** for the current year.

Benchmark: USA

Pop-Facts® Executive Summary | Labor

Trade Area: 2415 Bakker Landing Ave - 270 min

LABOR

For this area, **2415 Bakker Landing Ave - 270 min**, **96.3%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.2% are in the Armed Forces, **66.5%** are employed civilians, **2.5%** are unemployed civilians, and **30.8%** are not in the labor force.

The occupational classification for this area are as follows:
21.7% hold blue collar occupations, **62.3%** hold white collar occupations, and **16.0%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in this area, it is estimated that they are employed in the following occupational categories:
2.1% are in Architecture and Engineering, **1.9%** are in Arts, Entertainment and Sports, **6.3%** are in Business and Financial Operations, **3.7%** are in Computers and Mathematics, **6.4%** are in Education, Training and Libraries, **6.7%** are in Healthcare Practitioners and Technicians, **3.4%** are in Healthcare Support, **1.2%** are in Life, Physical and Social Sciences, **11.6%** are in Management, **10.6%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **4.7%** are in Food Preparation and Serving, **1.0%** are in Legal Services, **1.4%** are in Protective Services, **9.2%** are in Sales and Related Services, **2.6%** are in Personal Care Services.

3.0% are in Building and Grounds Maintenance, **4.4%** are in Construction and Extraction, **0.9%** are in Farming, Fishing and Forestry, **3.1%** are in Maintenance and Repair, **7.0%** are in Production, **7.2%** are in Transportation and Moving.

For the base area, **USA**, **94.2%** of the labor force is estimated to be employed for the current year.

The employment status of the population age 16 and over is as follows:
0.5% are in the Armed Forces, **59.0%** are employed civilians, **3.6%** are unemployed civilians, and **36.9%** are not in the labor force.

The occupational classification for the base area are as follows:
21.2% hold blue collar occupations, **61.5%** hold white collar occupations, and **17.3%** are occupied as service & farm workers.

For the civilian employed population age 16 and over in the base area, it is estimated that they are employed in the following occupational categories:
2.2% are in Architecture and Engineering, **2.0%** are in Arts, Entertainment and Sports, **5.8%** are in Business and Financial Operations, **3.5%** are in Computers and Mathematics, **6.2%** are in Education, Training and Libraries, **6.3%** are in Healthcare Practitioners and Technicians, **3.3%** are in Healthcare Support, **1.1%** are in Life, Physical and Social Sciences, **11.0%** are in Management, **10.8%** are in Office and Administrative Support.

1.8% are in Community and Social Services, **5.2%** are in Food Preparation and Serving, **1.2%** are in Legal Services, **2.1%** are in Protective Services, **9.5%** are in Sales and Related Services, **2.5%** are in Personal Care Services.

3.5% are in Building and Grounds Maintenance, **5.0%** are in Construction and Extraction, **0.6%** are in Farming, Fishing and Forestry, **3.1%** are in Maintenance and Repair, **5.5%** are in Production, **7.7%** are in Transportation and Moving.

