



Positioned to Thrive



2021 Economic Development Annual Report

About Lakeville, Minnesota

The ideal combination of historic charm and modern convenience, Lakeville is a thriving city comprised of family-oriented neighborhoods, vibrant businesses and successful community partnerships. Working together, education, commerce and local government have built a dynamic city that offers a wide array of shopping, housing and business development opportunities. Our parks, lakes and award-winning schools are alive with countless cultural, recreational, educational and leisure activities. Lakeville is ideally positioned for easy access to the Twin Cities' numerous regional amenities and attractions. From a historic downtown to industrial and high-tech business parks, Lakeville continues to attract quality growth while maintaining the small-town feeling and high quality of life that makes it exceptional.

Community Values

Diversified Economic Development

We value the stability and independence provided by a strong, diversified local economy.

Good Value for Public Services

We value high-quality public services delivered cost effectively.

Safety Throughout the Community

We value living in a community where people feel safe everywhere they go.

Design That Connects the Community

We value a well-designed community and we place a priority on development that enhances connectivity and accommodates our changing needs.

High Quality Education

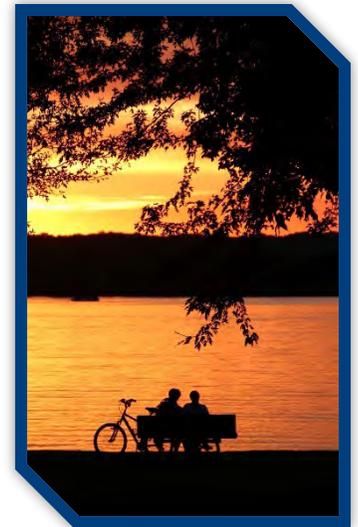
We value and are committed to high quality education that sets us apart.

A Home for All Ages and Stages of Life

We value living options for people of all ages and stages of life.

A Sense of Community and Belonging

We value the sense of belonging that comes from our traditions and institutions, and we strive to support and preserve them.



Lakeville Demographics

Population: **69,490***

Population change since 2010: **24.2%***

Median Household Income: **\$117,083***

Median Home Value: **\$361,000^^**

Median Age: **36.5***

Unemployment in Lakeville: **1.8%****

Number of Businesses in Lakeville: **1,390^**

Number of Jobs in Lakeville: **19,105^**

*Source: U.S. Census Bureau

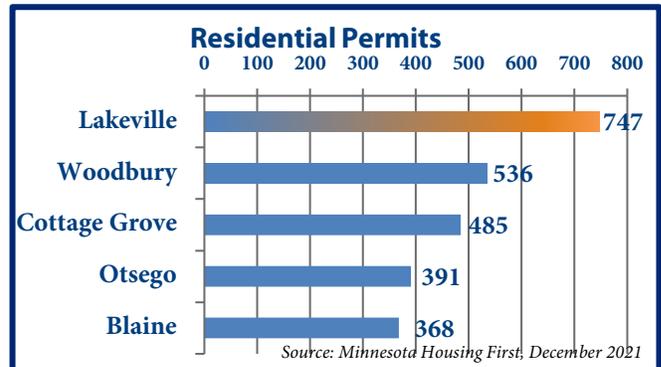
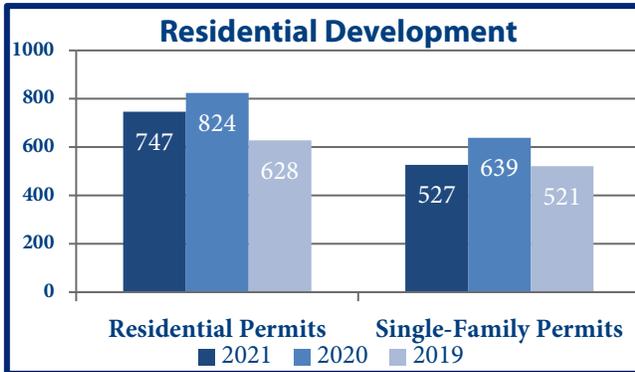
**Source: MN DEED, Local Area Unemployment Statistics – November 2021

