



Positioned to Thrive



2022 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: **72,812***

Population change since 2010: **30.1%***

Daytime Population: **approx. 82,000***

Median Household Income: **\$131,125***

Median Home Value: **\$428,600^^**

Median Age: **36.8***

Unemployment in Lakeville: **2.3%****

Number of Businesses in Lakeville: **1,467^**

Number of Jobs in Lakeville: **20,890^**

ISD 194 Student Enrollment: **11,823*****

*Source: U.S. Census Bureau

**Source: MN DEED, Local Area Unemployment Statistics – December 2022

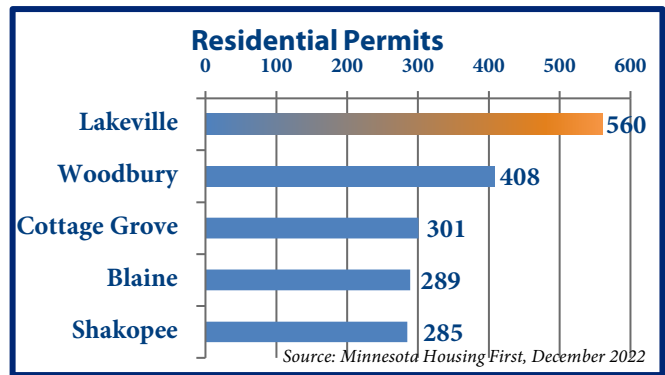
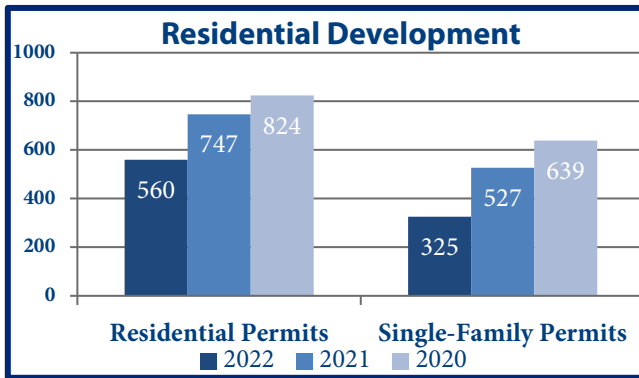
***Source: Lakeville Area Schools, ISD 194 2022

^Source: MN DEED, Quarterly Census of Employment and Wages – Q2 2022

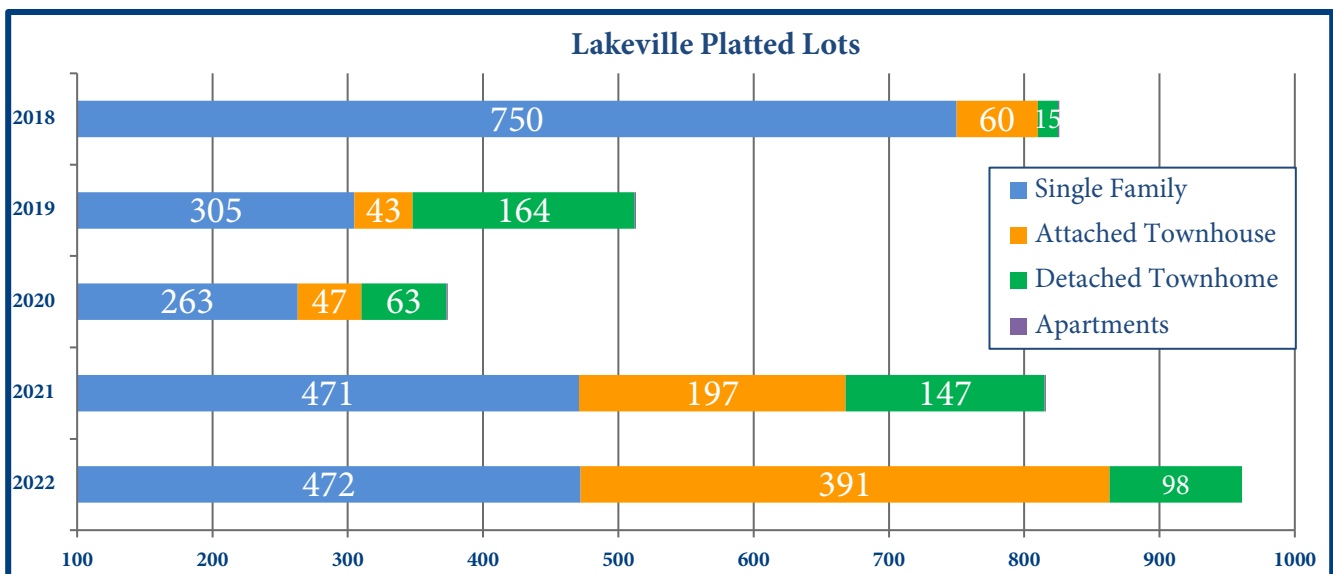
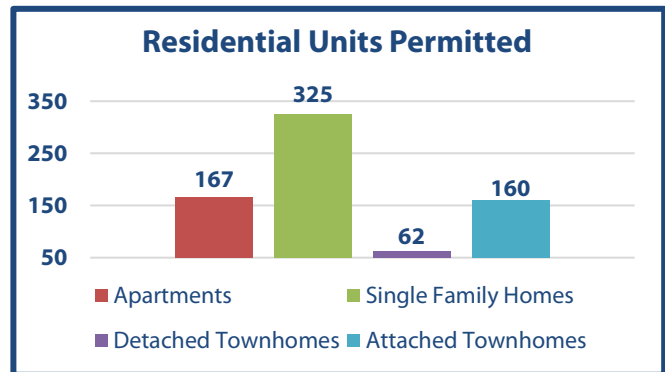
^^Source: Dakota County 2022

