



Positioned to Thrive



2018 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 offering 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

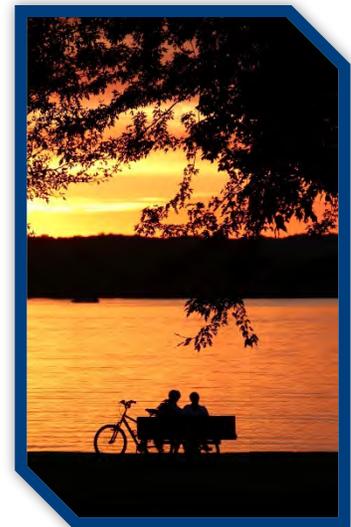
We value and are committed to high quality education that sets us apart.

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: **63,748***

Population change since 2010: **13.8%***

Median Household Income: **\$98,864****

Median Home Value: **\$260,400****

Median Age: **35.6****

Unemployment in Lakeville: **1.9%*****

Number of Businesses in Lakeville: **1,178^**

Number of Jobs in Lakeville: **17,330^**

*Source: U.S. Census Bureau, July 2017 Population Estimates

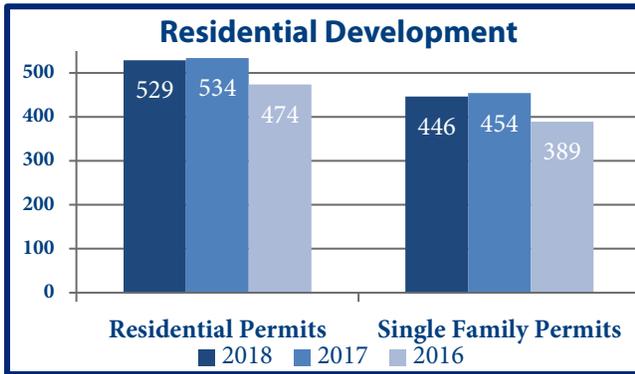
**Source: U.S. Census Bureau, 2012-2016 5-Year American Community Survey

***Source: MN DEED, Local Area Unemployment Statistics – December 2018

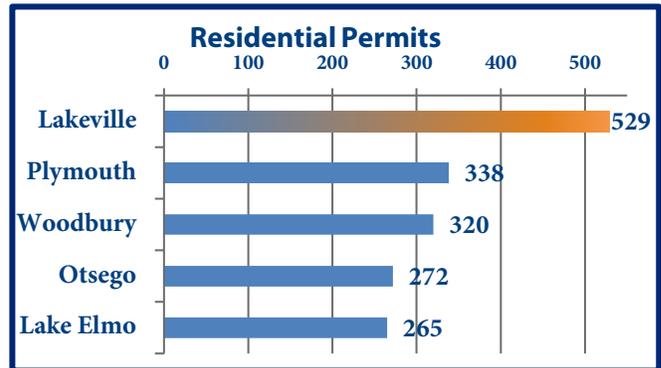
^Source: MN DEED, Quarterly Census of Employment and Wages – Q2 2018

Residential Growth

The City of Lakeville continued to experience a high level of development activity in 2018. The City issued building permits with a total valuation of \$249.6 million, which is the third highest building permit valuation in the City’s history. The City issued 529 residential permits in 2018; of those 446 were single-family homes. According to the Minnesota Housing First, Lakeville led the Minneapolis-St. Paul Metropolitan area for residential permits ahead of Plymouth, Woodbury, Otsego, and Lake Elmo. This is the sixth year in a row that Lakeville has led the metro area.

