



*Positioned to Thrive*



# 2019 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

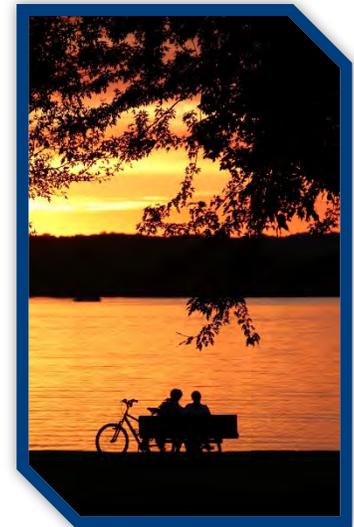
We value and are committed to high quality education that sets us apart.

### 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: **64,334\***

Population change since 2010: **15%\***

Median Household Income: **\$102,943\*\***

Median Home Value: **\$328,500^^**

Median Age: **35.9\*\***

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

Number of Businesses in Lakeville: **1,212^**

Number of Jobs in Lakeville: **18,119^**

\*Source: Metropolitan Council Population Estimates 2018

\*\*Source: U.S. Census Bureau, 2013-2017 5-Year American Community Survey

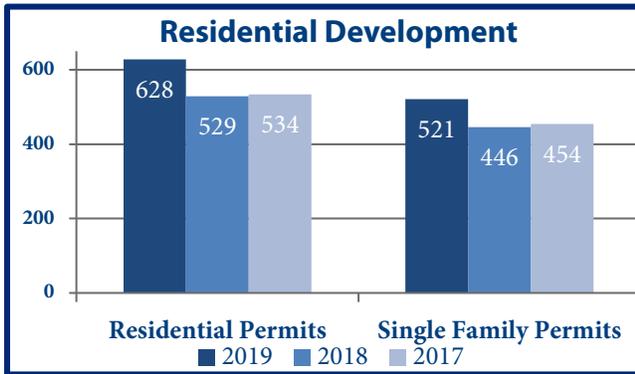
\*\*\*Source: MN DEED, Local Area Unemployment Statistics – December 2019

^Source: MN DEED, Quarterly Census of Employment and Wages – Q2 2019

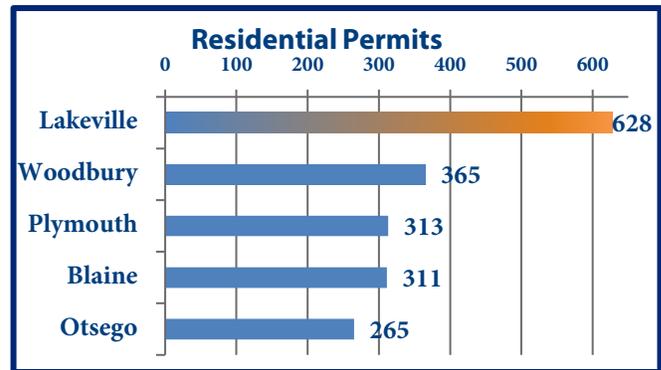
^^Source: Dakota County 2019

## Residential Growth

The City of Lakeville experienced a record level of development activity in 2019. The City issued building permits with a total valuation of \$301.4 million, which is the highest building permit valuation in the City's history. The City issued 628 residential permits in 2019 and 521 of those were single-family homes. The average building permit value on the 2019 single family homes was \$305,073. According to Minnesota Housing First, Lakeville led the Minneapolis-St. Paul metropolitan area for residential permits ahead of Woodbury, Plymouth, Blaine and Otsego. This is the seventh year in a row that Lakeville has led the metro area.

