

This report summarizes new commercial, industrial and public construction projects for which Twin Cities area cities and townships issued building permits. The Metropolitan Council appreciates municipalities' cooperation in providing the data. Other data sources were used to verify and supplement the information where appropriate.

Data users should note:

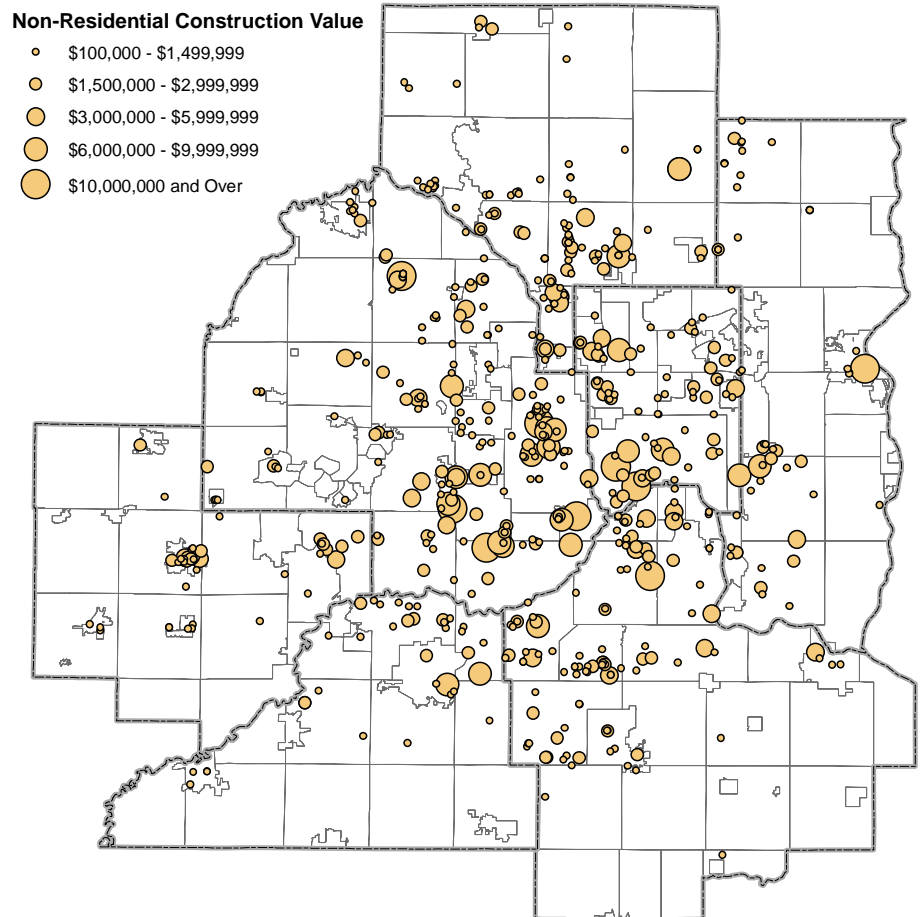
- The primary focus of this report is commercial and industrial development. Public buildings are also included where possible, but not infrastructure.
- Data were not collected for permits under \$100,000 in estimated value.
- The time from permit issuance to start of construction varies among projects.
- Most communities in the region provided information. However, some projects within the region are not covered by this survey. See "About the Data" on page 21.

## Highlights

The Twin Cities region has endured, along with other U.S. metropolitan areas, the housing bust, stagnant job growth and the credit crunch, and now a retrospective look at commercial and industrial building trends during 2007 provides evidence of flagging activity in these markets as well.

Construction in the non-residential sector fell off 14 percent in 2007 as measured by the valuation of building permits reported by communities in the Metropolitan Council annual construction survey.

Figure 1  
**Twin Cities Metropolitan Area**  
 Value of Non-Residential Construction Added in 2007



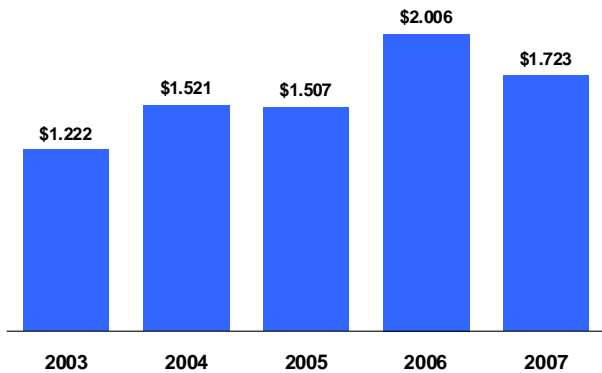
For more information, contact:  
 Regan Carlson  
 regan.carlson@metc.state.mn.us  
 651-602-1407

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After picking up a notch in 2006 to top \$2 billion in valuation, the region trimmed back to \$1.7 billion in 2007. However, this was still a higher dollar figure than previous years for which comparable data has been collected (going back to 2003), as depicted in Figure 2.