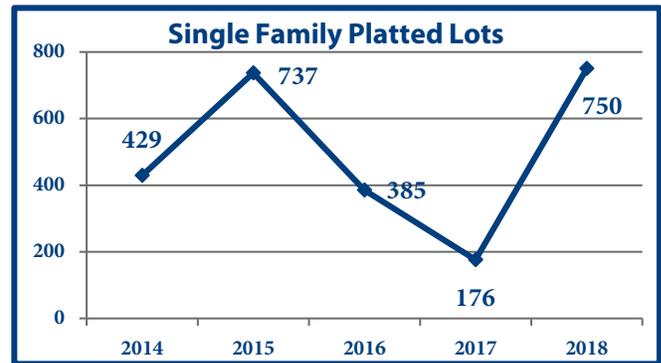


Source: City of Lakeville, as of 12/31/2018

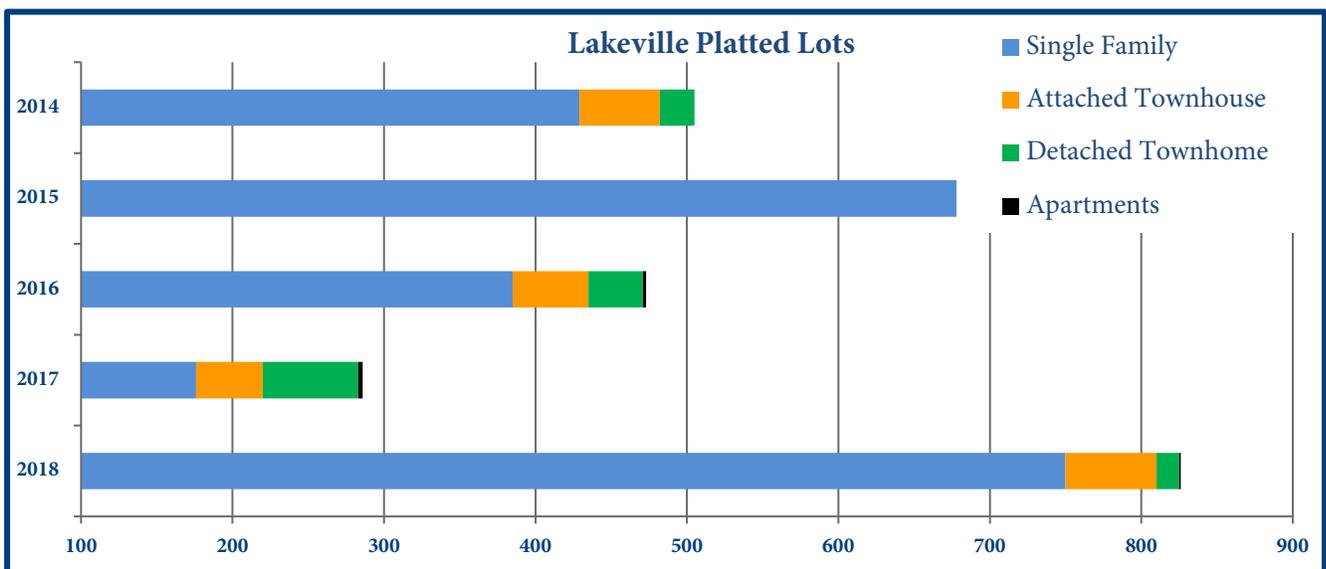


Source: BATC-Minnesota Housing First, December 2018

Lakeville saw the completion of several multi-family home developments in 2018: Edison at Avonlea (146-unit market rate), Lakeside Flats (120-unit market rate) and Lakeville Pointe (49-unit attainable workforce). In 2018, one building permit for a new 160-unit apartment project was issued. Senior living developments also began construction, including Spero Senior Living (55-unit, senior independent market-rate) and BeeHive Senior Homes (20-unit, memory care).



Source: City of Lakeville, as of 12/31/2018



Commercial Development

Completed in 2018

- **Christian Brothers Automotive**
 - The new auto services business is located in a 5,000 square-foot building at 17470 Dodd Boulevard.
- **Caribou Coffee & Einstein Bros. Bagels**
 - The new 2,700 square-foot restaurant was built at 17880 Kenwood Trail. The location includes a drive-through and outdoor patio.
- **Freddy's Frozen Custard and Steakburgers**
 - The new 3,010 square-foot restaurant is located at 16076 Pilot Knob Road, south of 160th Street and east of Pilot Knob Road.
- **River's Edge Dental**
 - The new dentist office is located in a newly constructed 10,620-square-foot multi-tenant building at 17757 Juniper Path, located near Hy-Vee and PetSmart.
- **Pilot Knob Dental Care**
 - The new dentist office opened in Summer 2018 at 16138 Pilot Knob Road, near Hy-Vee and Dunn Brothers Coffee.
- **Kenrick Liquor Store addition**
 - A 3,410-square-foot addition was built onto the Kenrick Liquor Store, located at County Road 46 and Kenrick Avenue. The additional space can accommodate two retail locations, one of which is equipped with a drive-thru. New tenants are likely to be announced in 2019.
- **O'Reilly Auto Parts**
 - The auto parts store opened in its new 7,636-square-foot building at 9139 202nd St in Heritage Commons, near Cub Foods on County Road 50.
- **Advanced Oral Surgery**
 - The new 3,400 square-foot medical office building opened for business in December on the corner of Dodd Boulevard and Itea Way (near Rainbow Child Care Center).



