



AGENDA
ECONOMIC DEVELOPMENT COMMISSION
MEETING

January 23, 2024 - 4:00 PM
Lakeville Water Treatment Facility
18400 Ipava Avenue

1. Call to order
2. Roll Call
3. Approval of Minutes
4. Agenda Items
 - a. Envision Lakeville Update 2023 - Justin Miller, City Administrator
 - b. 2024 Work Plan
 - c. 2023 Economic Development Annual Report
5. Marketing Efforts
 - a. Outreach
 - b. Events
 - c. Other
6. Adjourn



Memorandum

To: Economic Development Commission
From: Kati Bachmayer, Economic Development Manager
Copy: Tina Goodroad, Community Development Director
Justin Miller, City Administrator
Date: January 23, 2024
Subject: Envision Lakeville Update 2023

The 2023 Envision Lakeville Final Report was approved by Lakeville City Council during the December 18, 2023, meeting. City Administrator Justin Miller will provide an overview of the newly updated document and answer questions.

As background, the City of Lakeville adopted the initial Envision Lakeville report in 2013. The plan set forth a 25-year vision for the future of Lakeville by outlining a set of community values and strategic priorities, while providing a list of key initiatives and an action plan to make the vision a reality. The plan is reviewed every five years to ensure the vision is still relevant as the city grows and develops. The plan was updated in 2018 and again in 2023.

Rapp Consulting Group facilitated the 2023 update, which included the City Council appointing a taskforce to conduct the review and recommend changes. Community and stakeholder feedback was gathered to inform the process and the taskforce examined a wide variety of reports and background data before developing a set of recommendations. The 2023 draft was reviewed by the City Council at the November 27, 2023, work session.

The Envision Lakeville Final Report can be found at
<https://lakevillemn.portal.civicclerk.com/event/56/files/321>



Memorandum

To: Economic Development Commission
From: Kati Bachmayer, Economic Development Manager
Copy: Tina Goodroad, Community Development Director
Justin Miller, City Administrator
Date: January 23, 2024
Subject: 2024 Work Plan Memo

The draft 2024 EDC work plan is attached. The list centers on projects that can be scheduled for this year, categorized under current economic development strategic priorities.

For your reference, a copy of the 2023 Work Plan (approved in February 2023) is also attached, along with a spreadsheet that highlights the work and accomplishments that city staff and EDC members completed in 2023.

Action Requested: Staff is seeking feedback and additional ideas from the commissioners before a final plan is approved during the February 27, 2024, meeting.

Economic Development Commission

2024 Work Plan

Maximize and Market our Competitive Edge

Timing

- Update of Economic Development Strategic Plan

Q1-Q3

Business, Retention, Expansion and Diversification

- Create BRE plan
- Business visits
 - Initial intro letters inviting visits

Q1 and Q2

Q1

Explore financing tools to assist in business expansion

Q3-Q4

MEETING DATE	GUEST SPEAKER	HOUSING NEEDS ASSESSMENT	DOWNTOWN PARKING NEEDS ASSESSMENT	WEBSITE UPDATE	MARKETING	NBS SURVEY	SPECIAL PROJECT	HOT TOPICS
1/9/2023 (Special Meeting)	Urban Land Institute "Future of Retail and Industrial Panel"							
1/24/2023		Matt Mullin, Maxfield Research. Kick off of study. EDC provided feedback.						
2/28/2023	Rob Dockry, Airlake Airport Manager			EDC provided feedback on 4 external ED websites as part of an internal website update			EDC provided feedback and approved 2023 EDC Work Plan	
4/25/2023			Study started. EDC invited to attend the public meetings.	Staff shared updated pages. EDC provided feedback.	Find Yourself in Lakeville video #1	EDC provided feedback on custom questions	EDC provided feedback on Sweet Harvest Foods DEED applications	
5/23/2023		Matt Mullin, Maxfield Research. Shared draft report. EDC provided feedback.	Update provided on study	Staff shared updated pages. Working with CivicPlus on header package.				
6/27/2023	Tony Schertler, Dakota County CDA Executive Director (CDA overview and MN stat funding for affordable housing)		Update provided on study		Staff presented at MREJ Southeast Surburban Development Summit (May 24)			
7/31/2023 (Special Meeting)							EDC provided feedback during Envision Lakeville - Boards & Commissions joint workshop	
8/22/2023	Jennifer Byers, Minnesota Chamber (MN Chamber Foundation’s Minnesota: 2030 (2023 Edition) report and the MN Chamber of Commerce’s 2023 State of business retention and expansion in Minnesota report)		Update provided on study			Update provided on NBS Survey	Staff launched new mapping tool - Commercial & Industrial Zoning Districts Map	
10/24/2023	Lucas Ritchie, City of Lakeville Civil Engineer (Transporation project updates)			New website (LakevilleBusiness.com) launched in October	2023 Manufacturing Panel Discussion & Appreciation Reception	Survey results shared	2023 MNCAR Expo (October 25)	
12/12/2023			Final report presented				Made in Lakeville Teacher Tour	EDC provided feedback on cannabis zoning