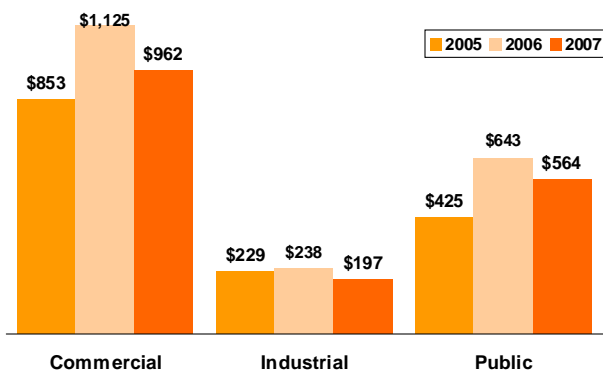
Figure 2  
2003 - 2007 Nonresidential Permit Valuation (in billions)  
Twin Cities Region



Projects for which size information was available represent 15.4 million square feet. Square footage information was not available for 8 percent of the projects reported. Commercial uses totaled \$962 million; industrial uses, \$197 million; and public uses, \$564 million. Permits reported for new construction made up 83 percent of the regional total valuation, and additions accounted for 17 percent.

The three broad sectors as defined by the Metropolitan Council annual survey each slowed at a similar rate: commercial activity by 15 percent; industrial activity by 17 percent; and public projects by

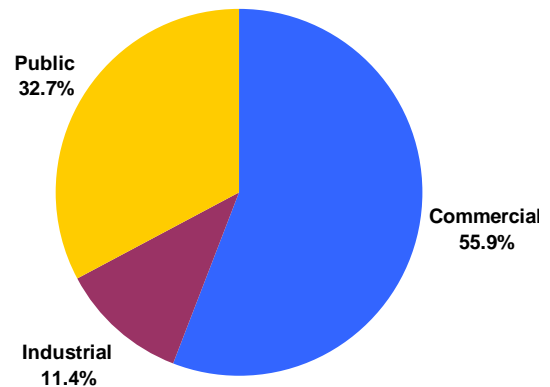
Figure 3  
Permit Valuation (in millions)  
Twin Cities Region



12 percent. The commercial total would have dropped by 17 percent had it not been for the new \$94 million Twins ballpark permit issued in 2007.

Commercial uses represented well over half of the overall regional permit valuation (nearly 56 percent). Public projects made up a third, and the industrial share trailed with the remainder. These shares changed very little from 2006.

Figure 4  
2007 Nonresidential Building Permit Value  
Percent Shares by General Type  
Twin Cities Region



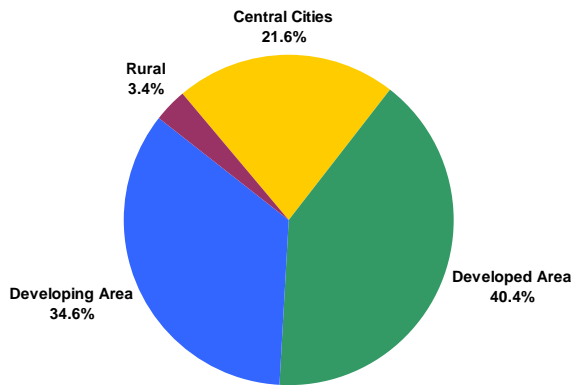
A fairly pronounced shift was seen in 2007 in the proportion of nonresidential building occurring in the developing suburbs compared to developed areas. The developing suburbs' share of the region's total dropped from 44 percent in 2006 to 35 percent in 2007, while the developed suburbs' share expanded from 32 percent in 2006 to 40 percent in 2007. This was due both to a higher aggregate permit value among the developed suburbs, and a drop of nearly a third among developing communities.

Table 1: 2007 Nonresidential Building Permits by Planning Area

Planning Area*	Permit Value
Developed Area	\$1,067,807,990
Central Cities	372,716,878
Developed Suburbs	695,091,112
Developing Area	595,527,420
Rural Area	59,279,898
Rural centers	20,825,340
Other rural	38,454,558
<b>Region</b>	<b>\$1,722,615,308</b>

\*As defined in the Metropolitan Council Regional Development Framework; generalized to whole municipalities.