^Source: MN DEED, Quarterly Census of Employment and Wages – Q2 2021

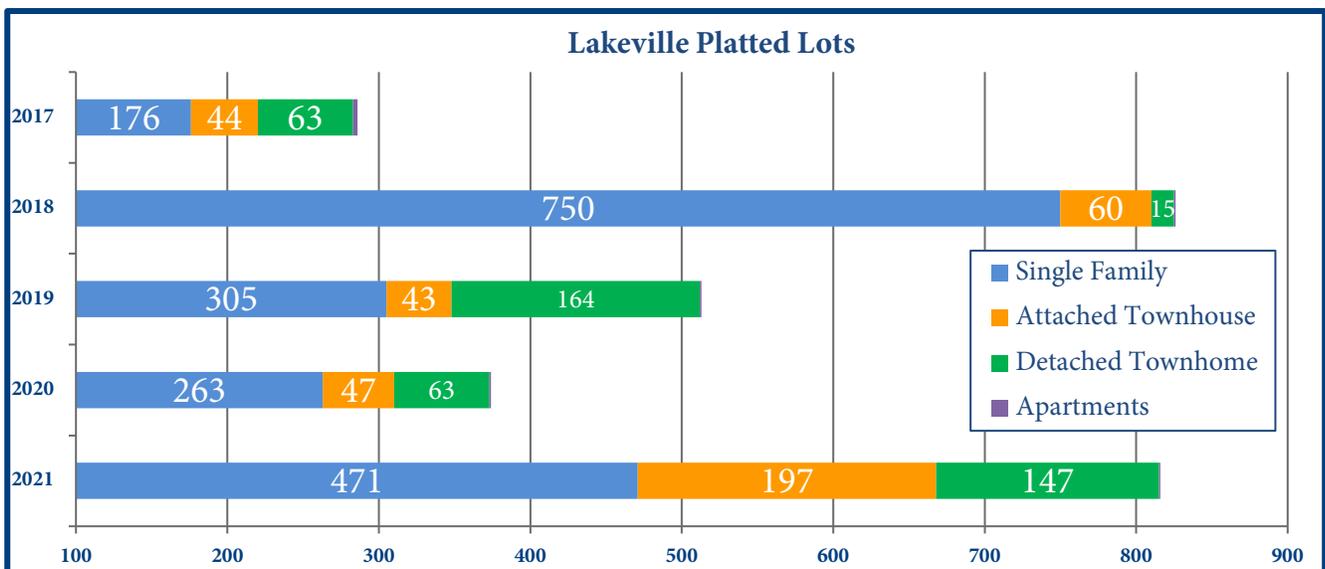
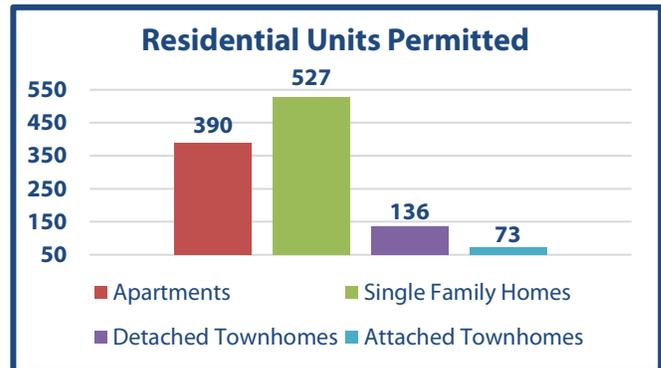
^^Source: Dakota County 2021

Residential Growth

The City of Lakeville experienced a high level of development activity in 2021. The City issued building permits with a total valuation of \$371.8 million, which is the second highest building permit valuation in the City’s history. The previous record was set in 2020 with a building permit valuation of \$442.3 million. The City issued 747 residential permits in 2021 and 527 of those were single-family homes. The average building permit value on the 2021 single-family homes was \$304,742. According to Minnesota Housing First, Lakeville led the Minneapolis-St. Paul metropolitan area for residential permits, issuing over 100 more permits than Woodbury, Cottage Grove, Otsego and Blaine. Lakeville has led the metro area in residential permits every year since 2013.