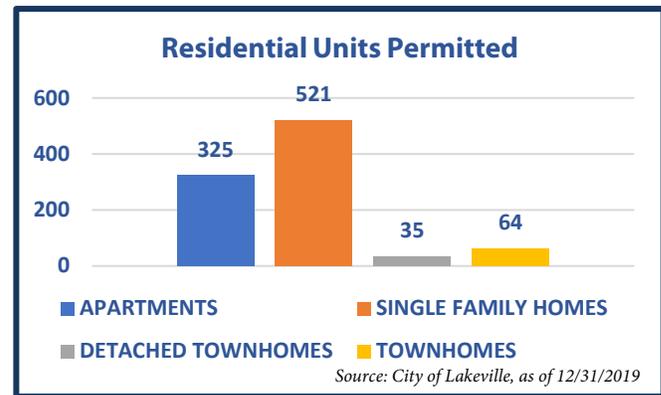


Source: City of Lakeville, as of 12/31/2019

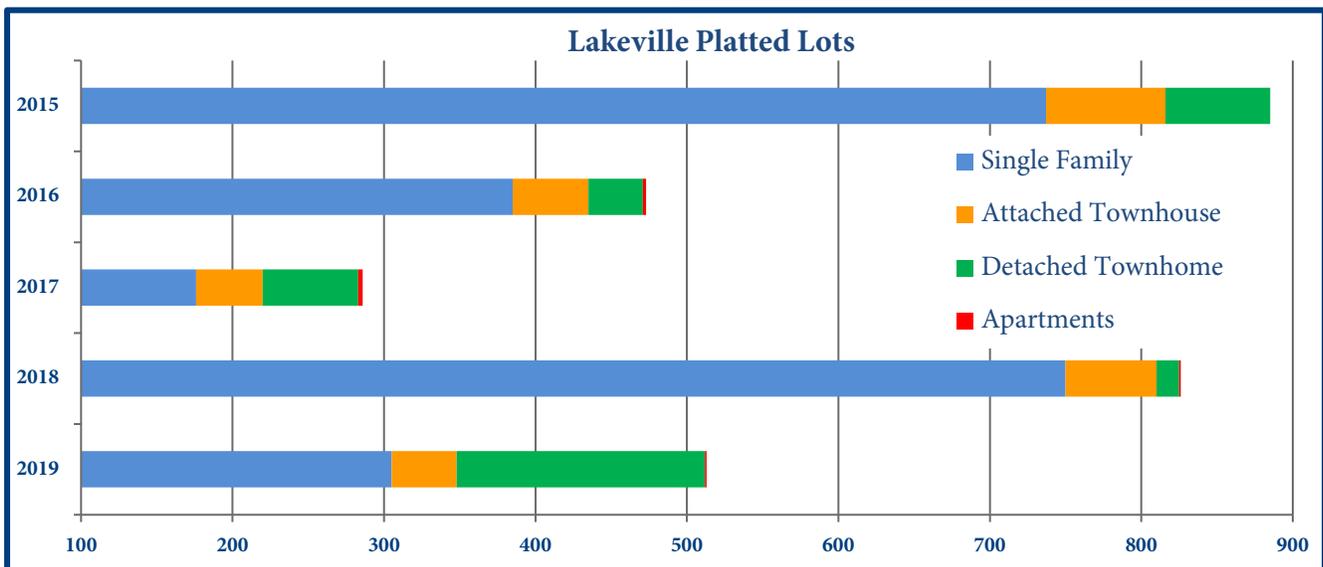


Source: BATC-Minnesota Housing First, December 2019

Lakeville saw the completion of two senior living developments in 2019: BeeHive Senior Homes (20-unit, memory care) and Spero Senior Living (55-unit, senior independent market-rate). The City issued 8 apartment permits with a total of 325 units in 2019 and saw construction begin on Edison at Spirit (160-unit, market-rate), Kingsley Place (55-unit, senior independent) and Springs at Lakeville (260-unit, market-rate).