Figure 5  
2007 Nonresidential Construction Valuation  
Share of Twin Cities Region by Planning Area

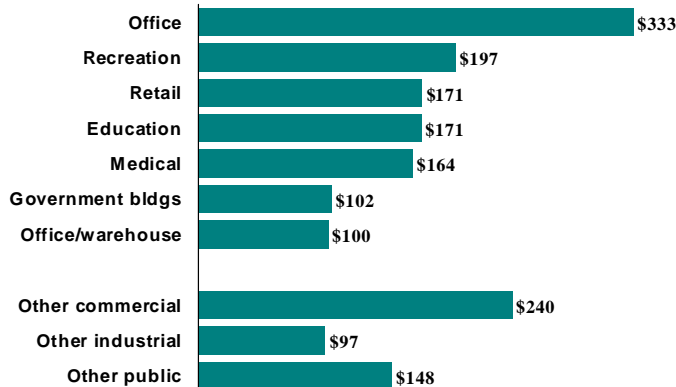


## Commercial and industrial construction

*Retail and office represented 44 percent of total non-public permit value*

The region's nonpublic commercial and industrial permits carried a combined valuation of approximately \$1.2 billion in 2007. Of this, 29 percent was office development (\$333 million) and 15 percent was retail (\$171 million). Commercial recreation facilities accounted for 14 percent of the commercial/industrial valuation reported for the year (\$163.5 million).

Figure 6  
2007 Nonresidential Construction Valuation by Use (in millions)  
Twin Cities Region



Note: Recreation and medical totals include both commercial and public projects.

Office/warehouse, the largest industrial category, accounted for 8.6 percent of commercial/industrial valuation (\$99.6 million). All other industrial uses made up only 8.4 percent. The remaining 25 percent came from a variety of commercial uses, among them hotels, medical clinics, and services.

Office construction followed its 2006 rally with another, albeit modest, increase in 2007 of 3.8 percent, reaching \$333.3 million for the year. The retail sector, however, plummeted 44 percent from its 2006 performance, to a total of \$171 million—less than any of the annual totals reported by this survey data beginning with 2003.

Square footage information is available for a majority of projects. Permits issued in 2007 represented the addition of nearly 4.4 million square feet of office space (plus another 7 projects for which square footage was not available). Retail projects carried a combined square footage of over 2.3 million square feet (2 projects not covered in this total).

## Commercial highlights

Office construction managed a 3.8 percent increase over its 2006 performance, though growth was not shared equally within the region. Large projects went forward in both developed and developing communities, but on net, the developing suburbs saw a 27 percent decline in permit dollars, while the developed suburbs' total rose by nearly a third.

The largest projects by valuation were the Data 100 building (Minnetonka, \$71.5 million) and 8200 Tower (Bloomington, \$50.6 million). Other large projects, according to square footage reported, included Hopkins' Excelsior crossing and Marketpointe II in Bloomington. The largest office projects permitted during the year, as well as the largest projects in other "use" categories, are identified in Table 4. Overall, 70 percent of the region's office activity for 2007 was located in developed suburbs, compared to 56 percent on average for the 2003-2007 period. Square footage totals were 2.4 million in the developed suburbs and 649,000 in the developing suburbs.

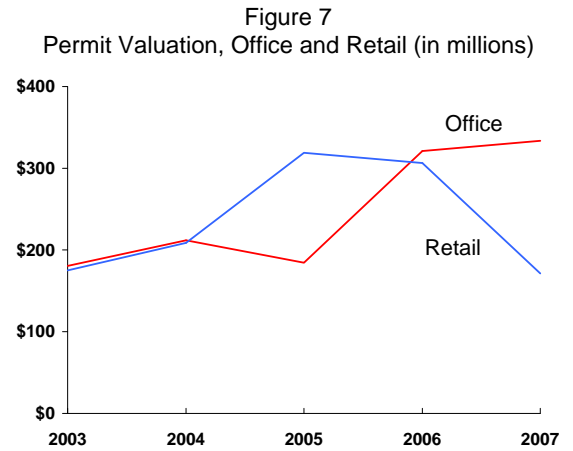
Within still-developing suburbs, the largest office developments reported were a data center expansion for Eagan's Thomson Corporation (\$39 million), and Liberty Plaza in Eden Prairie (\$12 million).



*Excelsior Crossings, Hopkins. Before: vacant Supervalu warehouse. After: Artist's rendering of 3-building project when complete.*