2023 WORK PLAN	
Maximize and Market Our Competitive Edge	Business, Retention, Expansion and Diversification
CED Website Updates	Create BRE Plan
Update ED Strategic Plan	Business Visits
	Business Survey
	Create tools to assist in business expansion



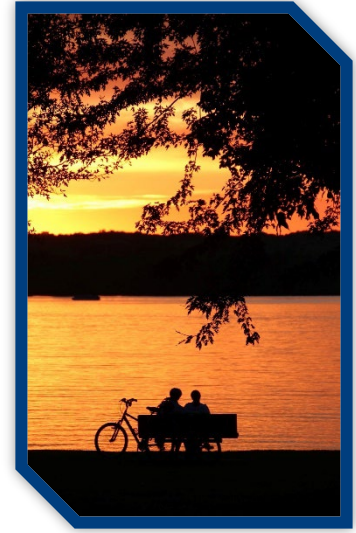
Positioned to Thrive



2023 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.*

High Quality Education *We value and are committed to high quality education that sets us apart.*

Safety throughout the Community *We value living in a community where people feel safe everywhere they go.*

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 openness to others, and we honor the traditions and institutions that have made us the community we are today.*

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.*

Access to a Multitude of Natural Amenities and Recreational Opportunities *We value widespread access to nature, the outdoors, and all types of recreational opportunities.*

Good Value for Public Services *We value high quality public services delivered cost-effectively.*

Lakeville Demographics

Population: 74,553*

Population change since 2020: 7.3%*

Daytime Population: **approx. 57,000***

Median Household Income: **\$129,069***

Median Home Value: **\$446,500^^**

Median Age: **38***

Unemployment in Lakeville: **1.5%****

Number of Businesses in Lakeville: **1,531^**

Number of Jobs in Lakeville: **21,291^**

ISD 194 Student Enrollment: **11,800*****

Lakeville is the largest city in Dakota County, 7th largest in the metro and 9th largest in Minnesota.^^^

*U.S. Census Bureau

***Lakeville Area Schools, ISD 194

^MN DEED, Quarterly Census of Employment and Wages

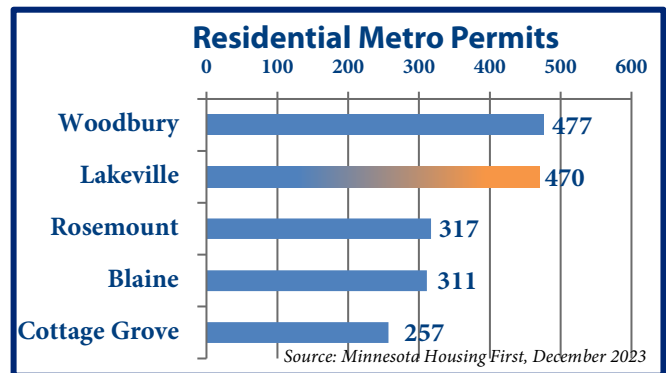
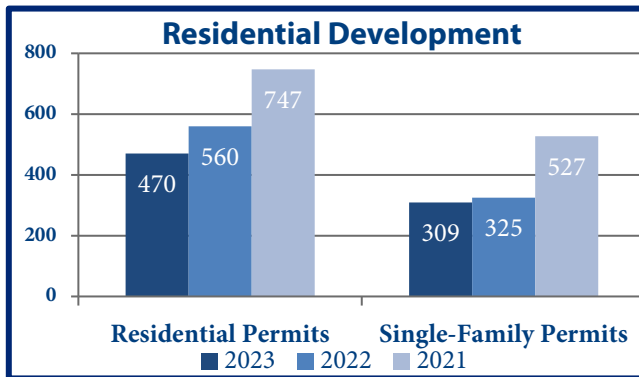
**MN DEED, Local Area Unemployment Statistics

