

*This assessment of demographic and socioeconomic factors is a snapshot of the community's past conditions and present characteristics, which provides an understanding of what the future may hold for Aberdeen, South Dakota. The findings of this analysis set the stage for more detailed evaluations of historic trends and future planning considerations as each element of the plan is assembled. This profile provides a basis for determining future land use requirements and demands for public facilities and services, but also allows advance planning to effectively guide future development in a desirable and fiscally responsible manner.*

**A**berdeen is a community with a treasured history and proud community heritage. While the past continues to be embraced and celebrated today, made evident by storied museums, beautiful historic neighborhoods and its noted historic main street, this comprehensive planning process offers an opportunity for the community to remember its past, but more importantly to envision its future. While future actions are likely to depart from there previous course, the success of the community in achieving its vision will largely depend on its past and why this community is called home by nearly 27,000 persons.

Aberdeen is a community that is committed to preserving its heritage while also optimistic about what lies ahead. In planning for its future, Aberdeen faces the challenges of sustaining and growing its economy, creating more employment opportunities for its youth,

preserving and enhancing its community character, and balancing the demands placed on its fiscal resources to maintain and expand an adequate infrastructure system. Before looking at the future, however, it is important to consider the past and current conditions that are realized through this demographic and socioeconomic assessment and which will contribute significantly to the future of Aberdeen.

This community profile offers an in-depth introduction to the city, which documents existing socioeconomic conditions and demographic characteristics of the community pertaining to its historical and current population; the age, gender and educational attainment of its people; and the economic position of the community and its businesses. The purpose of this chapter is to examine how the community has grown since its settlement in the late nineteenth century, to identify its current characteristics and

### **Trends & Factors**

- ◆ Aberdeen is a hub of economic activity, serving a multi-county region
- ◆ Strong retail trade, health care and manufacturing industries contribute nearly 40 percent of the local employment
- ◆ Aberdeen has had an average loss in population since 1970 of 2.34 percent amounting to a loss of 1,298 persons
- ◆ The 1990s reflected a small recovery from the two previous decades
- ◆ The City's population has accounted for roughly 70 percent of the Brown County population since 1970
- ◆ The Year 2000 Census population of 24,658 persons represents a 1.1% loss from 1990
- ◆ The most optimistic Year 2025 projection reflects a population of 24,634 – a 0.10 percent increase
- ◆ In 2000, 94.6% of the population was white
- ◆ Between 1990 and 2000 the average person per household increased from 2.50 to 2.66, contrary to national trends
- ◆ The median household income is \$33,276, which is 6 percent and 26 percent less than the state and nation, respectively.



## Trends & Factors

- ◆ In the last decade the economy has become more diversified with growth in the construction, manufacturing, real estate and health care industries.
- ◆ The educational attainment is higher in Aberdeen than the state and nation with 24.4 percent having a bachelor's degree or higher
- ◆ The number of employed persons increased 4.5 percent in the 1990s
- ◆ Unemployment in Aberdeen was 3.67 percent in 2000 - lower than the state (4.36 percent) and national (5.77 percent) unemployment rates

resources that will contribute to the envisioned future, and to analyze where the community appears to be headed in the future.

An important component of this chapter is the Year 2025 projected population, which will be used throughout the plan to project future land use demands, infrastructure capacity needs and economic development strategies. An understanding of existing population characteristics and future population demands is essential in determining the anticipated growth and the resulting demands on the community and its facilities and services.

## Location

Aberdeen is located in the northeast portion of South Dakota, approximately 74 miles west of Interstate 29 and 125 miles north of Interstate 90. It is bisected by U.S. Route 12 (east/west) and U.S. Route 281 (north/south), which forms the community crossroads dating back in history to its days as a railroad hub. Aberdeen acquired its well known nickname as the "Hub City", when W.P. Butler, City Engineer, devised a map showing railroad lines radiating in nine directions from the City - similar to spokes on a wheel.

Aberdeen is the primary market center for the Dakota Midlands area and serves the population of several counties, including Brown, Day, Edmunds, Faulk, McPherson, Marshall, Spink, Dickey, McIntosh, and Sargent. A secondary market including the counties of Potter, Roberts, Walworth, and Campbell also contribute to the community's economy, which extends as far as 150 miles in all directions. Aberdeen is the largest city in the northeast portion of the state and the third largest city in the state of South Dakota.