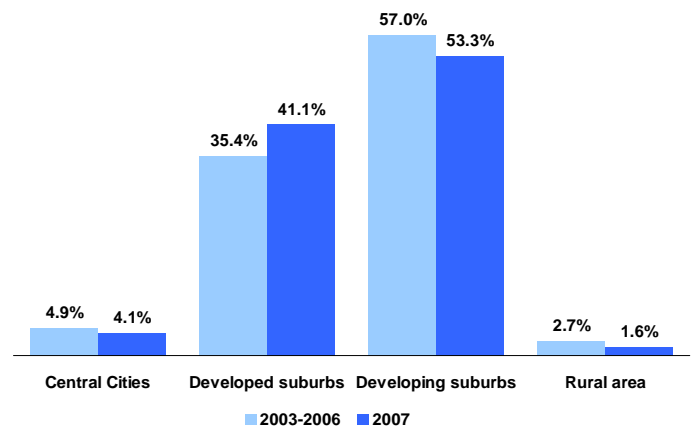
Worth a mention in regard to Liberty Plaza, and as a more general caveat to this survey data generally: the permit for Liberty Plaza, and start of construction, occurred in 2007 but the project was subsequently put on hold. We have nevertheless included it in our compilation of construction activity, since the vast majority of permitted projects can ultimately be expected to go forward. The Farmers Market expansion in St. Paul is another example of a project put on hiatus after groundbreaking. There may also be other projects that we are unaware of, so in the interests of consistency we will continue to maintain the survey data based on the time of permit issuance.

Retail permits, following a growth surge in 2005 and 2006, fell back by 44 percent. Rates of decline ranged from 28 percent in the developed suburbs to 63 percent in the central cities. The developing suburbs, which have been consistently accounting for well over half of the region's retail building, dropped to half its 2006 level. Because the drop-off in retail was steeper in the developing suburbs than the developed suburbs, the developed suburbs' share of the regional total was higher than in recent years (41 percent).



Square footage totals for 2007 were over 1 million in the developed communities and over 1.2 million in the developing communities.

Figure 8  
Retail Permit Valuation, 2003-2006 and 2007 (in millions)  
Percent of Twin Cities Regional Total



Big box developments continued to locate both in communities that are still filling up vacant land and in the form of redevelopment in older communities. Large-scale examples include a Fleet Farm for Blaine, Lowe's in West St. Paul, new Target stores in Apple Valley and Waconia, and Walmart in Brooklyn Park.

Hotel construction within the region has been fairly quiet the last several years, but ramped up starting in 2006, and more notably in 2007. Upscale introductions in downtown Minneapolis, a new Hilton in Bloomington, and Sheraton in Woodbury dominated the mix. The largest reported permit valuation, for Hotel Minneapolis, is a 224-room

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conversion from office. The new 230-room W Hotel is a conversion of the historic Foshay Tower, downtown’s first skyscraper and highest building until the IDS Center was built in 1973.



Minneapolis reinvents the historic Foshay Tower: the W Hotel

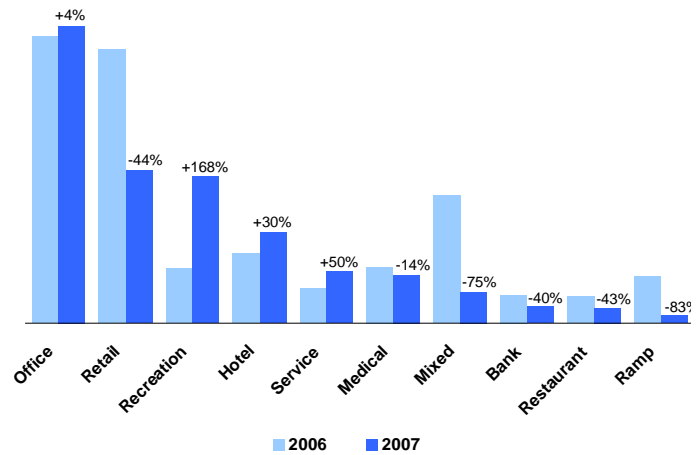
Commercial recreation jumped from \$61 million in 2006, to \$163.5 million in 2007, mostly due to the start of Target Field, the new Twins Ballpark. Other recreation projects supported activities including movies, fitness centers, golf, dance, etc., with twice as much spending in developed suburbs as in developing suburbs. Normally not a dominant use among communities beyond the developing area, in 2007 the permit total for recreational use in the rural area spiked due to the new Running Aces harness race track built in Columbus (\$19 million).



Target Field underway

The largest medical office building on record for 2007 was the Mount Medical project in Waconia, located on the Ridgeview Medical Center campus. Other large clinical facilities were started in St. Paul (King Family Health Center), Minneapolis (Midtown Medical), and in Mendota Heights and St. Louis Park. Regionwide, the aggregate valuation was closer to this decade’s average annual level, following a flurry of new projects started in 2006.

Figure 9  
Permit Valuation of Commercial Uses, 2006 and 2007 (in millions)  
Twin Cities Region



Aggregate valuation of permits for commercial services was up 50 percent in 2007 over the previous year, but it is a smaller use category relative to related development classified as “retail”. Services, as opposed to retail goods-providing, includes such businesses as self-storage facilities, auto-related uses such as gas stations and repair, salons, day care, and veterinary clinics. Other commercial sectors that dipped between 2006 and 2007 were banks, restaurants, ramps, and mixed-use buildings.