Benchmark: USA

Pop-Facts® Demographics | Population & Race

Trade Area: 2415 Bakker Landing Ave - 270 min

POPULATION

9,706,606

HOUSEHOLDS

3,835,068

ETHNICITY

8.4%

Index:42

Hispanic/Latino

HISPANIC ORIGIN*

66.5%

Index:112

Mexican

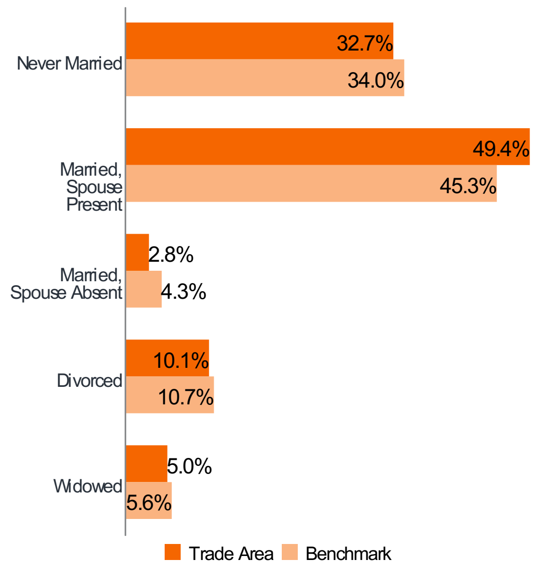
HOME LANGUAGE*

88.8%

Index:113

Only English

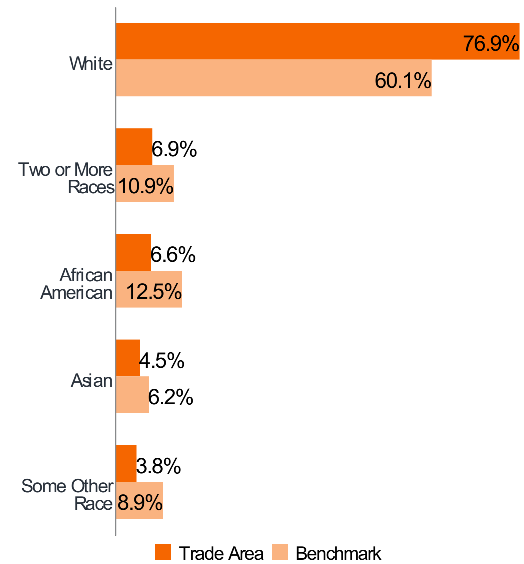
MARITAL STATUS



POPULATION BY AGE

Age	Count	%	Index
0 - 4	592,468	6.1	112
5 - 9	604,711	6.2	110
10 - 14	641,222	6.6	107
15 - 17	388,335	4.0	104
18 - 20	450,640	4.6	105
21 - 24	527,836	5.4	102
25 - 34	1,214,860	12.5	96
35 - 44	1,280,680	13.2	102
45 - 54	1,101,632	11.3	95
55 - 64	1,169,863	12.1	96
65 - 74	1,006,170	10.4	95
75 - 84	521,513	5.4	93
85+	206,678	2.1	107