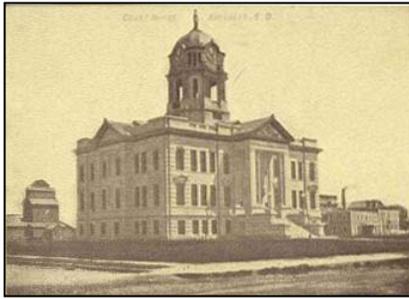
## In the Beginning...

Aberdeen was first settled in 1880 and named for Aberdeen, Scotland,

**FIGURE 1.1  
STATEWIDE LOCATION**



# Aberdeen Comprehensive Plan Community Profile



the birthplace of Alexander Mitchell who was president of the Milwaukee Railroad at the time. In January, 1881, the first plat of Aberdeen was filed by C.H. Prior who laid out the original sixteen blocks bounded by the railroad to the north, Fourth Avenue to the south, First Street to the west, and Washington Street to the East. Shortly thereafter, the first train arrived in Aberdeen signifying the importance of the community for its contribution to the regional, statewide and national economies. By 1890, Aberdeen had grown to 230 occupied houses, including 30 retail stores, several wholesale houses, 20 hotels and restaurants, seven livery stables, three lumber yards, three brick yards, and eleven farm implement dealers. By 1900, the town had grown to 4,087 persons and to 7,177 persons by 1903. Similar to many communities, Aberdeen benefited greatly by the location of the railroad, which resulted in steady population growth leading to its peak in 1970.

## Historical Population Change

Historical U.S. Census population figures for Aberdeen, Brown County and the state of South Dakota are displayed in **Table 2.1 - Historical Population, 1930 to 2000**. As displayed by this table, Aberdeen had a long period of moderate to significant growth dating from 1930 to 1970. In fact, the decade between 1940 and 1950 had nearly 24 percent growth from 17,015 to 21,051 persons. The 1960s were also a time of significant

## Historic Timeline

- July 6, 1881** – First train to reach Aberdeen
- April 4, 1882** – Petition for incorporation
- June 5, 1882** – First election held
- April 18, 1911** – Commission form of government was established by a vote
- 1920s** – 312 homes were built
- 1926** – Socony Mobil Oil advertised, “We live here and we like it”
- July 3, 1934** – First official airmail route through Aberdeen

**TABLE 2.1  
HISTORICAL POPULATION, 1930 TO 2000**

Year	Aberdeen		Brown County		South Dakota	
	Population	% Change	Population	% Change	Population	% Change
1930	16,465	--	31,458	--	692,849	--
1940	17,015	3.34%	29,676	-5.66%	642,961	-7.20%
1950	21,051	23.72%	32,617	9.91%	652,740	1.52%
1960	23,073	9.61%	34,106	4.57%	680,514	4.25%
1970	26,476	14.75%	36,920	8.25%	665,507	-2.21%
1980	25,956	-1.96%	36,962	0.11%	690,768	3.80%
1990	24,927	-3.96%	35,580	-3.74%	696,004	0.76%
2000	24,658	-1.08%	35,460	-0.34%	754,844	8.45%

Source: U.S. Census Bureau

growth when the population increased by 14.75 percent (23,073 to 26,476 persons). After 1970, the population leveled off and showed moderate decline, with the largest percentage of decline occurring during the 1980s. While there was a net decline in the last decade, representing a 1.08 percent decrease in population, the real difference in population was a loss of only 269 persons. While a