Source: City of Lakeville, as of 12/31/2019



## Commercial Development

### New Commercial Businesses

- **Escape MSP**
  - Escape MSP is located at 20730 Holyoke Avenue #150 and offers three escape room options.
- **Viverant**
  - Viverant opened in Lakeville at 17599 Kenwood Trail #200, in the multi-tenant building with Chipotle, AT&T and Bank of America. The new business offers physical therapy, performance training, pilates and nutrition consulting.
- **Power Plate Meals**
  - Power Plate Meals is located at 16179 Kenrick Avenue next to the Kenrick Liquor Store and offers healthy ready-to-eat meal options.
- **Code Hero Academy**
  - Code Hero Academy is located at 17600 Cedar Avenue and offers technology classes for school age children and community members.
- **HomeGoods**
  - The new HomeGoods store is located at 18325 Kenrick Avenue, next to Marshalls and Target near 185th Street and I-35.
- **B-52 Burgers and Brew**
  - B-52 Burgers and Brew opened in the former Erickson Drug building at 20751 Holyoke Avenue. This full-service restaurant and bar is the company's second location; the first is in Inver Grove Heights.
- **Northern Taphouse**
  - Northern Taphouse bar and restaurant opened for business at 18404 Kenrick Avenue, which is located near Target and Citizens Bank at the intersection of 185th Street and I-35. The owners operate additional locations, including a restaurant in Eau Claire, WI.
- **Wings Financial Credit Union**
  - Wings Financial Credit Union opened for business in its new 3,992-square-foot building with drive-up service window. The credit union is located at 16042 Pilot Knob Road.
- **Lakeville Walmart**
  - The Lakeville Walmart store, located at 20710 Keokuk Avenue, added Online Grocery Pickup service between 8 a.m. and 8 p.m.
- **Waffle Bar**
  - Waffle Bar, a new bubble waffle and ice cream parlor, is located at 16289 Ipava Avenue in the Ipava Marketplace. This is a second location for the business, which also operates a shop in Minneapolis.
- **Mi5 Fitness**
  - Mi5 Fitness opened in its new location in Juniper Commons at 17630 Juniper Path, Suite F. Mi5 Fitness offers crossfit classes, boot camps, and youth programming.
- **ALDI**
  - ALDI opened in its 23,000-square-foot building located at 11542 207th Street West, near the Allina Clinic and Emagine Lakeville Theatre on Keokuk Avenue.
- **Kato CBD**
  - Kato CBD, a boutique style CBD retail store, opened at 16287 Ipava Avenue.



- **Mizumi Sushi & Asian Bistro**
  - Mizumi Sushi & Asian Bistro, located at 17629 Cedar Avenue (formerly Chan's Chinese), opened in the multi-tenant building next to Metro Dentalcare.
- **Remedy Bar**
  - Remedy Bar, a CBD retail store, opened at 20757 Holyoke Avenue. The new business carries CBD health and wellness items and is located in downtown Lakeville next to B-52 Burgers and Brew.
- **Just for Kix**
  - Just for Kix opened at the business' new location in Juniper Commons. Just for Kix offers dance classes for ages 18 months up to adults and is located at 17630 Juniper Path, Suite E.
- **Hy-Vee Fast & Fresh**
  - Hy-Vee Fast & Fresh convenience store opened for business at 17380 Cedar Avenue and offers essential groceries, grab-and-go meals, made-to-order wood-oven pizza, convenience store goodies and gas and is the first of its kind in Minnesota. The Lakeville location also has a full-service Starbucks with a drive-thru and is a pickup location for Hy-Vee's Aisles Online grocery service.
- **Salon de Belle**
  - Salon de Belle is located in The Fountains at Hosanna senior living center at 9850 163<sup>rd</sup> Street West and is open to the public.
- **Motoprime Motorsports**
  - Motoprime Motorsports completed construction of its two-level 30,000-square-foot addition at 16640 Kenrick Avenue in October.
- **Enlighten Chiropractic**
  - Enlighten Chiropractic opened in downtown Lakeville at 20772 Holyoke Avenue and shares a building with the Dakota Curling Club and Board & Brush. The business primarily uses the Torque Release Technique.
- **Dunkin' and Baskin Robbins**
  - Dunkin' Donuts and Baskin Robbins opened a combined store with a drive-thru at 16179 Kenrick Avenue, Suite 100. The new business is located in the south retail location next to the Kenrick Liquor Store at the intersection of I-35 and County Road 46.
- **Spaw 4 Paws**
  - Spaw 4 Paws, a luxury dog grooming salon opened at 17705 Kenwood Trail, Suite 8, located by Green Mill in Southfork Center.
- **Puppy Play & Stay**
  - Puppy Play & Stay opened at 16320 Kenrick Loop, near Pleasant Hills Saddle Shop. The new business offers daycare, boarding and grooming for dogs.
- **Billie's Choice**
  - Billie's Choice In-Home Senior Care held a ribbon cutting at the Lakeville Area Chamber of Commerce office in November. This new business provides in-home senior care such as companion services, care management and family caregiver assistance to clients in Lakeville and surrounding communities.