^^ Dakota County

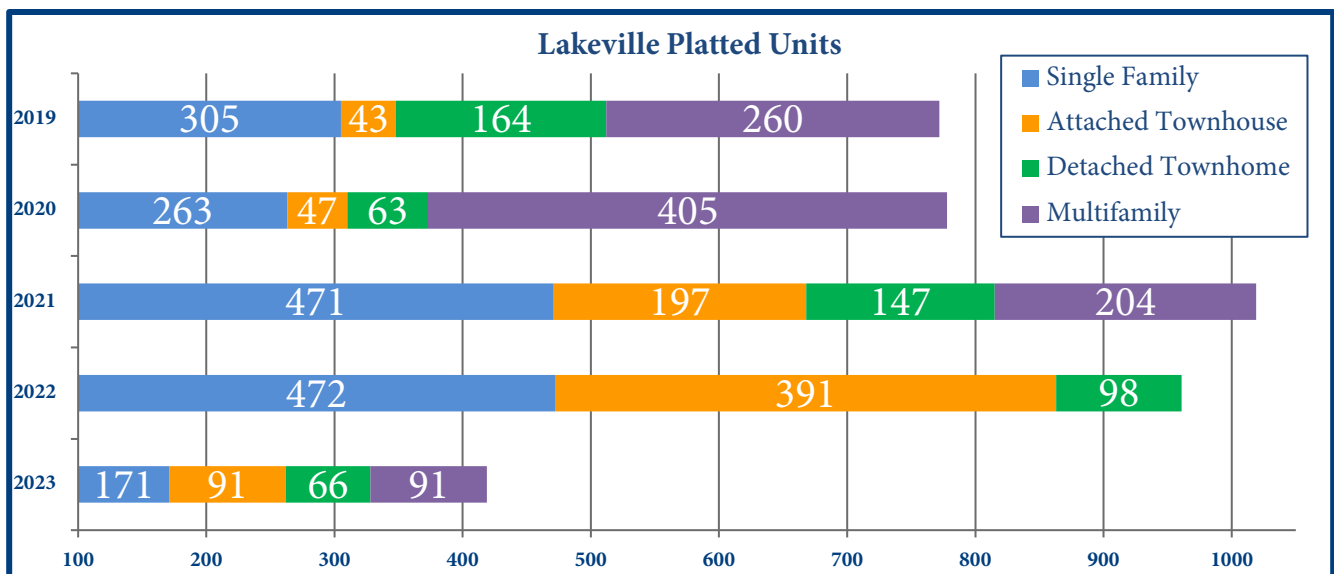
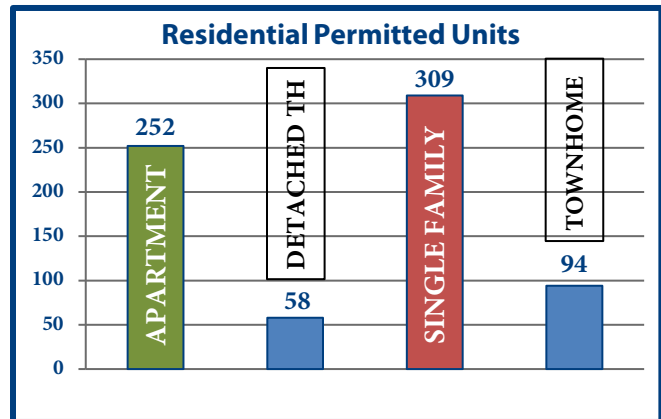
^^^Metropolitan Council

Residential Growth

The City of Lakeville experienced another busy year of development activity in 2023, issuing building permits with a total valuation of \$257.1 million. The City issued 470 residential permits in 2023 and 309 of those were single-family homes. The average building permit value on a 2023 single-family home was \$294,236. According to Minnesota Housing First, Lakeville ranked second in the Minneapolis-St. Paul metropolitan area for residential permits behind Woodbury; followed by Rosemount, Blaine and Cottage Grove. Lakeville was ranked #1 in the metro from 2013-2022.



In 2023, Lakeville saw the completion of The Pillars of Lakeville (100-unit, senior), Suite Living Senior Care (32-unit, senior assisted) and BeeHive Homes of Lakeville South (24-unit, senior assisted). Construction started on Authentix Lakeville (252-unit, rental townhome) and a final plat was approved for Estoria Lakeville (91-unit, senior co-op). The City issued 58 detached and 94 attached townhome permits and 9 multi-family (252 units) permits.