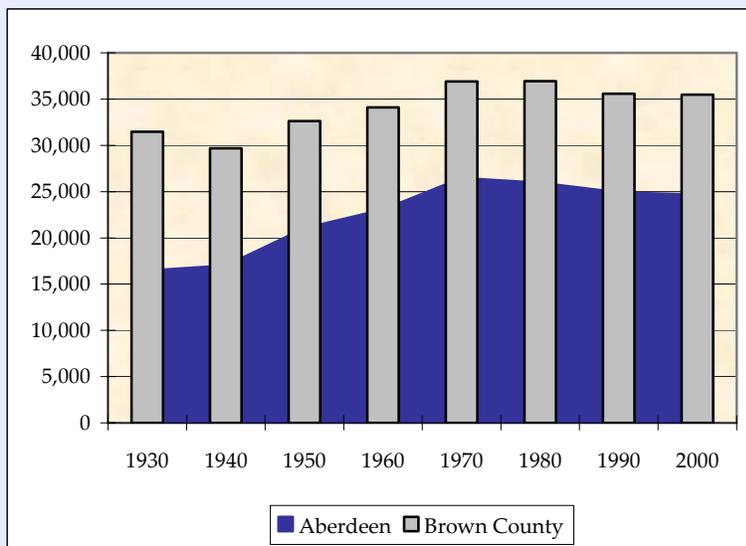
- 1940s** – The population increased by 4,000
- 1955** – The Industrial Park was purchased by the Aberdeen Development Corporation
- 1963** – Super City, Aberdeen’s first shopping center was built for \$200,000 on East Sixth Street
- September 28, 1979** – KQ95-FM signed on the air



decline in population is not generally viewed favorably, the marginal decline in population coupled with a reduced percentage decline from the previous decade is not necessarily a negative indication of the future. Rather, other indicators may be more telling of the community's current and future economy.

Aberdeen is the largest city in Brown County, with a population of roughly 70 percent of the County's total population, which has remained steady since 1970. The population of the county, therefore, largely mirrored that of the City, as displayed in **Figure 2.1, City and County Historical Population**

**FIGURE 2.1  
CITY AND COUNTY HISTORICAL POPULATION**



Source: U.S. Census Bureau

**Population.** Similar to Aberdeen, Brown County had its most significant increases in population in the 1940s and 1960s, including 9.91 percent and 8.25 percent, respectively. Representing the flight to cities in search of economic opportunities during the 1930 depression era, the County had a 5.66 percent decrease while the City experienced a 3.34 percent increase in population. The lesser decline in county population since 1990 may be an indication of city residents moving the outskirts of town, which is a recent pattern being experienced throughout the country.

While the City was enjoying its greatest population increase during the 1960s (14.75 percent), the state witnessed a 2.21 percent decline. Since 1970, however, the state has had moderate to increasing growth, which offers a positive indication of opportunity for Aberdeen and its primary market area. During the 1990s the state increased its total population by 8.45 percent or 58,840 persons.

*Population Projections*

Population projections are an important component of the long-range planning process for the following reasons:



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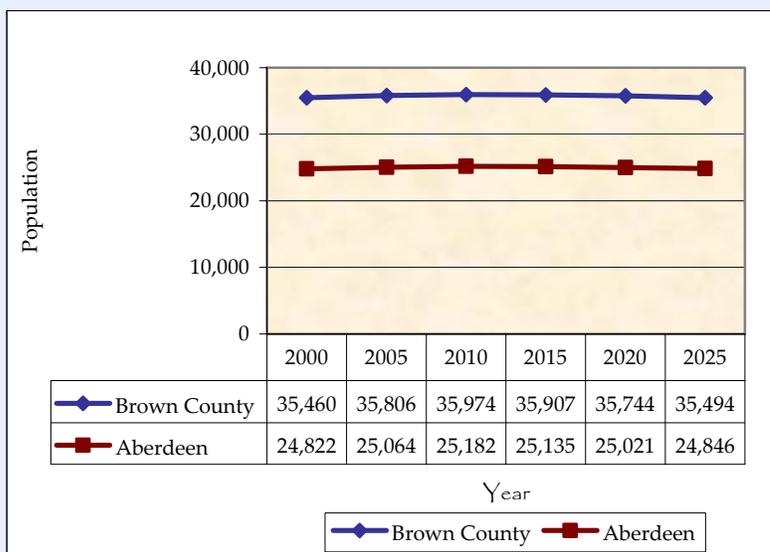
1. To evaluate a range of future population scenarios enabling the community to identify the internal and external factors that may contribute to a population increase or decrease;
2. To adequately determine and quantify the demands that will be placed on the provision of public facilities and services, such as fire and police protection, water and wastewater facilities; transportation infrastructure, and municipal buildings;
3. To allow advance planning to effectively guide new development and appropriately direct available resources; and,
4. To create a strategy to seize opportunities and overcome foreseen challenges.