Residential Growth

The City of Lakeville experienced another busy year of development activity in 2022, issuing building permits with a total valuation of \$321.1 million. This compares to \$371.8 million issued in 2021 and \$442.3 million in 2020. The City issued 560 residential permits in 2022 and 325 of those were single-family homes. The average building permit value on the 2022 single-family homes was \$286,957. According to Minnesota Housing First, Lakeville led the Minneapolis-St. Paul metropolitan area for residential permits followed by Woodbury, Cottage Grove, Blaine and Shakopee. Lakeville has led the metro area in residential permits every year since 2013.



In 2022, Lakeville saw the completion of Arris Apartments (197-unit, market rate) and Northlake Lofts (208-unit, market rate); construction on The Livery (204 units, market rate) and Pillars of Lakeville (100 units, senior); and City Council approvals for Authentix (252 units, affordable) and 179th Street Apartments (243-unit, market rate). The City issued 222 townhome permits and 13 apartment permits (totaling 167 units) in 2022.



Commercial and Office Development

New Businesses

- **Owl and Unicorn**
 - The gift shop opened at 20784 Holyoke Avenue in March and sells a wide variety of items including vintage pieces, home décor, jewelry and beauty products.
- **Let's Paint!**
 - The business held a ribbon cutting in April at 17701 Kenwood Trail. The art studio provides public paint classes and private paint parties, and sells home painting kits.
- **Tires Plus**
 - The auto body shop hosted a ribbon cutting in April to celebrate its new location at 20170 Iberia Avenue in Heritage Commons.
- **Sonnet Montessori**
 - The early childhood development center held a ribbon cutting in May to celebrate its new ownership. The business is located at 19955 Idealic Avenue and provides instruction in Montessori philosophy, health and safety, and early childhood development.
- **Raising Cane's Chicken Fingers**
 - The restaurant opened in June and is located at 18477 Kenrick Avenue (near Super Target) in a 3,700-square-foot building with a two-lane drive-thru.
- **The Better Half**
 - The restaurant held a ribbon cutting ceremony in June to celebrate the new business opening in downtown Lakeville, located at 20851 Holyoke Avenue.
- **Chandelier Suite Hair Boutique and Skin Rx Med Spa**
 - The businesses had a joint ribbon cutting ceremony in June to celebrate their new location at 16239 Kenrick Avenue. Clients can receive hair and skincare services in one retail tenant space, located next to Starbucks on County Road 46.
- **MD² Clinic**
 - The independent medical clinic held a ribbon cutting ceremony in July to celebrate its grand opening at 11175 205th Street West, next to Platt Dentistry. The new business is owned and operated by Dr. Megan Dillman.
- **Advanced Oral Surgery**
 - The dental clinic completed construction of the 655-square-foot addition onto its existing building in 2022. The business is located at 19925 Idealic Avenue, near Lakeville KinderCare.
- **BennyAni Photography**
 - The photography studio held a ribbon cutting ceremony in August. The business is located at 20788 Holyoke Avenue, in the tenant space above Tapestry Coffee in downtown Lakeville.
- **Ultimate Martial Arts**
 - UMA held a ribbon cutting in August to celebrate its new and expanded location at 17745 Juniper Path. The business offers classes in traditional style karate and self defense to ages 4 and up.