Commercial and Office Development

The private sector invested \$97.6 million into commercial and industrial park development in Lakeville in 2023 and the largest permitted project was Sweet Harvest Foods, valued at \$16.2 million.

New Businesses and Business Milestones

- **Swing Lab Performance Golf**
 - The business hosted a ribbon cutting ceremony on February 3 at 20721 Holyoke Avenue in downtown Lakeville. The golf training facility offers golf lessons, club fittings, memberships and junior programs.
- **Resilience Martial Arts**
 - The business completed construction on its tenant remodel at 17630 Juniper Path in February. The martial arts studio offers jiu-jitsu, Muay Thai, tae kwon do and youth boxing.
- **Boba & Tea**
 - The business held its grand opening on March 15. The tea shop is located at 16690 Cedar Avenue, next to Ole Piper Restaurant, and serves a variety of bubble tea and coffee drinks.
- **Baldy's Tailgate Bar**
 - The restaurant opened in February and held a ribbon cutting ceremony on March 17. The business completely remodeled its interior space and expanded the outdoor patio at 20944 Holyoke Avenue in downtown Lakeville.
- **E + M Company**
 - The business opened in downtown Lakeville in May at 20730 Holyoke Avenue, Suite 105. The women's boutique offers online and in-store shopping.
- **Premium Moving Services**
 - The business held a ribbon cutting ceremony on May 24 to celebrate opening at 7652 215th Street West in Lakeville and specializes in residential and commercial moves.
- **Bubble Barn Express Car Wash**
 - The business held a ribbon cutting on June 2 to celebrate its grand opening. The car wash is located at 17453 Dodd Boulevard and offers individual car washes and memberships.
- **Wendy's**
 - The restaurant, located at 17610 Kenrick Avenue, completed an interior remodel in June.
- **Family Chiropractic + Wellness**
 - The business held a ribbon cutting ceremony on June 27 to celebrate its expansion at 17502 Dodd Boulevard.
- **Minnesota Hospice**
 - The business held a ribbon cutting event on July 20 at 17645 Juniper Path and provides routine home care, respite care and general inpatient care.
- **Nexus of Hope Psychiatry & Mental Health Wellness**
 - The clinic held a ribbon cutting ceremony on August 1 to celebrate opening at 10527 165th Street West and offers treatments for attention deficit hyperactivity disorder, anxiety, depression and post-traumatic stress disorder.



- **HealthSource Chiropractic of Lakeville**

- The business held a ribbon cutting and re-grand opening event on August 8 at 17725 Kenwood Trail, Suite 3 to celebrate its newly remodeled space and 10 years in business. HealthSource offers a variety of chiropractic care and spinal decompression therapy.



- **Next Step Dance Studio**

- The dance studio opened in August at 17645 Juniper Path, Suite 100 and offers both recreation and competition dance classes.

- **Shaking Boba**

- The business opened in August at 7694 160th Street West and sells bubble teas and shaved ice.

- **Board & Brush Creative Studio**

- The business held a ribbon cutting ceremony on September 25 to celebrate its new ownership. The studio is located at 20770 Holyoke Avenue in downtown Lakeville and offers personalized sign painting workshops.

- **New Creations Child Care**

- The business has completed construction and held a ribbon cutting ceremony, along with an open house, on September 26. The new childcare center is located at 17401 Dodd Boulevard and offers programming for infants, toddlers and preschool age children.

- **YMCA Early Childhood Learning Center**

- The business, located at 16331 Kenrick Avenue, held a carnival on September 26 to celebrate its five-year anniversary in Lakeville. The YMCA ECLC offers care and education options for infants, toddlers, preschool and pre-kindergarten children.



- **Taco Bell**

- The restaurant, located at 17750 Kenwood Trail, completed construction on its interior and exterior remodeling in October.

- **You Glow Girl**

- The spa opened in October at 17400 Kenwood Trail, Suite 204 and offers facials and anti-aging treatments.

- **Gold Tree Flower Shop**

- The business opened at 16285 Ipava Avenue and sells floral arrangements and gifts.

- **Mother Earth Motors**

- The business opened at 16079 Buck Hill Road and offers pre-owned electric vehicles for sale.

- **Action Behavior Center**

- The business completed work on its interior remodel of 20890 Kenbridge Court in October and provides autism therapy services for children.