There are a variety of methods available for generating multiple projection scenarios, all of which rely – to varying degrees - upon historical trends. For instance, the South Dakota State Data Center annually prepares population projections for the state and each county. Their projection methodology utilizes sophisticated models that consider historic patterns of in-

and out-migration as well as county-level rates of fertility (birth) and mortality (death). These projections may be particularly useful since the population of both the County and City have been relatively stable since 1970. Over the course of the last three decades, Aberdeen has maintained 70 percent of the County population. Therefore, simply calculating a proportional estimate of the State Data Center projections provides one possible estimate of Aberdeen’s future population. As displayed by **Figure 2.2, City and County Projection**.

Among the varying techniques utilized to project the population

**FIGURE 2.2  
CITY AND COUNTY PROJECTION**



Source: South Dakota State Data Center

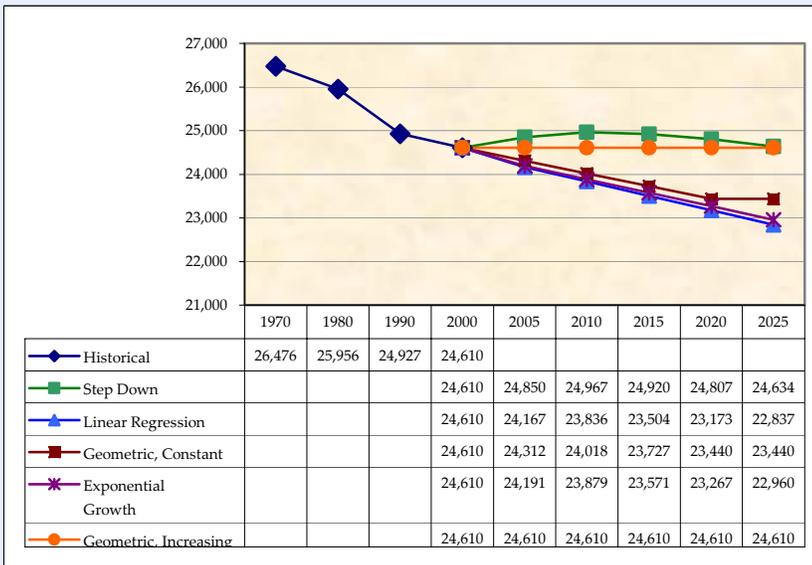
are methods known as step-down, linear regression, geometric (constant and increasing) and exponential growth. As shown in **Figure 2.3, Projected Population Scenarios**, these statistical methods are useful to compare alternative forecasts for the Year 2025. The projected population ranges from 22,837 persons to 24,634 persons, with a “middle ground” projection figure of 23,736 persons.

scenarios would seem to offer the most likely future scenario. These two methods reflect a leveling off or slight increase of the population in the Year 2025. The use of the step-down technique offers sound insight into the future based upon the noted relationship of population in Aberdeen to that of Brown County.

Linear projections involve a graphical projection of past historical trends into the future. In this case, linear techniques of choice were simple “linear regression” and “exponential growth”. Linear regression forecasts are straight-line projections of historical population. In a linear growth scenario, the same absolute number of additional persons is added to the population in each period. This results in a declining rate of growth over time since the same amount is being added to an ever-expanding base. Comparatively, exponential growth assumes a constant rate of growth in establishing a forecast.

In addition to the two linear projection techniques, the step-down method was used to project the City’s population based on its share of the County’s population in the Year 2000 (and since 1970). As

**FIGURE 2.3  
PROJECT POPULATION SCENARIOS**



Source: Lane Kendig, inc.

Using a “curve fitting” approach whereas the historical trend line is matched with a “most likely” future scenario, either the step-down or increasing geometric