POPULATION BY RACE**



Benchmark:USA

Index Colors:	<80	80 - 110	110+

*Top variable chosen from percent composition ranking

**Top 5 variables chosen from percent composition ranking

Pop-Facts® Demographics | Housing & Household

Trade Area: 2415 Bakker Landing Ave - 270 min

Population: 9,706,606 | **Households:** 3,835,068

MEDIAN AGE OF HOUSEHOLDER

52

Index:97

PRESENCE OF OWN CHILDREN*

27.8%

Index: 104

AGE OF HOUSING**

79+ years old

% Comp:**17.3** Index:**149**

HOUSING TENURE

Own

68.1%

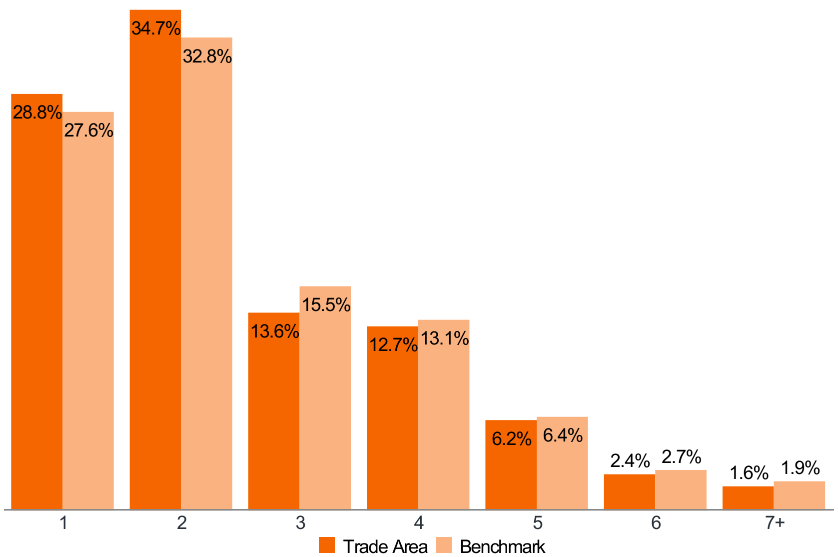
Index: 108

Rent

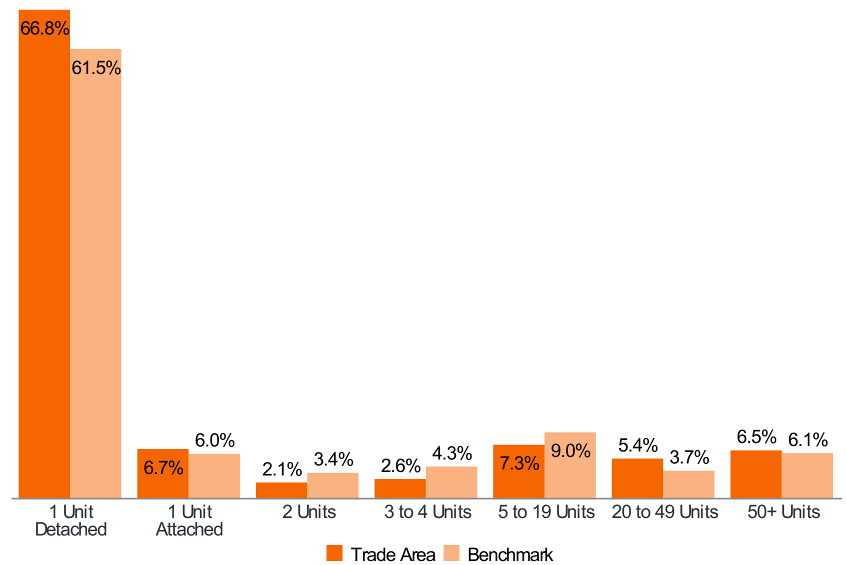
31.9%

Index:87

HOUSEHOLD SIZE



HOUSING UNITS IN STRUCTURE



Benchmark: USA

Index Colors:	<80	80 - 110	110+

**Uses the variable "Households with people under age 18"*

***Chosen from percent composition ranking*

Pop-Facts® Demographics | Affluence & Education

Trade Area: 2415 Bakker Landing Ave - 270 min

Population: 9,706,606 | **Households:**3,835,068

EDUCATIONAL ATTAINMENT: TOP 2*

25.0%
Index: 94
High School Graduate

24.3%
Index: 116
Bachelor's Degree

EDUCATION: HISPANIC/LATINO

1.1%
Index:35
Bachelor's degree or higher

POVERTY STATUS

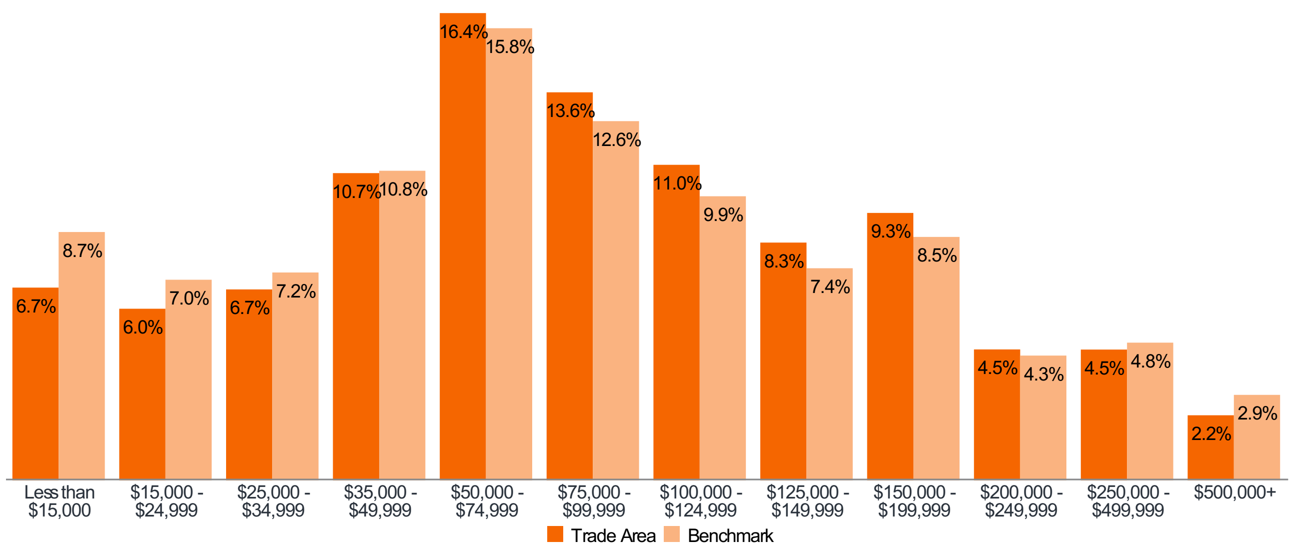
94.0%
Index:103
At or above poverty

HOUSEHOLD INCOME

Median Household Income
$81,092
Index:107

Average Household Income
$108,922
Index:100

HOUSEHOLD INCOME DISTRIBUTION



Benchmark:USA

*Ranked by percent composition

Index Colors:	<80	80 - 110	110+