Lakeville saw the completion of two multi-family developments in 2021: Kingsley Place (55-unit, senior independent) and The Moments of Lakeville (60-unit, memory care). Construction began on Arris Apartments (197-unit, market rate) and Northlake Lofts (208-unit, market rate). The City issued 209 townhome permits and 11 apartment permits (totaling 390 units) in 2021.



Commercial and Office Development

New Businesses

- **Children's Minnesota Specialty Center**
 - The clinic opened at 18432 Kenrick Avenue in January. The new location offers occupational therapy, physical therapy, feeding therapy and speech therapy and added an outpatient mental health program for adolescents ages 12-18 in August.
- **ETS Performance South Metro**
 - The business held a ribbon cutting ceremony on January 25 to celebrate its new location at 21017 Heron Way, Suite 101. ETS Performance offers specialized training programs for "all athletes, at any ability level, from every sport and customized to fit their needs."
- **Red's Savoy Pizza**
 - The restaurant celebrated its new location with a ribbon cutting ceremony on February 9. The business is located at 17450 Kenwood Trail, formerly a Caribou Coffee.
- **HOTWORX**
 - The fitness studio hosted a ribbon cutting on May 21. The new business offers infrared sauna workouts and is located at 17693 Kenwood Trail, near Green Mill Restaurant.
- **Mainstreet Coffee & Wine Bar**
 - The coffee shop held a grand re-opening of the business in July under new ownership. The business is located at 20790 Holyoke Avenue in downtown Lakeville and reopened the wine bar in November.
- **Pizza Ranch**
 - The restaurant held a ribbon cutting and "first bite" ceremony on August 9. The newly remodeled restaurant is located at 16995 Kenyon Avenue West and is under new ownership.
- **Space4Work**
 - The office space opened in October in the Anchor Professional Building. The new co-working space includes private offices, conference rooms, independent sit/stand workstations and amenities.
- **Masterpiece Chocolates**
 - The chocolate shop held a ribbon cutting ceremony on October 22. The new business is located at 17697 Kenwood Trail near Green Mill and offers gourmet chocolates for individual purchase or events.
- **Compcare Urgent Care**
 - The clinic held a ribbon cutting on November 3 to celebrate its new Lakeville location at 7560 160th Street West, Suite 100, next to Walgreens.
- **Wildflower Quilt Company**
 - The quilt shop opened at 17775 Juniper Path, near Anytime Fitness and hosted a ribbon cutting on November 5. The business carries a wide variety of quilting products.
- **Labyrinth Puzzle Rooms**
 - LPR opened at 20730 Holyoke Avenue in early November and held a ribbon cutting ceremony on December 3 to celebrate. LPR is located in the former Escape MSP space and offers three puzzle rooms.



Under Construction in 2021

- **Raising Cane's Chicken Fingers**
 - The restaurant is under construction just south of Super Target next to 185th Street West and I-35. The new 3,703-square-foot convenience restaurant will have a two-lane drive-thru with indoor seating for 74 and an additional 42 outdoor patio seats.
- **Northlake Loft Apartments**
 - The apartment building is under construction near the former Best Buy building and Speedway, located off 185th Street at 18400 Orchard Trail. When finished, the building will be four stories with 208 market rate units.
- **The Pillars of Lakeville**
 - The project held a groundbreaking ceremony on October 7 to kick off the construction of the 100-unit senior housing facility and Four Square Preschool and Daycare. Both facilities will be located on the Crossroads Church site at 17671 Glacier Way. When complete, Four Square is planned to have capacity for 240 children.
- **Arris Apartments**
 - The apartment is under construction at 10805 173rd Street West, located east of Kenrick Avenue and south of Fleet Farm. When finished, the four-story building will have 197 market rate apartment units.
- **The Better Half**
 - The new restaurant was issued a building permit in December for a tenant interior finish at 20851 Holyoke Avenue, next to Angry Inch Brewing.