- **Farm Bureau Wealth Management**
  - Farm Bureau Financial Services Wealth Management opened at 10438 185th Street West, Suite 300 and provides financial advisory services to Lakeville residents and surrounding communities.

### Under Construction in 2019

- **Health Partners Park Nicollet Clinic**
  - Construction is nearing completion on a 2-story, 28,420-square-foot medical office building at 18484 Kachina Court for a new HealthPartners Park Nicollet Clinic. Upon completion, this new building will replace the existing Park Nicollet Clinic near Target and Caribou Coffee on 185<sup>th</sup> Street. The additional space will allow Park Nicollet to offer more health care services at its Lakeville location.
- **Edison at Spirit**
  - JPL Development LLC is constructing a 160-unit market-rate apartment building and five secondary carriage house buildings in the Spirit of Brandtjen Farm housing development. The new apartment building will be located near the intersection of Pilot Knob Road and County Road 46, east of Hy-Vee grocery store and Taco Bell.
- **Kingsley Place**
  - Construction has begun on a 55-unit, four-story senior independent living apartment building called Kingsley Place. The new building will be attached to the existing Kingsley Shores Senior Living Facility through a skyway connection and is located at the northwest corner of Kenwood and Klamath Trails. When complete, Kingsley Place will offer residents access to a wellness center and underground parking.
- **Springs at Lakeville**
  - Grading work is underway on the Springs at Lakeville final plat site. When finished, the multi-family development will consist of 260 market-rate rental townhome-style units located in the northwest quadrant of Cedar Avenue (CSAH 23) and Dodd Boulevard (CSAH 9).



### Completed Construction in 2019

- **Schneiderman's Distribution Center**
  - Schneiderman's Distribution Center completed construction of its new building in early 2019. The 130,000-square-foot warehouse is located at 9505 217<sup>th</sup> Street West, near CSAH 70 and Dodd Boulevard, and brought 40 full-time jobs to Lakeville.
- **Valley Christian Church**
  - Valley Christian Church completed its construction project that nearly doubled the size of the existing church building at 20270 Iberia Avenue.
- **ISD 194 District Office**
  - The Lakeville Area Schools (ISD 194) District Office moved to the Juniper Commons building in May. The district office is now located at 17630 Juniper Path, Suite A and includes space for LinK12 Lakeville instruction, a family center for centralized enrollment, conference rooms, open work spaces and administrative work spaces.



- **Compeer Financial**

- Compeer Financial celebrated the grand opening of its new Lakeville location with a ribbon cutting ceremony in July. The new 30,000-square-foot two-story office building is located on the south side of 210<sup>th</sup> Street adjacent to, and west of I-35. Compeer Financial is a member-owned Farm Credit cooperative and agricultural lender that serves Minnesota, Wisconsin and Illinois. The business is located at 21088 Keswick Loop and employs approximately 100 people.



- **Heritage Library and Lakeville License Center**

- The remodeled Heritage Library and Lakeville License Center reopened to the public in August with an iLAB, interactive children's area and expanded meeting rooms. The library was expanded by about 2,900 square feet. The improved license center includes an additional customer service station and more than three times the amount of seating available before the renovation. There is about 1,100 square feet of new space in the license center.