- **Four Square Preschool and Daycare**

- The daycare completed construction and opened in its new location in fall 2022. The new building is located on the Crossroads Church site, next to The Pillars of Lakeville, at 17750 Glasgow Avenue.



- **Nautical Bowls**

- The fast casual restaurant held a ribbon cutting event in September at 17706 Kenwood Trail, located in the Argonne Village shopping center near Walgreens. The business serves fresh superfood smoothie bowls.

- **Whimzy**

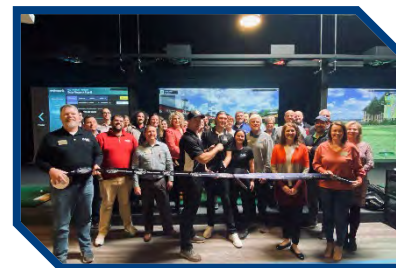
- The new children's toy and bookstore opened in September and hosted a ribbon cutting ceremony to celebrate. The business located at 17400 Kenwood Trail, Suite 302A, in the multi-tenant building with Princess Jewelry near I-35.

- **Minnesota WellCare**

- The new mental health clinic held a ribbon cutting in September to celebrate its grand opening. The business is located at 10519 165th Street West, just west of Wise Swim School.

- **Lakeville Links**

- The new golf simulator business hosted a ribbon cutting ceremony in October at 17630 Juniper Path, Suite H in the Juniper Commons building. Guests have access to six Golfzon TwoVision simulator bays, as well as food and drinks.



- **MOR Golf and Utility**

- The golf cart shop had a ribbon cutting and customer appreciation open house in November to celebrate its new location at 21730 Hanover Avenue, Suite 200 and five years in business.

- **Doma**

- The title company held a ribbon cutting in November at 17645 Juniper Path, Suite 225. The business is located in a multi-tenant building across the street from ReStored Thrift Store.

- **Gojjo Realty**

- The real estate agency hosted a ribbon cutting ceremony in November at 17305 Cedar Avenue, Suite 100, which is located in a multi-tenant building just north of Kwik Trip and west of Hy-Vee Fast & Fresh.

- **Sakura Sushi & Hibachi Grill**

- The restaurant opened in late 2022 in the former Mizumi Sushi tenant space, located at 17629 Cedar Avenue.

- **MN IV**

- The business held a ribbon cutting in November during the Lakeville Chamber of Commerce's Women's Symposium. MN IV provides in-home hydration treatments to help with symptoms of dehydration, migraines and more.



- **Green Mill**

- The restaurant celebrated its grand reopening in December with a ribbon cutting ceremony. The business is located at 17733 Kenwood Trail in the Southfork Shopping Center near I-35 and underwent an extensive interior remodel in 2022.

- **Gary's Supper Club**
 - The new restaurant opened in early December in the former Harry's Scratch Kitchen, located at 20790 Keokuk Avenue. The business serves brunch, lunch and dinner and has a private room for special events.
- **Renew Chiropractic**
 - The chiropractic office hosted a ribbon cutting in December at 17595 Kenwood Trail, Suite 120. Dr. Danielle Veenstra specializes in pregnancy, fertility, infant and pediatric care.