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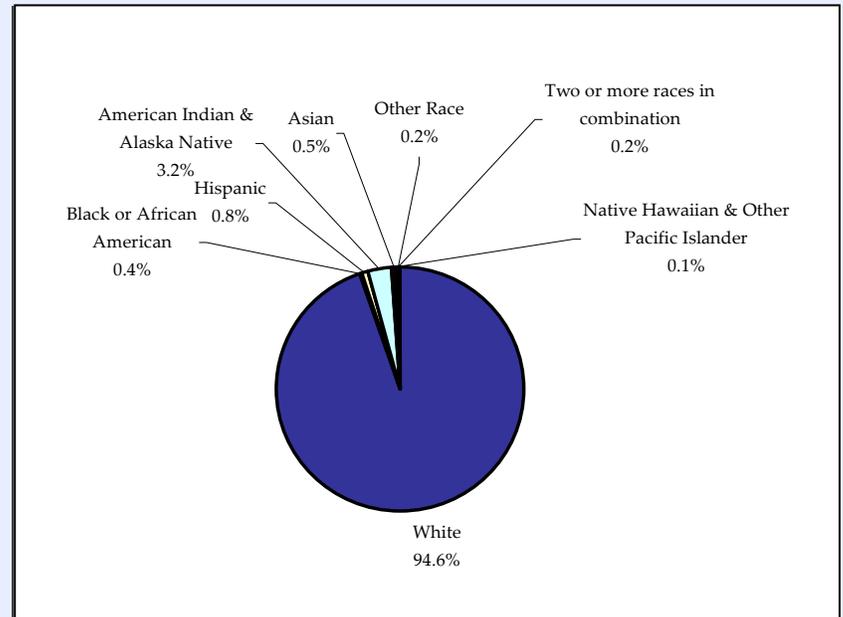
shown in Figure 2.3 – Projected Population Scenarios, the two linear techniques produced the lowest projections of 22,837 and 22,960 persons. The step-down technique produced the highest projection of 24,634 persons in the Year 2025. The two geometric techniques resulted in projected future populations of 23,440 and 24,610 persons.

As yet another indicator of likely future population change, the South Dakota Housing Development Authority recently issued a projection for Brown County through the Year 2007 of 35,029, which is 777 persons less than the State Data Center’s estimate in the Year 2005. Regardless of the projection source or method utilized, all answers reflect a continued challenge on behalf of the City, County and State to sustain population in the coming years. This likelihood will be further addressed in the remaining chapters of this plan.

### Ethnic Composition

The ethnic characteristics of Aberdeen are displayed in **Figure 2.4, Ethnic Composition**. This illustration displays that 94.6 percent of the population was “white” and 5.4% comprised the

**FIGURE 2.4  
ETHNIC COMPOSITION**



Source: U.S. Census Bureau

remaining ethnicities of American Indian and Alaska Native, Asian, Black or African American, Hispanic, Native Hawaiian or Other Pacific Islander, or those with two or more races in combination or those designated as “other race”. According to U.S. Census data the racial profile in Aberdeen has been relatively constant over several decades. Compared to the state of South Dakota, Aberdeen has a greater percentage of “white” persons and lesser percentages of persons in each race with the exception of Native Hawaiian or Other Pacific Islander. In comparison with the U.S., Aberdeen has greater

percentages of persons of American Indian and Alaska Native race and an equal percentage of the Native Hawaiian and Other Pacific Islander race.

*Household Composition*

According to the U.S. Census Bureau, households are classified as either “family” or “non-family” units. Family units are defined as those with a married couple or a single head of household with or without children. Non-family households include those with one person living alone. The household composition of Aberdeen is 58.6 percent family households and 29.4 percent non-family households. The distribution is lower than many communities primarily due to the

student populations of Presentation College and Northern State University.

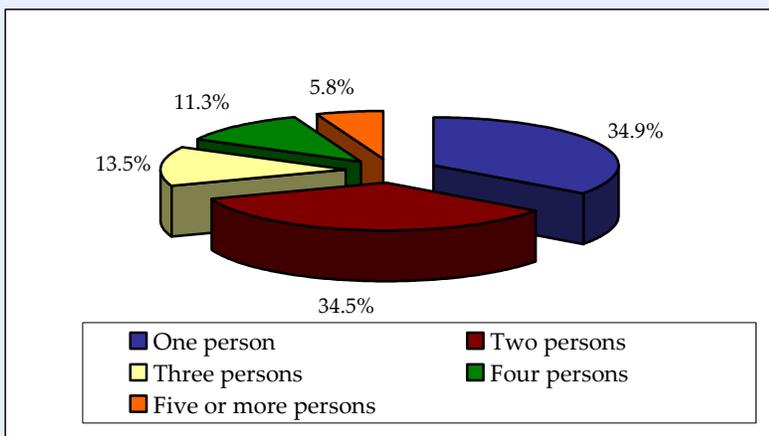
The distribution of households by number persons is illustrated in **Figure 2.5, Household Size**. The largest segments of the population in Aberdeen are in one person (34.9 percent) and two person (34.5 percent) households. The next largest household size is three persons, which accounts for 13.5 percent of the population. Households with four and five persons make up 11.3 percent and 5.8 percent, respectively.