- **BeeHive Senior Homes**

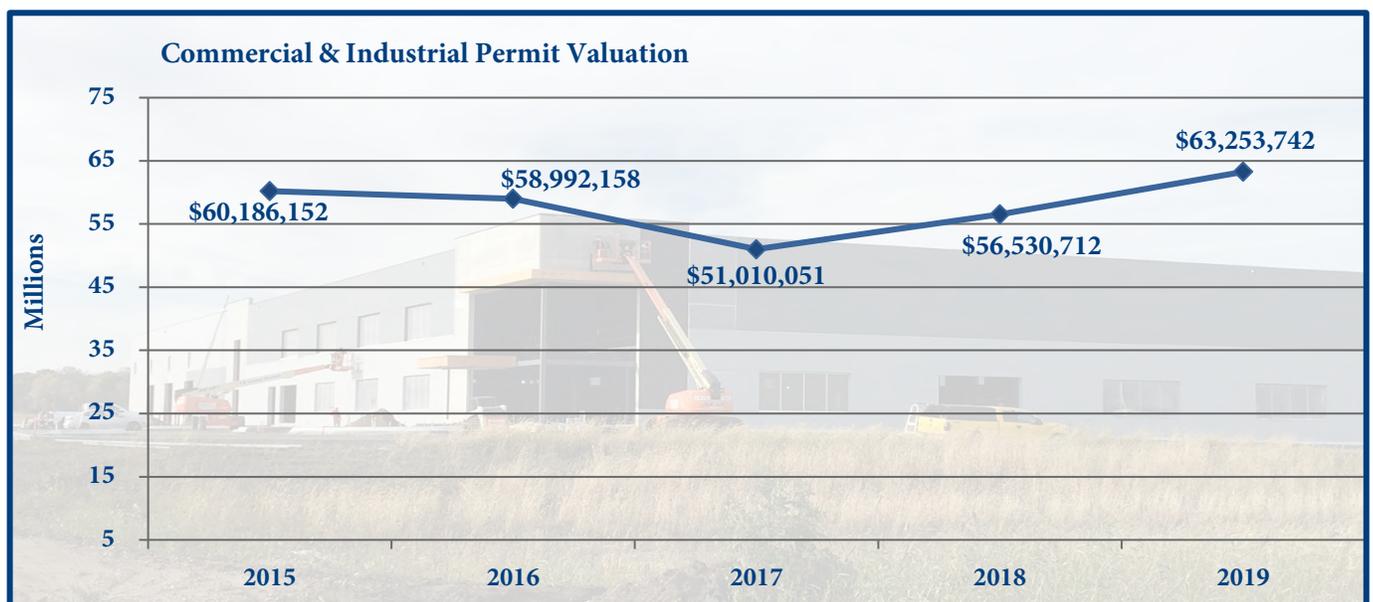
- BeeHive Homes held a ribbon cutting in October. The new 20-unit senior assisted living and memory care residence is located at 20159 Iberia Avenue near U.S. Bank on County Road 50.

- **NorthCross Lutheran Church**

- NorthCross Lutheran Church has moved into its new building at 19400 Ipava Avenue, just north of Lakeville North High School. NorthCross, formerly known as Bethlehem Lutheran Church, has been in Lakeville since 1975.

- **Spero Senior Living**

- Spero Senior Living held a ribbon cutting in November to celebrate the development's grand opening. The new independent senior living community has 55 units and is located at 19351 Indiana Avenue next to NorthCross Lutheran Church and north of Lakeville North High School.



## Industrial Development

### QA1 Precision Products

- 100,000-square-foot building
- Retaining 95 jobs and creating 44 new jobs in the city



### Polytek Surface Coatings

- 2-story, 17,218-square-foot office and warehouse building
- Growth and expansion of existing Lakeville business



### U-Haul

- 131,307-square-foot 3-story climate-controlled self-storage building
- Includes office, retail showroom, and outdoor storage of recreational vehicles.