Under Construction in 2018

- **Compeer Financial**
 - The agricultural lender is constructing a two-story, 30,000-square-foot office building, located south of 210th Street and west of I-35, which will be occupied in 2019.
- **Hampton Inn & Suites**
 - A 16,500 square-foot Hampton Inn & Suites is under construction near Allina Clinic on Keokuk Avenue. When complete, the building will have 117 units available.
- **Valvoline Instant Oil Change**
 - Construction of a new 1,620-square-foot building at 16150 Pilot Knob Road is underway and should be completed in early 2019. The new business will be located near Hy-Vee and PetSmart.
- **HomeGoods**
 - The new retail location is undergoing remodeling in the former OfficeMax space next to Marshall's, near Target at 185th Street and Kenrick Avenue, and is expected to open early 2019.



- **Wings Financial Credit Union**
 - The credit union is building a 3,992-square-foot location with a drive-up service window at the corner of 160th St and Pilot Knob Road (directly north of Freddy’s Frozen Custard & Steakburgers).
- **BeeHive Senior Homes**
 - A new 20-unit senior assisted living and memory care facility is being constructed in Heritage Commons and is expected to open in Summer 2019. It is located north of U.S. Bank on Iberia Avenue, near County Road 50.
- **Spero Senior Living**
 - A new independent senior living community is under construction at the intersection of Dodd Boulevard and Indiana Avenue, just north of Lakeville North High School. The 55-unit development is expected to open in Fall 2019.
- **B-52 Burgers and Brew**
 - Remodeling to the interior of 20751 Holyoke Avenue (formerly Erickson Drug) has begun, in preparation for the new restaurant, B-52 Burgers and Brew to locate in downtown Lakeville in 2019.
- **ALDI**
 - Construction has begun on the new ALDI 23,000-square-foot building, located south of Emagine Lakeville Theatre and north of Allina Clinic on Keokuk Avenue.



New Commercial Businesses

- **The Property Geeks**
 - The real estate business opened in early 2018 at 20908 Holyoke Avenue, Suite 200 in downtown Lakeville.
- **The Bonus Room**
 - The new rental venue opened at 20908 Holyoke Avenue in downtown Lakeville and can be rented for meetings or small parties.
- **Ellie Family Services**
 - The new therapy and wellness center opened in early 2018 at 17645 Juniper Path, near Goodwill.
- **Reina’s Boutique**
 - The women’s clothing and gift boutique opened at 20784 Holyoke Avenue in downtown Lakeville in Spring 2018.
- **Alibi Drinkery**
 - The new bar and restaurant opened in downtown Lakeville at 20851 Holyoke Avenue.
- **Genisys Credit Union**
 - The new credit union and drive-thru location opened at 16106 Pilot Knob Road in a multi-tenant building, located near Hy-Vee and east of Pilot Knob Road.
- **The Hair Studio**
 - The salon moved into its new location in downtown Lakeville at 20779 Holyoke Avenue.
- **Dunn Brothers Coffee**
 - The coffee shop and drive-thru opened at 16106 Pilot Knob Road in a new 9,360 square-foot multi-tenant building, located near Hy-Vee and east of Pilot Knob Road.