- **Crystal's Cuddle Bugs Childcare Center**

- The business opened in October at 20044 Kenwood Trail and has a capacity of 157 infants through school age children.

- **FYZICAL Therapy & Balance Centers**

- The business hosted a ribbon cutting event on November 3 to celebrate its grand opening at 17761 Kenwood Trail and provides orthopedic rehabilitation and balance therapy.



- **McDonald Eye Care Associates**

- The business celebrated its 40th anniversary with an open house on November 8. The eye care center is located at 20094 Kenwood Trail and offers eye exams, vision evaluations, vision therapy and more.

- **Somatic Healing & Alignment**

- The business, located at 8500 210th Street West, Suite 120, held a ribbon cutting ceremony on November 8 and offers massage and somatic touch therapy.

- **SOAR Search Corporation and House of Colour**

- A ribbon cutting ceremony was held during the Lakeville Chamber of Commerce Women's Symposium on November 14 for SOAR Search Corporation and House of Colour.

- **Allina Health Lakeville North Clinic**

- The business has opened at 17489 Dodd Boulevard and held a ribbon cutting ceremony on November 17. The new clinic offers primary care and specialty services, including eye care, retail eye services and mental health services.

- **Panda Express**

- The business held a grand opening celebration and ribbon cutting ceremony on November 28. The new restaurant (with drive-thru) is open at 18455 Kenrick Avenue.

- **Scenthound**

- The business opened at 17702 Kenwood Trail #104 and celebrated with a ribbon cutting on December 1. Scenthound offers dog grooming and routine care services.

- **Farmhouse Music Studio**

- The business held a ribbon cutting on December 14 at 10523 165th St West and offers piano lessons to ages 8 and up.

- **Planet Fitness**

- The business opened in December in the former Best Buy location at 18350 Orchard Trail. The new fitness center is occupying 20,092 square feet (approximately half) of the building and offers gym memberships.

- **Idioma Coffee Roastery**

- The business has opened in downtown Lakeville at 20769 Holyoke Avenue and sells fresh roasted coffee. A ribbon cutting ceremony was held on December 15 to celebrate.

Jersey Mike's Subs

- The business opened in December at 18437 Orchard Trail. The restaurant offers hot and cold subs, as well as catering options.

- **Dollar Tree**

- The business completed its remodel of the former CVS, located at 17578 Dodd Boulevard, and opened in December.

- **ProSkin Laser**

- The business completed work on its interior remodel at 10440 185th Street West in December.



Under Construction in 2023

- **MNGI Digestive Health**
 - The business was issued a building permit in March for a tenant buildout at 18465 Orchard Trail in Lakeville Specialty Center. MNGI Digestive Health offers treatment for GI complaints and chronic digestive conditions.
- **Allina Surgery Center and Allina Specialty Clinic**
 - Allina was issued building permits in April for tenant buildouts at 18465 Orchard Trail in the Lakeville Specialty Center. Lakeville Specialty Center is a new three-story, 100,000-square-foot medical office being constructed near Buffalo Wild Wings and Target.
- **Regus**
 - The business was issued a building permit in May to remodel 20731 Holyoke Avenue in downtown Lakeville into private rental office space.
- **Goodwill**
 - The business was issued a building permit in June to construct a new 20,604-square-foot facility to be located at 11578 207th Street West, just west of ALDI and I-35. This location will replace the existing store when the project is complete.
- **LBC on the Lake**
 - The business was issued a building permit in July to locate its seasonal restaurant facility in Antlers Park. The restaurant will be open, along with the newly remodeled park, in 2024.
- **PetSuites**
 - The project was issued a building permit in September to construct a new 11,000-square-foot facility at 18440 Orchard Trail.
- **Johnny Ringo's**
 - The business was issued a building permit in November to build out its restaurant space at 8333 210th Street West, with a proposed indoor capacity of 77 people and an outdoor patio space in the back of the building.



Approved Projects in 2023

- **Airlake 70**
 - In May, the City Council approved Airlake 70 First Addition final plat, which proposes the construction of a 276,480-square-foot cold storage warehouse facility to be located east of Cedar Avenue and south of future 215th Street (County Road 70).