Demand for mixed-use projects has obviously grown in recent years. However, the actual trend in development dollars is difficult to quantify precisely due to its nature and how the data is typically reported for this survey. That is, these are typically buildings where the commercial component is relatively small compared to the residential space; and the project information that is available is often limited to building permit data that covers the entire building, not broken out by residential and commercial uses. Also, this survey cannot capture all of the ways in which communities are integrating residential and non-

residential uses in their new development, since it is limited to classification of individual buildings, not classification of multiple buildings in proximity to each other. Square footage information for the commercial portion of these projects was taken from Sewer Access Charge reports. Four mixed-use buildings were identifiable as such: Mural of Lyndale in Minneapolis, Farmers Market Flats in St. Paul, the Exchange in Minnetonka, and a commercial building in Wayzata with residential condos.

### Industrial highlights

Industrial uses have represented between 10 and 15 percent of regional non-residential construction permit value annually from 2003 through 2007. In 2007, their permit value was 11 percent of the total, at \$196.6 million. In 2007, 51 percent of industrial projects, by valuation, were identified as office/warehouse for purposes of this survey. The balance of 2007 industrial permits was for manufacturing (27 percent), warehouse (15 percent), and “other” (7 percent). “Other” industrial uses include utilities, construction, agricultural, and some transportation-related facilities.

The region’s developing suburbs and rural area have had larger shares of their construction in the industrial category, compared to the central cities and developed suburbs. Developing areas still have vacant land, and are more likely to have larger parcels available to meet the needs of industrial users. Older, developed areas tend to have higher land costs and have been tending toward redevelopment of industrial property into other, higher-value uses. Overall, during the 2003-2007 reporting period of Metropolitan Council’s construction survey, industrial projects made up 22 percent of the rural area’s total valuation, and 16 percent in the developing suburbs. Developed suburbs as a group saw a 10 percent share go to industrial, and the central cities, just under 8 percent. In 2007, the industrial proportion rose to 20 percent in the developing suburbs.

The recent peak level for office/warehouse construction was in 2005. It dropped 26 percent between 2006 and 2007. Manufacturing and warehouse activity, however, both showed modest increases as measured by permit valuation totals (up 4 percent and 9 percent, respectively).

Larger industrial projects in 2007 included office/warehouse developments in Medina, Fridley, Eagan and Dayton; warehousing in Eagan and Cottage Grove; and construction at energy producers Flint Hills Refinery and Marathon Petroleum (Rosemount and St. Paul Park, respectively). Overall, 60 percent of the region’s dollar value for industrial projects was reported by developing communities. For office/warehouse development specifically, 60 percent was located in developing suburbs and 27 percent in the developed suburbs. Communities that reported more than 100,000 square feet of office/warehouse space included: Brooklyn Park, Eagan, Dayton, and Rogers in the developing area; and developed suburbs Fridley, Burnsville, and White Bear Lake. The region’s total for office/warehouse in 2007 was 2 million square feet. Of this total, a third went to developed suburbs (656,000 square feet), while 1.2 million was in developing communities.



*Fridley Interstate Rail Distribution Center adds 202,000 square feet “state of the art” office/warehouse and distribution space in the Mississippi River rail corridor.*

#### Industrial uses typology

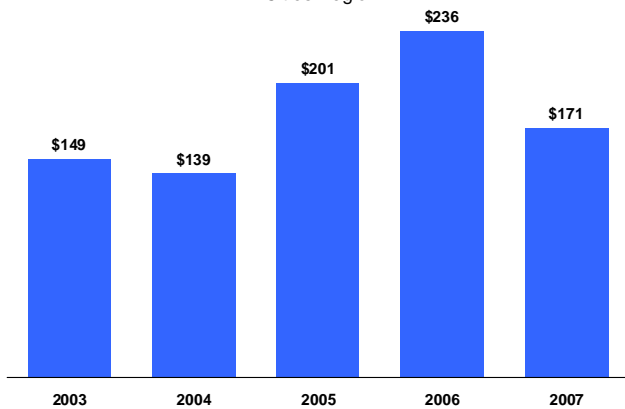
An attempt is made to differentiate among industrial uses, but complete accuracy in measuring shifts among industrial uses may not be possible given the available data, and blurring of the distinctions between structural types in the real world. Having separate categories for “manufacturing” and “warehouse” categories is to distinguish business functions that are predominantly in the production of goods from those that are in the storage and/or distribution of goods. Some industrial projects are for owner-occupants whose function is known, or the building’s location and design is specifically geared toward one or the other (production or distribution). But in other cases the building could be used by a variety of industrial businesses.