Based upon a 2000 Census population of 24,658 persons and 9,278 households, Aberdeen had an average of 2.66 persons per household, which is near identical to the national average of 2.67 persons per household. In Aberdeen this average is an increase over the 2.50 persons per household in 1990, which counters an overall national trend of decreasing household size. The national average of persons per household in 1990 was 2.70 compared to 2.67 in the Year 2000.

*Age and Gender Distribution*

The distribution of Aberdeen’s population by age and gender is displayed in **Figure 2.6, – Age and**

**FIGURE 2.5  
HOUSEHOLD SIZE**



Source: U.S. Census Bureau

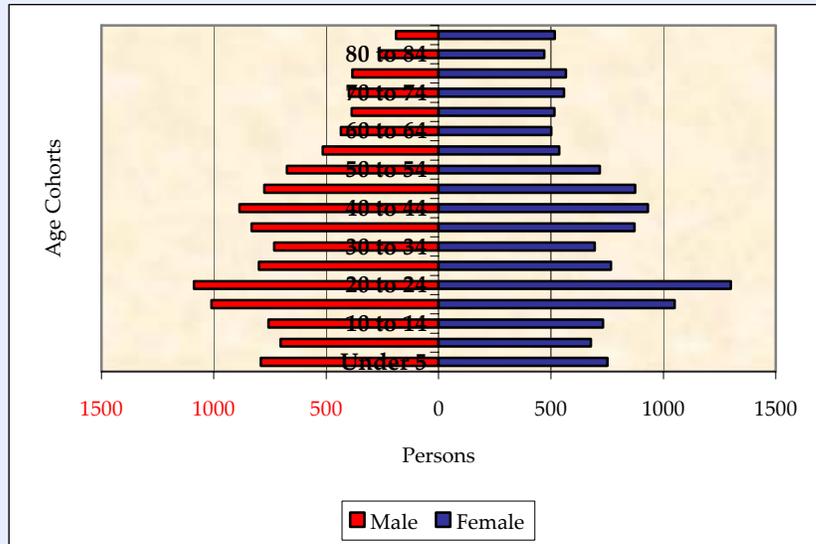


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**Gender.** As shown by this illustration, the 15-19 and 20-24 age cohorts are the most populated, making up slightly over 28 percent of the total population. These large age cohorts most likely reflect the student enrollment at Presentation College and Northern State University. Likely corresponding to the young adults who have left the community following college graduation are those within the age cohorts of 25-29 and 30-34. The second most populated cohorts are persons of ages 35-39 and 40-44, who likely include those who have returned home to raise their families. These two cohorts account for slightly more than 14 percent of the total population.

As shown by the age profile, assuming the age patterns remain similar in the coming years, the community may expect to have an aging population approaching the upper-middle and retirement age cohorts. This would lead to an older average age over time, depending upon future trends in local birth rates and the age characteristics of persons migrating into the area.

**FIGURE 2.6  
AGE AND GENDER**



Source: U.S. Census Bureau

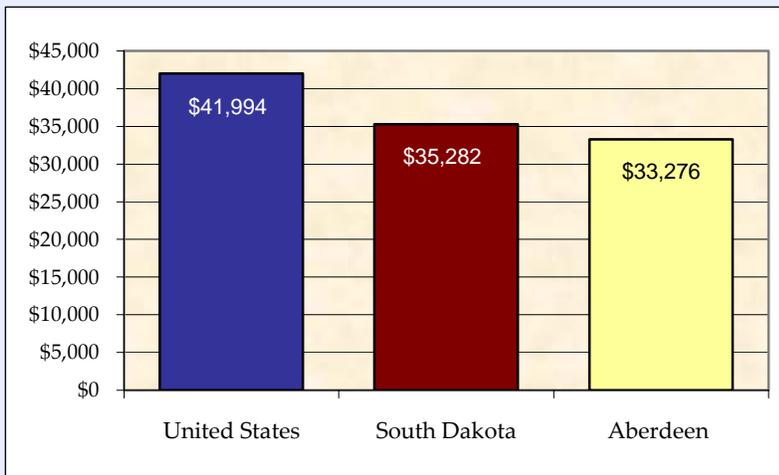
The State Data Center's population projections by cohort reflect a "graying" of the population in the County – and hence the City - over the next twenty plus years. Females will also represent a larger share of the population – particularly in the older age cohorts – accounting for 52.9 percent, which reflects the longer life expectancies of women.