Completed Construction in 2021

- **Porterhouse Steak & Seafood**
 - The restaurant expanded its existing outdoor dining patio at 11211 205th Street West.
- **Northern Taphouse**
 - The restaurant constructed a new 2,061-square-foot outdoor dining patio on the north side of the building, located at 18404 Kenrick Avenue.
- **El Parian Mexican Restaurant**
 - The restaurant expanded its existing outdoor dining patio, located at 17557 Glasgow Avenue.
- **Lakeville Brewing Company**
 - The restaurant added cooler space and expanded its existing outdoor dining patio, located at 8790 Upper 208th Street West.
- **Springs at Lakeville**
 - The development project completed construction of 260 units of rental townhomes. The new housing option is located at 17400 Glacier Way and includes amenities such as an outdoor pool, barbeque area and fitness center.



- **Kingsley Place**

- The new facility held a ribbon cutting on September 2. The 55-unit independent senior living apartment building is located at 16880 Klamath Trail, just east of Kingsley Shores. Kingsley Place is connected to the Kingsley Shores facility by a second story skyway and through the underground parking garages.



- **The Moments of Lakeville**

- The senior housing facility has completed construction on its two-story 78,000-square-foot building expansion to the west of its existing building located at 16258 Kenyon Avenue. The new addition adds 60 memory care units to the senior care facility.

- **Summit Orthopedics**

- The medical office completed construction on its new two-story 25,660-square-foot building. The business is located at 17210 Kenyon Avenue and will begin seeing patients in January 2022. Summit Orthopedics offers advanced subspecialty orthopedic, sports and spine care.

- **Lakeville Liquors Keokuk**

- The City's fourth liquor store is located at 20880 Keokuk Avenue and hosted a ribbon cutting on October 10. The new 20,000-square-foot building includes retail space and an event room.

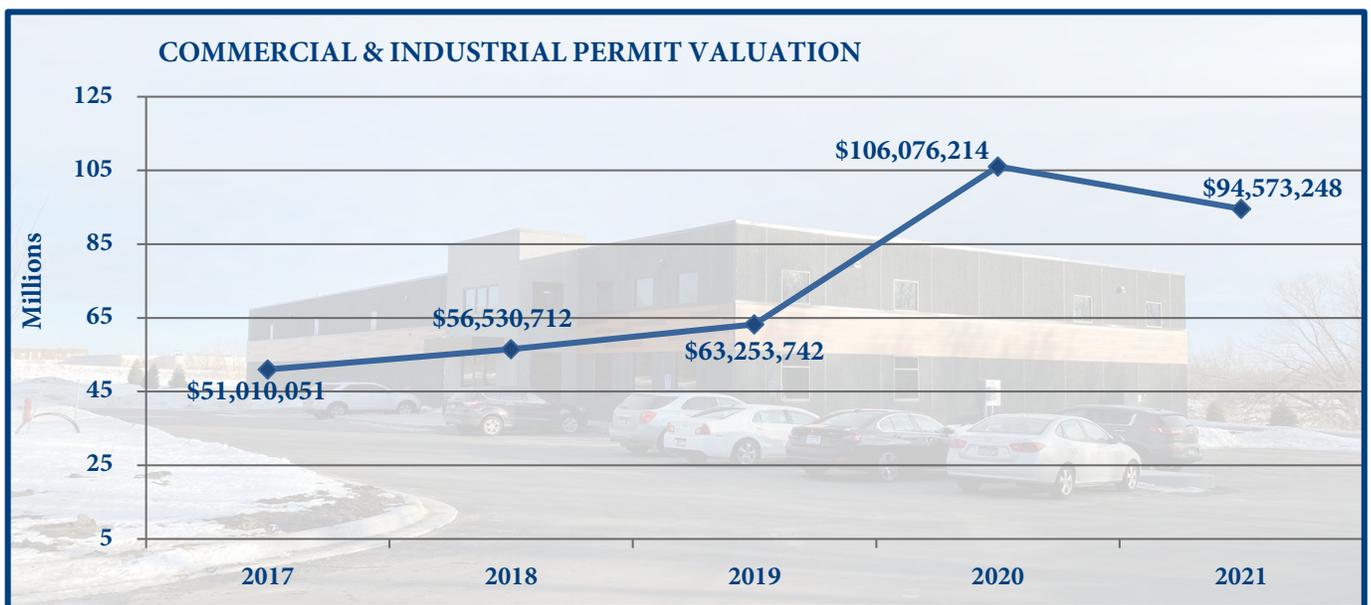


- **Tires Plus**

- The auto repair shop opened in its new 6,262-square-foot building in late 2021. The business is located at 20170 Iberia Avenue in Heritage Commons.