Pop-Facts® Demographics | Employment & Occupation

claritas

Trade Area: 2415 Bakker Landing Ave - 270 min

Population: 9,706,606 | **Households:** 3,835,068

OCCUPATIONAL CLASS*

62.3%

Index:101

White Collar

UNEMPLOYMENT RATE

3.7%

Index:62

Percent of civilian labor force unemployed

METHOD OF TRAVEL TO WORK: TOP 2*

72.8%

Index:103

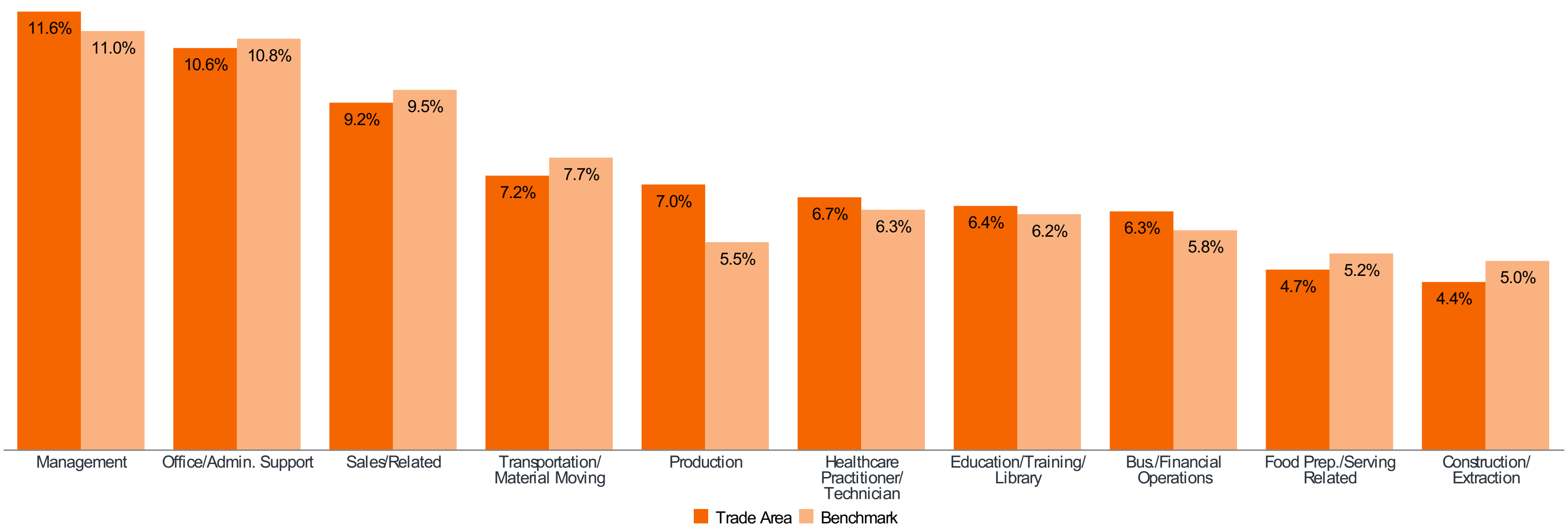
Travel to work by **Driving Alone**

7.6%

Index:93

Travel to work by **Carpooling**

OCCUPATION: TOP 10*



Benchmark: USA

Chosen from percent composition ranking

Index Colors:	<80	80 - 110	110+

Pop-Facts® Demographics | Map

Trade Area: 2415 Bakker Landing Ave - 270 min

Population: 9,706,606 | **Households:** 3,835,068

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Report Details

Name: City of Tea, SD (Regional)
Date / Time: 2/16/2024 10:46:31 AM
Workspace Vintage: 2024

Trade Area

Name	Level	Geographies
2415 Bakker Landing Ave - 150 min		N/A
2415 Bakker Landing Ave - 210 min		N/A
2415 Bakker Landing Ave - 270 min		N/A
2415 Bakker Landing Ave - 150 min		N/A
2415 Bakker Landing Ave - 210 min		N/A
2415 Bakker Landing Ave - 270 min		N/A

Benchmark

Name	Level	Geographies
USA	Entire US	United States

DataSource

Product	Provider	Copyright
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SPOTLIGHT Pop-Facts® Premier 2024, including 2010 US Census, 2024 estimates and 2029 projections	Claritas	©Claritas, LLC 2024 (https://claritas.easpotlight.com/Spotlight/About