### Income

The most recent available income information for Aberdeen is the 1999 median household income estimated by the U.S. Census Bureau. Accordingly, the median household income was estimated at \$33,276 for Aberdeen. By comparison, the median household

income was \$35,282 for South Dakota and \$41,994 for the U.S., as displayed in **Figure 2.7, Median Household Income**. Therefore, the median household income in Aberdeen is roughly 74 percent and 94 percent of the national and state median household income, respectively.

**FIGURE 2.7  
MEDIAN HOUSEHOLD INCOME**



Source: U.S. Census Bureau

While median household income is below the national average so is the cost of living. For instance, as one measure the median cost of a home in Aberdeen was \$72,800 in 1999 (according to the Census) compared to a national average of slightly over \$100,000, making homeownership more affordable in Aberdeen than many other parts of the country.

The Census Bureau also periodically releases estimates regarding the percentage of the population living in poverty. The estimated percentage of Aberdeen residents living in poverty was 10.5 percent in the Year 2000, which was down from the 1990 figure of 11.5 percent. In numeric terms, this represented 2,452 persons living in poverty within the city. As displayed in Figure 2.7, Persons in Poverty, the estimated poverty percentages in South Dakota and nationally in 2000 were 13.2 percent and 12.4 percent, respectively.

The Aberdeen School District serves the City of Aberdeen and surrounding areas. Statistics for the Aberdeen School District compared to the state and other selected areas are presented in **Table 2.2, Education Statistics**. In each category, Aberdeen compares favorably, particularly including a higher attendance rate, lower drop out rate, and lower percent of economically disadvantaged students. The spending per student is also lower than the other selected districts meaning that Aberdeen students perform well for fewer dollars per student, which speaks favorably to the cost efficiency of the district. The mean composite ACT score is lower than



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each of the other districts and the statewide average.

Data on the educational attainment of Aberdeen residents is provided in **Table 2.3, Educational Attainment**. The percentage of persons with at least a high school education in Aberdeen is 86.5 percent, which is favorable compared with the state and national figures of 83.6 percent and 79.7 percent, respectively. The percentage of residents with a bachelor's degree or higher is 24.4 percent, which also exceeds the state (19.4 percent) and national (22.3 percent) averages.

### Employment

Employment figures for 2000 are provided in **Table 2.4, Labor Force Statistics**. In Aberdeen, the number of employed persons has increased by 576 persons between 1990 and 2000, which represents a 4.5 percent increase. Over the same period, Brown County and the state experienced a 5.0 and 14.1 percent increases in employment, respectively. The rate of unemployment was 3.67 percent in 2000, which is higher than the county (3.48 percent) but below both state (4.36 percent) and national (5.77 percent) averages. The labor force

**TABLE 2.2  
EDUCATIONAL STATISTICS**

Statistics	Aberdeen	Watertown	Brookings	Rapid City	South Dakota
Total Number of Students	3,785	3,928	2,668	13,238	127,080
Total Teachers	226	239	175	797	9,017
Student:Staff Ratio	16.6	16.5	15.1	16.7	13.9
Attendance Rate	97.30%	95.90%	95%	94.30%	95.60%
Annual Drop Out Rate	1.70%	2.10%	1.10%	2%	1.60%
% Economically Disadvantaged	22.20%	24.90%	16.70%	29.70%	32.10%
Mean Composite ACT Score	20.7	21.6	22.2	22.3	21.5
Spending per pupil	\$5,369	\$5,396	\$5,635	\$5,732	\$6,193

**TABLE 2.3  
EDUCATIONAL ATTAINMENT**

Level of Education	Aberdeen		South Dakota		United States	
	Total	Percent	Total	Percent	Total	Percent
Less than 9th Grade	1358	6.9%	37352	6.8%	14835153	7.1%
9th to 12th Grade, no diploma	1310	6.6%	52772	9.6%	27715099	13.2%
High school graduate	5550	28.2%	177975	32.2%	59906752	28.6%
Some college, no degree	5377	27.3%	138559	25.1%	47636493	22.8%
Associates degree	1308	6.6%	38153	6.9%	12608526	6.0%
Bachelor's degree	3658	18.6%	78586	14.2%	30281901	14.5%
Graduate/professional degree	1151	5.8%	28721	5.2%	16295225	7.8%
Total	19712	100%	552118	100.0%	209279149	100.0%

Source: U.S. Census Bureau

participation rate of nearly 79 percent in Aberdeen is significantly higher than the county (69.68 percent) or state (68.43 percent).