- **TCO Dome at Lakeville North High School**

- The new sports dome, located at 19600 Ipava Avenue, has completed construction and will open in January 2022. The 98,500-square-foot seasonal facility will host a variety of sporting events, including baseball, football, lacrosse, soccer, softball and more.



Valuations include Building, Electrical, Mechanical, Plumbing and Sewer & Water Permits

Industrial Development

Old Dominion Freight Line

- Constructing a new 43,300-square-foot building in Launch Park
- New business that is adding approximately 70 jobs to Lakeville



Delmar Company

- 29,647-square-foot expansion
- Connected two existing buildings for added space and efficiencies



Amazon XL Facility

- 750,000-square-foot building
- Fulfills large item orders
- \$50 million total permit valuation
- 100-200 new jobs to Lakeville



FedEx Freight

- 88,255-square-foot expansion
- Additional cross-dock space, expanded maintenance building and additional trailer parking



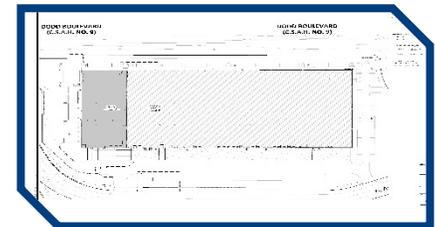
Hearth & Home Technologies

- Tenant finish at 22160 Cedar Avenue in Launch Park
- New manufacturing division and additional jobs to Lakeville



Uponor

- 57,000-square-foot expansion of existing warehouse and distribution building



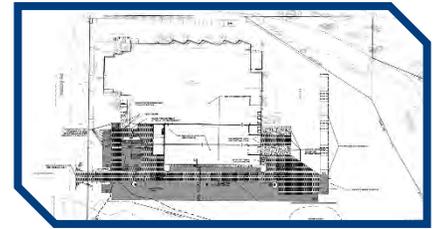
The Outdoor GreatRoom Company

- Occupying 94,500 square feet in a new 158,000-square-foot building
- Manufactures outdoor living products
- 50-100 new jobs to Lakeville



Buddy's Kitchen

- 28,455-square-foot expansion
- Adding new freezer space to existing building



Magnum Trucking

- New 31,360-square-foot trans-load trucking facility, 9,408-square-foot office building and 13,824-square-foot truck maintenance building



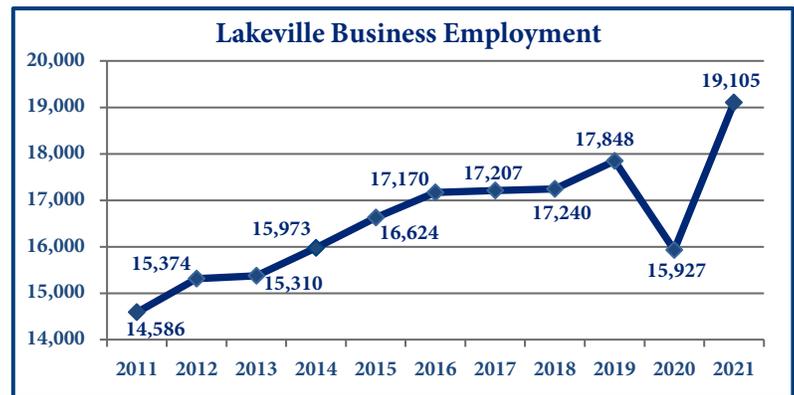
Boise Building Solutions

- Approved interim use permit to expand its outdoor storage area onto approximately 13 acres of adjacent MAC property