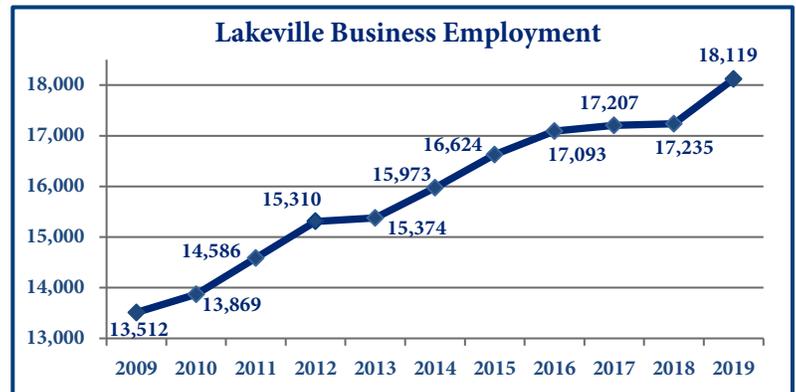
### Recycle MN / Dick's Sanitation

- 21,240-square-foot addition
- New 69-foot tall storage silo



## Lakeville Business Employment

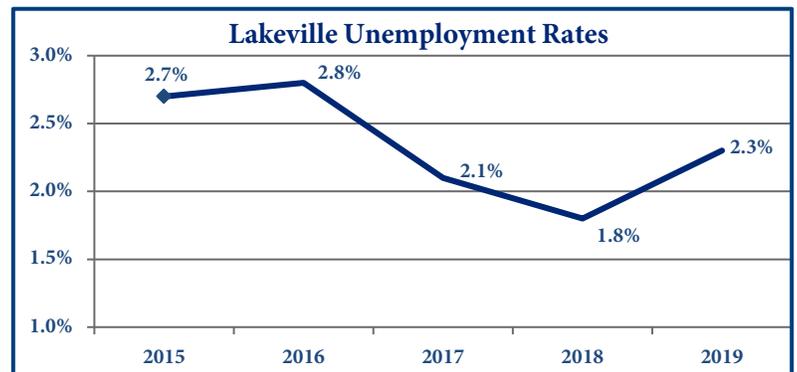
The number of jobs in Q2 of 2019 was 18,119, a 34% increase since 2009. Current employment has continuously exceeded pre-recession levels since 2009 and local employers have added 4,607 jobs to Lakeville payrolls. The steady increase in employment is a positive indicator of the business growth occurring in the city.



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

## Unemployment

In 2019, Lakeville saw the unemployment rate increase to 2.3%. In comparison, Dakota County's unemployment rate for the same period was 2.8% and Minnesota's was 2.9%.



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

## Major Accomplishments

In 2019, the Metropolitan Council approved the City of Lakeville's 2040 Comprehensive Plan, which guides development for the next 20 years. A corridor mixed use (CMU) zone was added to the updated comprehensive plan, which will allow for mixed commercial and residential uses near identified transit areas. City staff and elected leadership will be working in 2020 to update the City's zoning map and ordinances to be consistent with the approved plan. To learn more: <https://www.lakevillemn.gov/343/Land-Use-MUSA>

The City Council approved an orderly annexation agreement between Lakeville and Eureka Township to annex the remainder of Airlake Airport property. This annexation was requested by the Metropolitan Airports Commission (MAC) to allow the MAC to extend City water and sewer infrastructure to serve the entire airport including new proposed private hangars.

## Planning for the Future

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 spring 2020. This will greatly improve a major transportation hub through Lakeville's industrial park.

The Economic Development Commission will finish updating the economic development strategic planning process in early 2020. This document will help guide the City's economic development priorities and initiatives for the next four years in alignment with *Envision Lakeville's* community values and strategic priorities.

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