Public use projects

*Education projects contributed \$171 million in permit value; medical, \$110 million*

Of the \$564 million in permits issued during 2007 for public projects, \$171 million was for construction at educational institutions. This is a decline from levels of spending in 2005 and 2006, but still the largest public “use” category, representing 30 percent of the

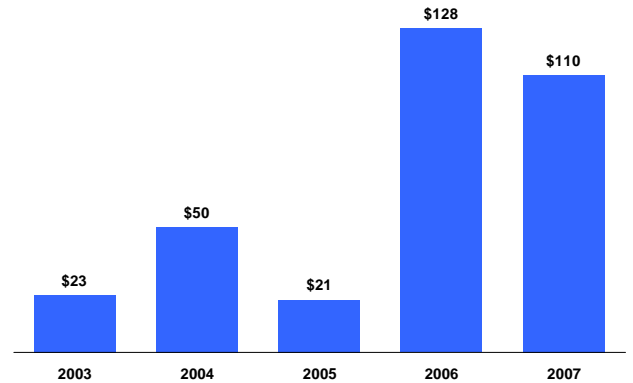
Figure 10  
Permit Valuation for Education Projects, 2003-2007 (in millions)  
Twin Cities Region



public total. Two large-scale college projects topped the list: a new athletic/recreational center at Macalester College, and a new commons area at Bethel University. Chanhassen broke ground on a new high school and Spring Lake Park’s underwent a major addition. New elementary schools went forward in Savage and Blaine. Other significant investments included expansions and/or renovations at schools in Minneapolis, Fridley, Spring Lake Park, and Watertown.

It should be noted that, generally, the intention in this survey is to solicit permit information for new buildings and for projects that add square footage to existing buildings. However, in some instances, communities have reported projects where a majority of the valuation is for renovation, not expansion. They are included since they represent a substantial investment. Examples in this 2007 report, for example, include the Plymouth and Watertown school projects. In addition, a greater portion of the square footage added to Park Terrace Elementary (Spring Lake Park) was reported in 2006 than in 2007.

Figure 11  
Permit Valuation for Public Medical, 2003-2007 (in millions)  
Twin Cities Region



‘Medical’ construction in the public use category includes larger-scale projects like hospitals and nursing homes. Other, typically smaller-scale medical office buildings and the like are included in the commercial category. Public medical projects reported in 2007 carried an aggregate permit valuation of \$110 million. This dollar amount is 14 percent short of 2006 activity, but still significantly higher than figures back to 2003. The largest projects this year were a new regional hospital in Maple Grove, an addition at Methodist Hospital in St. Louis Park, and two new residential care facilities: Sholom Home and Alton Memory Care, both in St. Paul.

Other public sector building helped to offset losses seen in some of the other construction sectors. An array of public services was represented, including the justice system, public works, transit and nonprofit community services. The largest government building going forward was a major expansion of the Washington County Government Center in Stillwater, for \$45 million. An expansion also went forward at the Ramsey County Correctional Facility in Maplewood (\$16 million).

The new Gopher stadium (TCF Bank Stadium) underway at the University of Minnesota is a major project not covered by Metropolitan Council’s construction survey, as the U of M does not need to apply for building permits from local governmental jurisdictions.



*New hospital for the northwest metro: Maple Grove Hospital. Partnership between North Memorial and Fairview. Required public interest review, legislative approval (2006). Construction started 2007, opening 2009.*

Minneapolis-St. Paul International Airport is a major cog in the regional economy and has been the site of major construction investment. Over the past several years, much of a massive, multi-year capital improvements plan has been accomplished at MSP, and in 2007 the valuation placed on new construction there dropped to \$53.8 million. MSP is not within the boundaries of a minor civil division, and the nature of its construction activity is unique; therefore, it is reported as a separate category in this report. The \$53.8 million is a combined total of all airside, landside and environmental projects (Airside projects include: construction and paving of runways, taxiways, aircraft parking aprons; runway lighting, landing aids, air-traffic facilities, and safety features. Landside projects include: administration and maintenance facilities, aircraft maintenance and hangar facilities, fueling facilities, ground access roadways/infrastructure, including LRT, passenger and cargo terminals, parking ramps and lots, car rental facilities, lighting/HVAC/communications, and fire-rescue. Environmental projects include: aircraft deicing and glycol recovery facilities, stormwater facilities, sewer and water facilities and connections, aircraft noise mitigation, and wetland mitigation.)

## Permits by County

Aggregate permit valuation and square footage reported within each county are provided below in Table 2 and county shares are illustrated in Figure 12.

The net impact of the local shifts upward and downward within the region was a decline in total valuation for five of the region’s seven counties, as shown in Figure 13.