Under Construction in 2022

- **Baldy's Tailgate Bar**
 - Lakeville Family Bowl closed in early 2022 and will reopen in 2023 as Baldy's Tailgate Bar. Construction is underway to remodel the interior of the business (restaurant seating area) and expand the outdoor patio.
- **Lakeville Specialty Center**
 - The project held a groundbreaking ceremony in June to kick off construction of the new three-story 100,000-square-foot medical office building to be located at 18465 Orchard Trail, just west of Buffalo Wild Wings. When complete, Allina Health Surgery and MNGI Digestive Health will fully occupy the building.
- **Lakeville Medical Building**
 - Construction started on Lakeville Medical Building in summer 2022. The new 44,000-square-foot medical office will be located at 17489 Dodd Boulevard, at the northeast corner of Cedar Avenue and Dodd Boulevard, and anchored by Allina Health Primary Care & Eye Care.
- **Bubble Barn Car Wash**
 - The project was issued a building permit in July to construct a car wash facility at 17453 Dodd Boulevard, near Hy-Vee Fast & Fresh. The business is anticipated to open in early 2023.
- **Molldrem Family Dentistry**
 - A building permit was issued to Molldrem Family Dentistry in July for construction of a 5,200-square-foot medical office at 18389 Orchard Trail, just east of Buffalo Wild Wings off 185th Street West.
- **Suite Living of Lakeville**
 - The project was under construction in 2022. The new 32-unit memory care facility will be located at 20949 Keokuk Avenue, immediately south of the Hampton Inn & Suites, and is anticipated to open early 2023.
- **Lakeville Crossing Grocery**
 - The project was issued a building permit in September to expand the existing building by 6,241 square feet and remodel the interior. When complete, the former Kowalski's Market/Family Leisure building will house a grocery tenant at 7590 160th Street West.
- **United Christian Academy Daycare**
 - The City Council approved the United Christian Academy project in June 2022, which includes a pre-K through grade 12 private school campus, daycare facility, medical office and equine therapy use. A



groundbreaking ceremony was held in August and a building permit was issued for the daycare facility in September.

- **BeeHive Homes**

- The project held a groundbreaking ceremony in November to celebrate its second location in Lakeville. The new memory care facility will be located at 8305 210th Street West, just west of Express Employment. BeeHive has been approved to construct 48 units in two phases, with 24 units per phase.



Approved Projects in 2022

- **Airlake 70 First Addition**

- A preliminary plat and conditional use permit application were approved in May for a 276,000-square-foot cold storage warehouse located east of Cedar Avenue and south of County Road 70.

- **Interstate South Logistics Park Fourth Addition**

- A preliminary and final plat for a 260,000-square-foot office/warehouse and distribution center was approved in June, to be located south of County Road 70 and east of Jacquard Avenue.

- **Taco Bell**

- A new location was approved in September. The restaurant is proposed to be 2,800 square feet with a drive-thru window and will be constructed at the northwest quadrant of Keokuk Avenue and 207th Street, in front of Emagine Lakeville, at 20681 Keokuk Avenue.

- **Panda Express**

- The proposed construction of a 2,600-square-foot restaurant with a dual lane drive-thru was approved in October. The building will be located next to Raising Cane's, off of I-35 and 185th Street West.



- **Gilb Fitzpatrick Second Addition**

- Preliminary plat and final plat applications were approved in October for a medical office building to be located south of County Road 50 and west of Iberia Avenue, near New Horizon Academy.

- **KTJ First Addition**

- A final plat was approved in October for a 400,000-square-foot warehouse building to be located east of Cedar Avenue and south of the County Road 70 extension.

- **Keswick Medical Addition**

- Preliminary and final plat applications were approved in November for construction of a 44,255-square-foot, two-story medical office building for Twin Cities Orthopedics at 21074 Keswick Loop.

- **Cedar and Dodd Retail Third Addition**

- The project received approval of its preliminary and final plat and conditional use permit applications in December. An 11,900-square-foot daycare facility and a 4,450-square-foot bank building are proposed for construction to be located south of Glacier Way and west of Dodd Boulevard, near Hy-Vee Fast & Fresh.



Industrial Park Development

Dick's Sanitation

- Interim Use Permit approved to expand outdoor storage area onto 5.5 acres of Metropolitan Airports Commission property



Apple Auto Group

- New 58,550-square-foot automotive service, repair and sales facility
- First standalone Ford commercial vehicle service center
- Will employ 50-60 full-time jobs



Dalsin Industries

- Opened in industrial multi-tenant building next to The Outdoor GreatRoom Company
- New precision sheet metal fabrication manufacturer in Lakeville



Old Dominion Freight Line

- Opened in its new 43,300-square-foot building in Launch Park
- New business adding approximately 70 jobs to Lakeville