Industrial Park Development

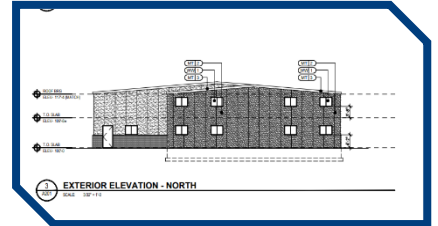
Apple Auto Group

- New 58,550-square-foot automotive service, repair and sales facility
- First standalone Ford commercial vehicle service center
- Grand opening on June 22



Dick's Sanitation

- Building permit issued in November to construct a 3,360-square-foot addition onto its existing building
- Existing refuse hauler expanding in Lakeville



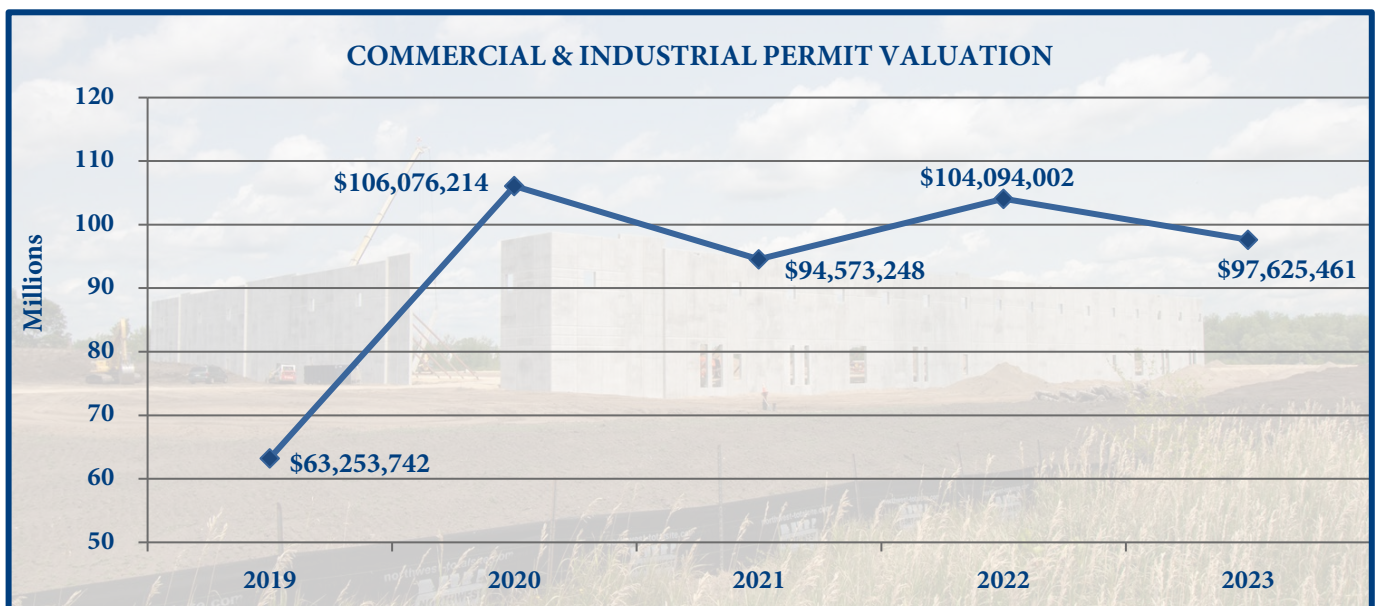
Old Dominion Freight Line

- 43,300-square-foot building in Launch Park completed in 2022
- LTL freight shipping and logistics
- Open house on June 21



Sweet Harvest Foods

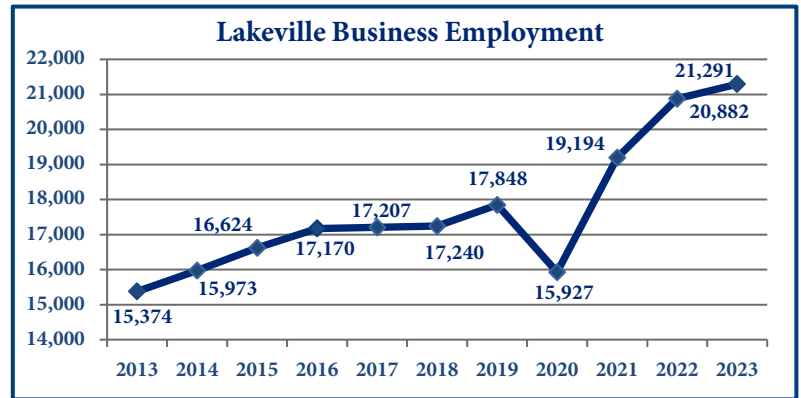
- New 360,000-square-foot office warehouse
- Existing natural sweetener business expanding in Lakeville
- Groundbreaking ceremony held on June 1 to kickoff construction