The distribution of employees among different industries is shown in **Table 2.5, Employment by Industry**. In 2000, the sectors with the largest percentages of the employed labor force in Aberdeen were retail trade (13.9 percent), health care and social assistance (13.7 percent), and manufacturing (11.0 percent), which together represent nearly 39 percent of all employed persons in the community. Other notable



**TABLE 2.4  
LABOR FORCE STATISTICS**

	Aberdeen	Brown County	South Dakota
Employed Labor Force	13,244	18,917	374,373
Unemployed Labor Force	505	683	17,221
Total in Labor Force	13,758	19,609	394,945
Unemployment Rate	3.67%	3.48%	4.36%
Total Not in Labor Force	3,750	8,532	182,184
Labor Force Participation Rate	78.58%	69.68%	68.43%

**TABLE 2.5  
EMPLOYMENT BY INDUSTRY**

Industry	Employment	% of Total
Forestry, fishing, & hunting	245	1.8%
Mining	13	0.1%
Construction	850	6.4%
Manufacturing	1452	11.0%
Wholesale Trade	400	3.0%
Retail Trade	1842	13.9%
Transportation and warehousing	305	2.3%
Utilities	63	0.5%
Information	311	2.3%
Finance and insurance	636	4.8%
Real estate, rental and leasing	116	0.9%
Professional; scientific and technical services	271	2.0%
Management of companies and enterprise	16	0.1%
Administrative and support, waste mgmt services	733	5.5%
Educational services	1290	9.7%
Health care and social assistance	1809	13.7%
Arts, entertainment, and recreation	161	1.2%
Accommodation and food services	1277	9.6%
Public administration	788	5.9%
Other	666	5.0%
<b>Total</b>	<b>13244</b>	<b>100.0%</b>

Source: U.S. Census Bureau

industries were educational services (9.7 percent), accommodation and food services (9.6 percent) and construction (6.4 percent).

In the decade between 1990 and 2000, health care and social

assistance was the largest growing industry increasing from 10.96 percent to 13.9 percent of the total employment. The manufacturing industry, including both durable and non-durable goods, also increased from 10.20 percent to 11.0 percent. Retail trade experienced a significant decrease in its share of total employment dropping from 22.15 percent in 1990 to 13.9 percent in 2000, which represents a more diversified local economy. Educational services also declined over this period from 12.10 percent in 1990 to 9.7 percent in 2000.

According to the South Dakota Department of Labor regarding their projections of wage and salaried workers by industry between 2000 and 2010, the industries with the most significant expected employment growth in the state are services (26.5 percent); construction (21 percent); and transportation, communications and utilities (18.5 percent).

Agriculture, forestry and fishing (15.5 percent); retail trade (15.6 percent); and finance, insurance and real estate (15.1 percent) are generally expected to mirror the total projected growth of all industries in the state of 16 percent. Mining (metal, coal, oil and gas, nonmetallic minerals) is expected



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to decline 28 percent from 1,180 workers to 850 workers within this decade.

The fastest growing industries for the state of South Dakota in this decade are projected to be business services (50.2 percent) and social services (42.6 percent). Also, of particular interest to Aberdeen are the projected increases of amusement and recreation services (34.8 percent), agricultural services (32.7 percent) and transportation by air (25.3 percent).

The largest employers in Aberdeen are displayed in **Table 2.6, Major Employers**.

**TABLE 2.6  
MAJOR EMPLOYERS**

Major Employers	Employees
Avera St. Lukes	1,209
Aberdeen Public Schools	640
Cendant	600
3M	569
Hub City Inc.	435
Aman Collection Service Inc.	424
South Dakota Wheat Growers	380
Northern State University	299
Kessler's	265
Walmart	229

Source: Aberdeen Chamber of Commerce