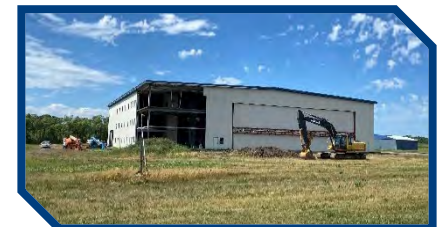
Magnum Trucking

- Opened in its new 31,360-square-foot trans-load trucking facility
- Constructing a 168,000-square-foot warehouse directly north of the LTL



Aloft Aviation

- New 33,000-square-foot hangar
- \$2.25 million total building permit valuation
- Proposed future restaurant location



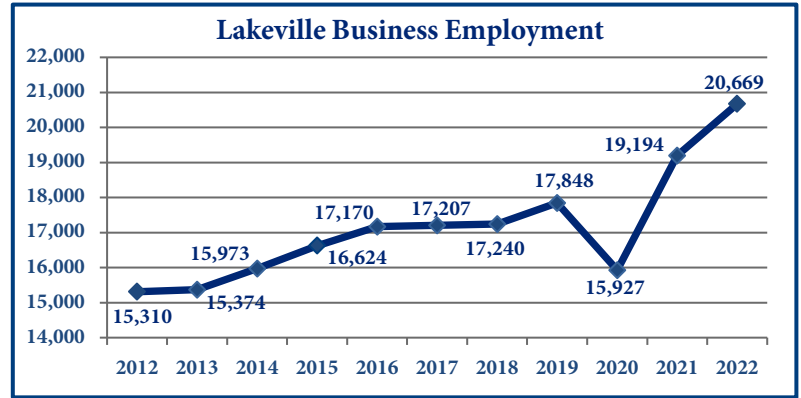
Quality Contour

- Completed construction of a 4,275-square-foot building addition
- Precision machine shop



Lakeville Business Employment

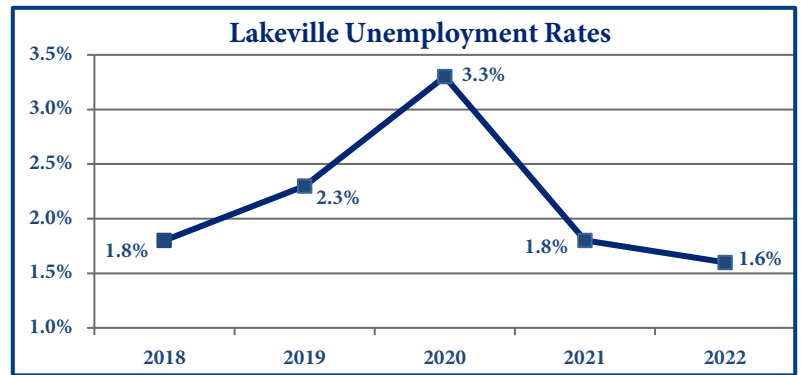
The number of jobs in Q2 of 2022 was 20,669, an 8% increase from 2021. This indicates that Lakeville's job market has fully recovered from the drop in employment experienced during the COVID-19 pandemic. When 2020 data is removed, Lakeville has had historically steady increases in employment and business growth - a very positive sign for the city.