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

Lakeville Business Employment

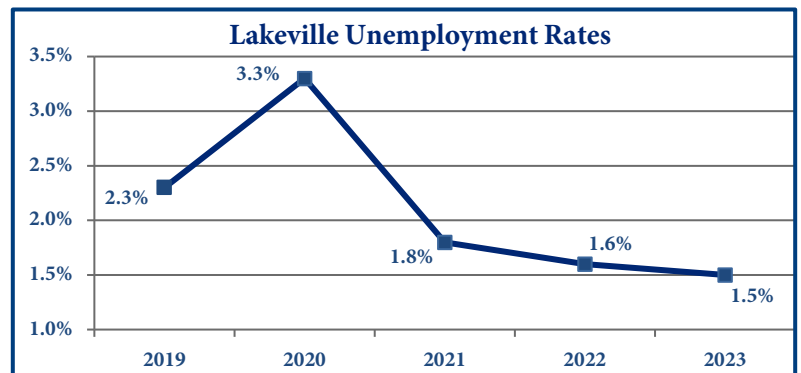
The number of jobs in Q2 of 2023 was 21,291, a 2% increase from 2022 and 33% increase in the last decade. When 2020 data is removed, Lakeville has had historically steady increases in employment and positive business growth.



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

Unemployment

In November 2023, Lakeville saw the unemployment rate decrease to 1.5%. In comparison, Dakota County's unemployment rate for the same period was 1.7%, Minnesota's was 1.9%, and the United States' unemployment rate was 3.5%.



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

Department Accomplishments

The City of Lakeville's Building Inspections Department was named 2022 Building Department of the Year by the Association of Minnesota Building Officials (AMBO). The award was presented during the AMBO general membership meeting.

The Community & Economic Development Department launched a new economic development tool: the Commercial and Industrial Zoning Districts Map. This map identifies the zoning and underlying zoning in Planned Unit Development areas for all commercial and industrial areas in Lakeville. Users can learn about land ownership and zoning districts at LakevilleBusiness.com/BusinessZoningMap.

Maxfield Research & Consulting completed [Lakeville's Comprehensive Housing Needs Assessment](#) in July. The study projects housing demand from 2023 through 2040 and provides recommendations on the amount and type of housing that could be built in Lakeville to satisfy demand from current and future residents over the next decades and beyond. The report can be found at LakevilleBusiness.com under Housing Resources.

In fall 2023, the City of Lakeville launched a new Community & Economic Development website to help small businesses, developers and site selectors find the information they need to thrive in Lakeville. LakevilleBusiness.com is a one-stop location for information related to available properties, demographics, development activity, small business resources and more.

HKGi completed its [Downtown Lakeville Parking Needs Assessment](#) to address current and future parking demands in downtown Lakeville. The final report includes strategies to meet the needs of a variety of parking users and downtown businesses, including the proposal of a new trailhead, improved sidewalks, crosswalks, pedestrian-scaled landscaping and lighting and new wayfinding signage.

In late 2023, the City of Lakeville adopted a residential rental registration ordinance. The purpose of the ordinance is to build strong partnerships with rental property owners. More information about this program is available at LakevilleBusiness.com/RentalRegistration.

Looking Ahead

Daryl Morey, Planning Director retired on January 12, 2024, after 35 years of working for the City of Lakeville. With this retirement comes a restructuring of city departments. Tina Goodroad, Community Development Director now leads a new Community Development Department that includes planning, economic development and building inspections.

The Economic Development Commission will undergo a strategic planning process in 2024. The strategic plan provides guidance and a vision for the future of Lakeville's economic development as the city continues to grow. An update to the Downtown Development Guide will take a look at Lakeville's vibrant downtown commercial area to provide valuable market information and a vision for its current and future needs.

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). Learn more at LakevilleBusiness.com.

To stay up to date on what's happening in the City of Lakeville, sign up for the [Thrive! Newsletter](#), check out our interactive development map at LakevilleBusiness.com/developmentmap and follow the City of Lakeville on social media.

Tina Goodroad, Community Development Director
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tgoodroad@lakevillemn.gov
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LakevilleBusiness.com