Lakeville Business Employment

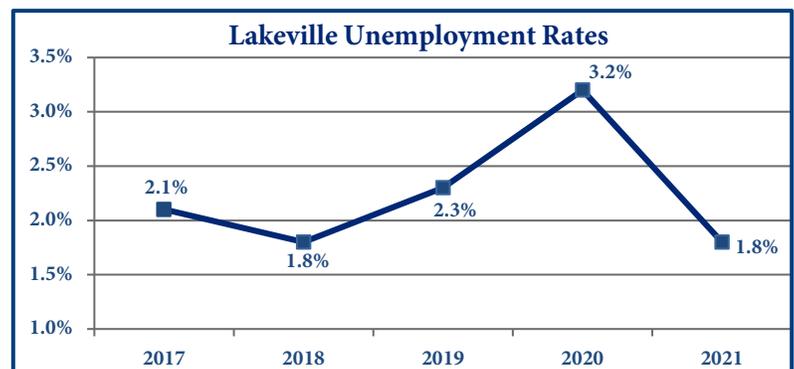
The number of jobs in Q2 of 2021 was 19,105, a 19.8% increase from 2020, which significantly declined due to COVID-19 closures and restrictions. This indicates that Lakeville's employment is back on track with its historically steady increase in employment and is a positive sign of business growth occurring in the City.



Source: Minnesota Department of Employment and Economic Development, Quarterly Census of Employment and Wages. Data from Q2 of each year.

Unemployment

In November 2021, Lakeville saw the unemployment rate decrease to 1.8%. In comparison, Dakota County's unemployment rate for the same period was 2.0%, Minnesota's was 2.2%, and the United States' was 3.9%.



Source: Minnesota Department of Employment and Economic Development, Labor Market Information Office, Local Area Unemployment Statistics, November data

Major Accomplishments

In 2021, the City Council approved annexation applications totaling 206.94 acres of property to be added to Lakeville's industrial park. Adelman Family Farms LLC, in conjunction with Launch Properties, submitted a petition requesting the annexation of 115.57 acres of property located in Eureka Township, abutting the east property line of the Launch Park industrial development. And Robert and Kathleen Ruddle, in conjunction with Scannell Properties, submitted a petition requesting the annexation of 91.37 acres of property located in Eureka Township, abutting the south property line of the Interstate South Logistics Park industrial development. Per Minnesota Statutes 414.033, a property owner may petition the City to annex up to 120 acres of land that is contiguous to the City.

County State Aid Highway (CSAH) 70/215th Street has been expanded into a divided four-lane highway from Kenrick Avenue/Kensington Boulevard to Cedar Avenue. The project used federal funds from the Minnesota Highway Freight Program and the Dakota County Transportation Sales and Use Tax Transportation Improvement Program. This road project has greatly improved a major transportation hub through Lakeville's industrial park and supports the area's rapid business growth.

The City Council approved a purchase agreement for the College Hunks property located near the northbound off-ramp at I-35 and County Road 50. The purchase of this property was facilitated by a Metropolitan Council Right-of-Way Acquisition Loan Fund (RALF) for the full amount of the acquisition. The terms of the loan are zero percent interest and repayment due when the property is conveyed to MnDOT or Dakota County for the construction of highway improvements. Relocation assistance is being provided to the business and demolition of the structures will occur in the spring or summer of 2022.

Looking Ahead

The City Council approved a purchase agreement for the sale of a 2.25-acre City-owned outlot between McDonald Eye Care and Ames Arena in 2021 and commercial development is anticipated on the site in 2022.

The City Council also approved the acquisition of property at 8860 Upper 208th Street West, former location of Royal Milc in downtown Lakeville, and entered into a due diligence period in late 2021. The City is anticipated to close on the property in late February 2022 and has plans to redevelop the property in accordance with the 2018 Lakeville Downtown Development Guide Update.

Finally, the City predicts another busy development year in 2022 with multiple projects in the pipeline, including medical office and industrial park projects. For more information about what's happening in the City of Lakeville, sign up for the [Thrive! Newsletter](#) and check out our interactive development map at LakevilleMN.gov/developmentmap.

David Olson
Community & Economic Development Director

dolson@lakevillemn.gov
lakevillebusiness.com