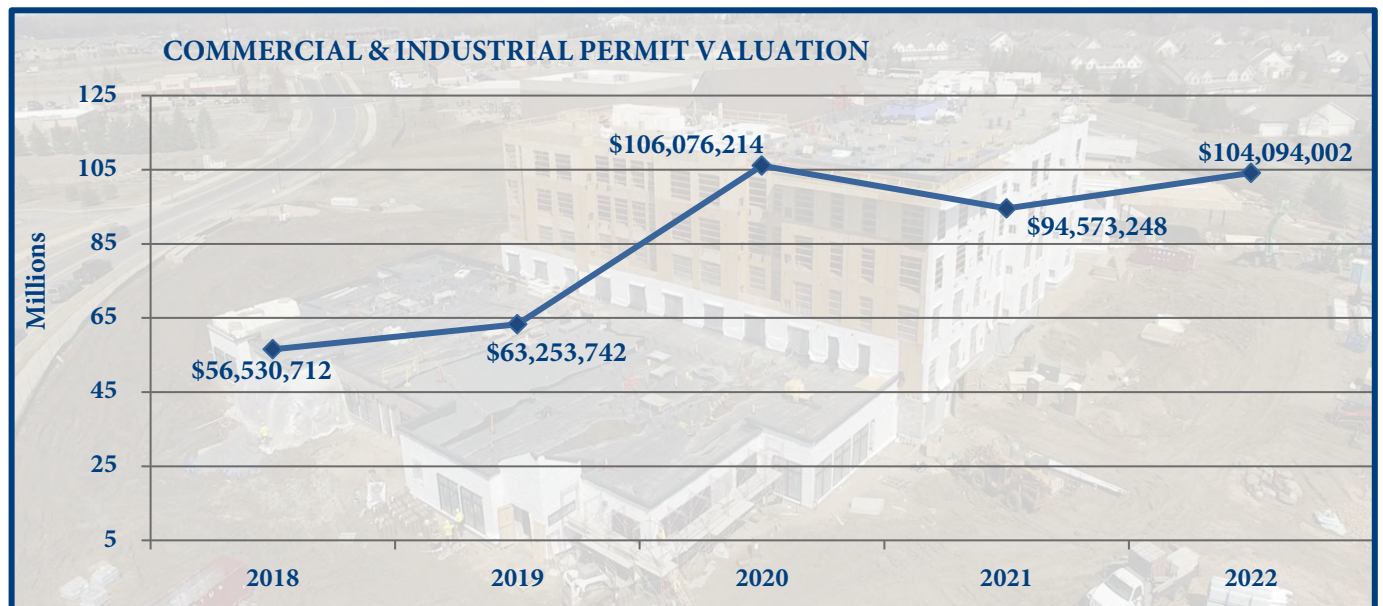
Source: Minnesota Department of Employment and Economic Development, Quarterly Census of Employment and Wages. Data from Q2 of each year.

Unemployment

In November 2022, Lakeville saw the unemployment rate decrease to 1.6%. In comparison, Dakota County's unemployment rate for the same period was 1.8%, Minnesota's was 2.0%, and the United States' was 3.4%.



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



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

Major Accomplishments

Demolition was completed on the College Hunks property located near the northbound off-ramp at I-35 and County Road 50 and at the former Royal Milc property in downtown Lakeville in 2022. Both sites are now ready for redevelopment. The College Hunks site will be used for future I-35/County Road 50 interchange improvements and the Royal Milc site is planned for a future greenway and trailhead.

The City completed sale of its 2.25-acre outlot between McDonald Eye Care and Ames Arena in 2022. The outlot was platted into two lots for the sale, with the western lot seeing new construction of a Crystal's Cuddle Bugs Daycare in 2023 and the eastern lot planned for future commercial development.

In fall 2022, the City Council adopted amendments to Title 3 and Title 11 of the city code. Title 3 now allows food and beverage sales in Antlers Park. Following the redevelopment of Antlers Park in 2023, two architecturally designed shipping containers will be placed in the park for food and beverage concession use. Title 11 was amended to allow more flexibility regarding the required types and percentages of building materials in the O-P (Office Park) district.

Looking Ahead

There are a few projects scheduled for completion in 2023, including a housing needs assessment study, strategic plan for economic development and a downtown parking study. The housing needs assessment study will provide information on the current state of Lakeville's housing stock, as well as future forecasts and how those correlate with local business employment. The Economic Development Commission will undergo a strategic planning process in late 2023, as the current plan expires in 2023. The strategic plan provides guidance and a vision for the future of Lakeville's economic development as the City continues to grow. The downtown parking study will take a look at Lakeville's vibrant downtown commercial area to provide valuable information regarding its current and future parking needs.

The City will see multiple projects start or complete construction in 2023, including the opening of several new medical office locations, construction of new daycares and completion/construction of several industrial park projects. Approximately 300 acres is still available for commercial development in the city, including property near Hy-Vee grocery store on Pilot Knob Road, property near the Holiday Inn off I-35 and County Road 70, and Heritage Commons on County Road 50 and Dodd Boulevard. And more than 600 acres of industrial land are available for development, including sites in Interstate South Logistics Park (off County Road 70 and Dodd Boulevard) and Launch Park (off Cedar Avenue and 220th Street West).

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.

Tina Goodroad
Community Development Director

tgoodroad@lakevillemn.gov
lakevillebusiness.com