- **Club Pilates**
 - The new fitness business opened at 16106 Pilot Knob Road in a multi-tenant building, located near Hy-Vee and east of Pilot Knob Road.
- **Healthy for Life Meals**
 - The meal service business, formerly known as Seattle Sutton Healthy Eating, opened at 16287 Ipava Avenue.
- **Board & Brush**
 - The do-it-yourself sign studio opened in downtown Lakeville at 20770 Holyoke Avenue, next to Cornerstone Copy.
- **Cosmopolitan Orthodontics**
 - The orthodontics business opened its second Lakeville location at 16023 Elmhurst Lane in September, located near Hy-Vee and PetSmart.
- **Chipotle Mexican Grill**
 - The fast-casual restaurant opened in a new multi-tenant building located at 17599 Kenwood Trail (near I-35).
- **Bank of America**
 - The new Bank of America Advanced Center opened at 17599 Kenwood Trail in a new multi-tenant building near I-35.
- **YMCA Early Childhood Learning Center**
 - Minnesota's first free-standing YMCA Early Childhood Learning Center opened in Lakeville at 16331 Kenrick Avenue, formerly Fitness 19. The 10,188-square-foot space is located in Kenrick Commons, a multi-tenant building near the I-35 exit on 162nd Street.
- **Cream of the Cakes**
 - The bakery opened at 20655 Kenrick Avenue, near Goodfellas Pizza.
- **Aria Technology Group**
 - The new business opened at 10880 175th Court W, Suite 200 in Fall 2018.
- **Sherwin Williams**
 - The new business moved into 21486 Humboldt Court, in the same building as Agape Mechanical on County Road 70. The space will be used for warehousing and wholesale and retail sales.
- **AT&T**
 - The electronics retailer opened at 17599 Kenwood Trail in a new multi-tenant building near I-35.
- **Exuberance Chiropractic**
 - The medical office opened a second Lakeville location at 16023 Elmhurst Lane, Suite 103, near Hy-Vee and PetSmart.
- **Escape MSP**
 - A new entertainment option opened in downtown Lakeville in late 2018. The business is located at 20730 Holyoke Avenue, next to Toppers Pizza.
- **Wag N' Wash Natural Food & Bakery**
 - The new pet retail business opened in Heritage Commons at 20139 Idealic Avenue in December, next to Ultimate Martial Arts & Fitness.



Industrial Development

Schneiderman's Distribution Center

- 130,000-square-foot building
- Creating 44 new jobs in the City

Schneiderman's



HOBO Incorporated

- 23,000-square-foot addition on to the existing 30,000 square-foot facility
- Allows for future growth and expansion



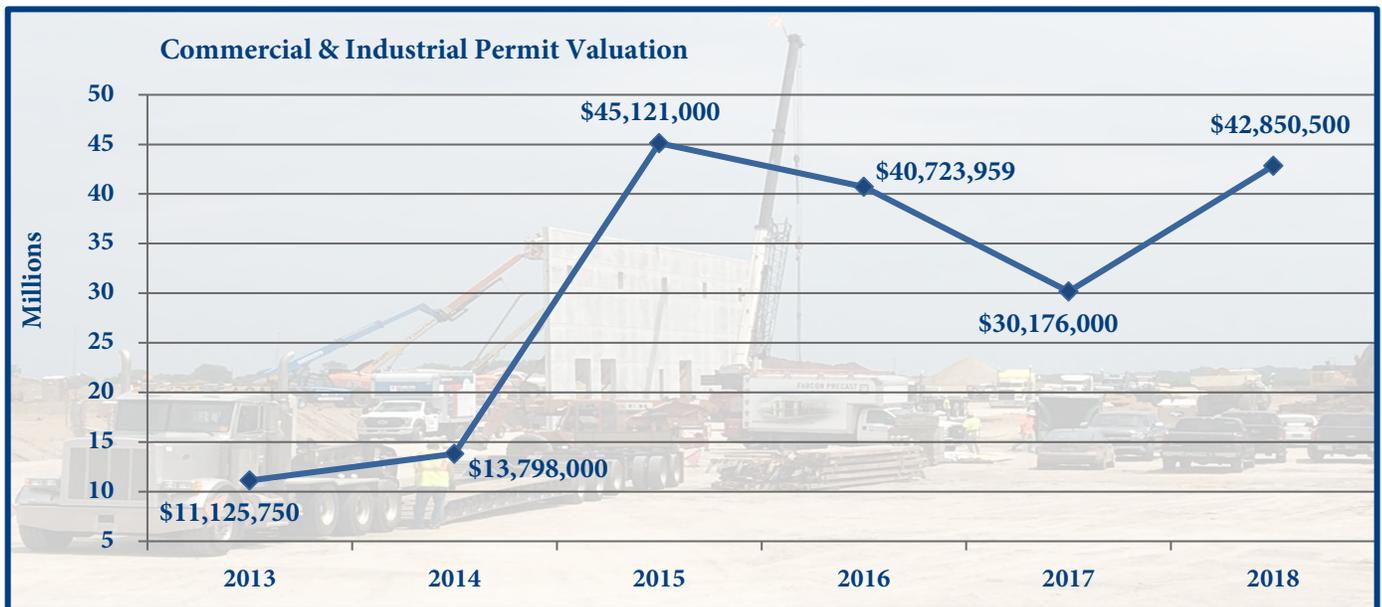
Globus Transport Inc.