Figure 12  
2007 Nonresidential Construction Valuation Share of Twin Cities Region by County

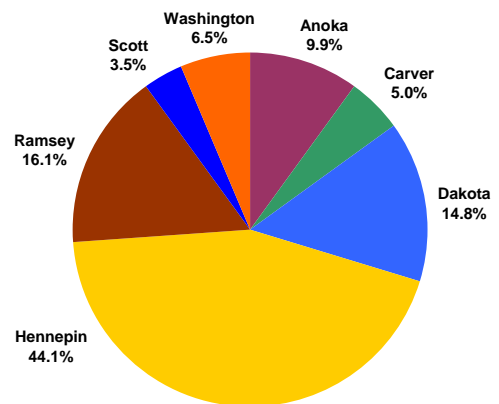
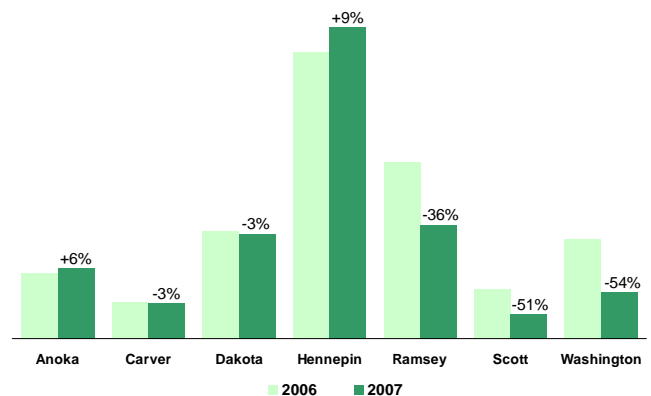


Figure 13  
Nonresidential Permit Valuation by County, 2006 and 2007 (in millions)  
Twin Cities Region





**Table 2**  
**2007 Nonresidential Building Permits**  
**Twin Cities Region by County**

County	Square Feet	Permit Value
Anoka	2,259,105	\$170,694,137
Carver	1,393,506	86,536,710
Dakota	2,617,555	254,693,415
Hennepin	6,250,618	760,505,826
Ramsey	1,613,827	277,663,752
Scott	413,827	59,694,518
Washington	843,294	112,826,950
Region	15,391,732	\$1,722,615,308

(Note: Square footage information not available on all projects).

### Construction types by planning area

*Mix of project types varies within region*

In the central cities, commercial recreation accounted for 25 percent of nonresidential permit value in 2007, much higher than average, due to the new Twins ballpark. Next-largest uses permitted were hotels (13 percent), education (12 percent), and public medical and government (each 10 percent). With a large stock of office and retail development already in place, these sectors each represented less than 2 percent of new construction valuation in the two cities.

Office construction accounted for a full third of permit valuation in the developed suburbs, twice the proportion that it represented for developing suburbs. The next highest share of developing suburbs' construction was for government buildings (12 percent); followed by retail (10 percent) and religious (8 percent).

Developing suburbs' construction was more evenly distributed among uses, with office and retail representing the top uses, each of them 15 percent of the total. Office/warehouse and schools each represented 10 percent, and public medical projects, 8 percent. The combined total of all industrial uses accounted for 20 percent of the development total, higher than in other areas, as mentioned previously.

As the amount of nonresidential construction in the rural areas remained relatively small (only 3.4 percent of the region's total), the large-ticket harness track in Columbus dominated the rural area totals in 2007; commercial recreation thus accounted for 32 percent

of the rural area total. Schools, which made up 40 or more percent of construction in 2005 and 2006, dropped back to a 19 percent share in 2007.

Office/warehouse development and government buildings each accounted for an 8 percent share.

### Top cities in nonresidential building permits, 2007

These top ten communities, ranked by total permit valuation, accounted for 54 percent of the region's total.

**Minneapolis, \$226 million:** Twins Ballpark; three large hotel projects; large community services project, Center for Changing Lives; and Mural of Lyndale, a \$15 million mixed-use development (separate valuations for its retail and residential components are unknown).

**St. Paul, \$147 million:** Macalester College's new athletic center; Sholom Home; continuation of the new Wilder Foundation facilities; parking ramp for Regions Hospital expansion.

**Bloomington, \$114 million:** 581,000 square feet of office development at 8200 Tower and Marketpointe II; new Hilton Hotel; Bloomington Central Station (transit center).

**Minnetonka, \$106 million:** 639,000 square feet of office development led by \$71.5 million Data 100 and Opus Corporate Center; mixed-use project The Exchange (first-floor retail component for which separate valuation is unknown).

**Blaine, \$68 million:** \$23.4 million in retail, topped by \$12 million Mills Fleet Farm; new elementary school; 110,000 square feet office at the Infinite Campus.



*Infinite Campus is a locally-grown developer of K-12 student information systems software. Its new 110,000 sq. ft. office building in Blaine also houses an educator training center and warehouse space.*

**Eagan, \$67 million:** Predominantly office, led by \$39 million Thomson Data expansion; and several warehouse and office/warehouse projects.