- 48,000-square-foot warehouse facility
- General freight transportation company



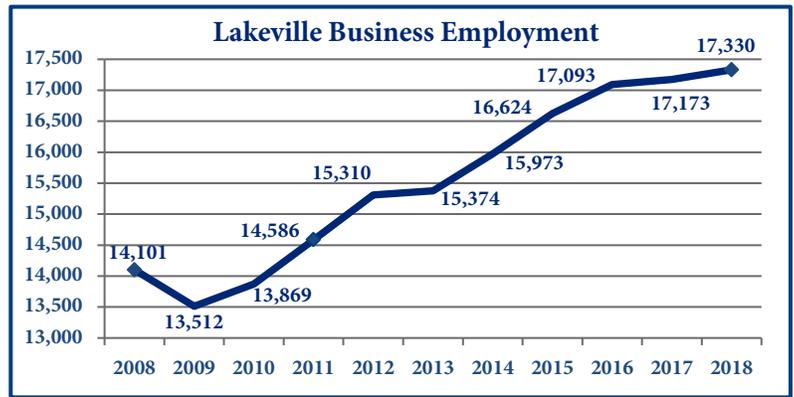
Agape Mechanical

- 20,000-square-foot building
- Midwest HVAC, plumbing and electrical contractor



Lakeville Business Employment

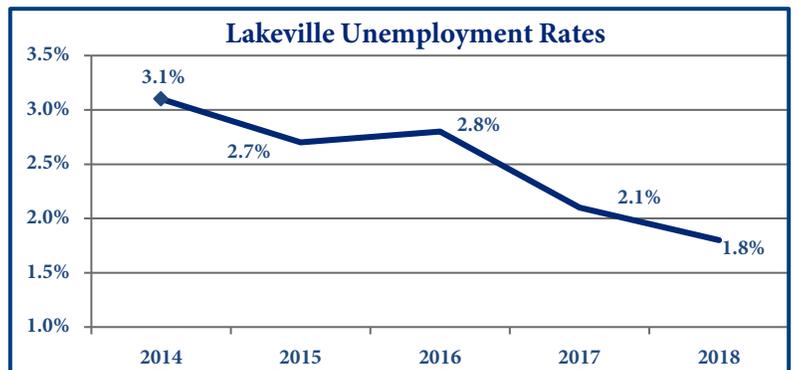
The number of jobs in Q2 of 2018 was 17,330, a 23% increase since 2008. Current employment has continuously exceeded pre-recession levels since 2009 (adding 3,818 jobs in the last 9 years) and is a positive indicator of the business growth occurring in the city.



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

Unemployment

2018 saw the lowest unemployment rate in the last five years for Lakeville's residents. In 2014, unemployment in Lakeville was 3.1% and has declined to 1.8% in 2018. Minnesota's unemployment rate for the same period was 2.8%.



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

Planning for the Future

In 2018, the City completed the Downtown Development Guide Update process. The new guide provides a vision for the area's land use, as appropriate, and offers recommendations for potential future redevelopment opportunities. To learn more: <http://www.lakevillemn.gov/188/Downtown-Lakeville>.

The City of Lakeville continued work on the 2040 Comprehensive Plan Update in 2018 and will complete the document in 2019. The Comprehensive Plan reviews and plans for future land use, transportation, and other infrastructure plans. To learn more: <http://www.lakevillemn.gov/762/2040-Comprehensive-Plan>.

County State Aid Highway (CSAH) 70, located on the southern edge of Airlake Industrial Park, is programmed to expand from Kenrick Avenue/Kensington Boulevard to Cedar Avenue from the current two-lane roadway to a divided four-lane highway. The project will use federal funds from the Minnesota Highway Freight Program (2020) and the Dakota County Transportation Sales and Use Tax Transportation Improvement Program. Project design started in 2018 and construction is expected to begin in 2020.

Lastly, the Economic Development Commission will begin a new strategic planning process in 2019 in order to update the current 2017-2019 Strategic Plan document.

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