**Maple Grove, \$63 million:** New hospital with a \$49 million permit; a new hotel and various smaller retail and services projects.

**Burnsville, \$49 million:** \$35 million in public and commercial recreation projects, including \$17 million

for city's new performing arts center; smaller amounts of office and office/warehouse.

**Stillwater, \$46 million:** Washington County Government Center expansion: courts building and law enforcement building.

**Waconia, \$42 million:** Diverse array of public and commercial projects, including new 80,000 square foot medical office building, new ice arena, retail, manufacturing.

**Table 3**  
**Regional Summary of 2007 Nonresidential Building Permits by Type**

	Square Footage	Permit Value	Value/ Square Ft.	Total Number of Projects	Number of Projects With Both Value & Sq. Ft. Reported
<b>Commercial</b>	8,442,290	\$961,885,742	95	351	313
Bank	79,843	19,095,148	217	17	15
Hotel	431,144	101,957,039	120	12	6
Medical	515,544	54,213,913	104	23	22
Mixed use	85,135	35,429,000	416	4	4
Office	3,109,395	333,294,740	104	73	66
Ramp	314,870	8,865,583	28	3	3
Recreation	718,867	163,532,044	108	25	19
Restaurant	118,448	17,036,172	130	37	31
Retail	2,314,107	170,960,416	73	104	102
Service	754,937	57,501,687	64	53	45
<b>Industrial</b>	3,645,883	\$196,585,044	50	127	114
Manufacturing	788,674	53,373,101	66	39	37
Office/warehouse	2,018,643	99,582,108	49	48	45
Warehouse	775,385	29,059,482	35	23	21
Other	63,181	14,570,353	95	17	11
<b>Public</b>	3,303,559	\$564,144,522	131	109	80
Government	492,697	101,790,454	201	14	13
Medical	343,560	109,882,266	205	6	3
Ramp	560,054	41,896,584	37	5	2
Recreation	164,744	33,639,238	201	15	13
Religious	232,000	36,267,863	149	19	17
Eduation	1,238,224	170,740,501	118	27	21
Other	272,280	69,927,616	101	23	11
<b>SUBTOTAL</b>	15,391,732	\$1,722,615,308	92	586	507
Airport	-	53,800,000			
<b>TOTAL incl. airport</b>	15,391,732	\$1,776,415,308			

\*Value per square foot was calculated based only on those projects having data for both valuation and square footage.

**Table 4  
Larger Nonresidential Projects in 2007, Twin Cities Region**

<u>Community</u>	<u>Name of Building, Firm or Builder</u>	<u>Square Footage</u>	<u>Permit Value</u>	<u>New Bldg. or Addition</u>
<b>Commercial</b>				
<b>Hotel</b> (at least 50,000 sq. ft. or \$3 million in value)				
Minneapolis	Hotel Minneapolis	N/R	\$24,632,000	N
Bloomington	Hilton	169,000	22,329,754	N
Minneapolis	Aloft Hotel	N/R	14,005,000	N
Woodbury	Sheraton Hotel	82,200	12,872,000	N
Minneapolis	W Minneapolis	N/R	9,094,000	N
Plymouth	Marriott Residence Inn	89,501	8,750,000	N
Maple Grove	Cambria Suites	85,804	6,894,351	N
<b>Medical</b> (facilities at least 50,000 sq. ft. or \$5 million in value)				
Waconia	Mount Medical	80,000	\$8,800,000	N
St. Paul	King Family Health Center	30,000	8,000,000	N
Minneapolis	Midtown Medical*	56,000	5,986,000	N
Mendota Hgts.	Patterson Dental	76,113	4,000,000	A
St. Louis Park	Melrose Institute	67,000	2,100,000	N
*Midtown Medical project also entailed a parking ramp for \$4,658,000 (See also medical projects in the Public category).				
<b>Office</b> (at least 50,000 sq. ft. or \$5 million in value)				
Minnetonka	Data 100	353,500	\$71,500,708	N
Bloomington	8200 Tower	285,000	50,592,557	N
Eagan	Thomson Data Center	80,000	39,000,000	N
Hopkins	Excelsior Crossing*	740,000	21,000,000	N
Bloomington	Marketpointe II	294,553	16,204,000	N
Minnetonka	Opus Corporate Center	147,530	13,685,000	N
Eden Prairie	Liberty Plaza	127,915	11,922,000	N
New Brighton	APi Group	52,370	10,260,000	N
Blaine	Infinite Campus	110,580	10,000,000	N
Minnetonka	Petters/Welsh	130,235	8,138,000	N
New Brighton	Transoma Medical	120,000	8,026,800	N
Mendota Hgts.	Village at Mendota Heights (shell)	40,340	7,243,000	N
Chanhassen	Lifetime Fitness (office & parking)	100,749	5,000,000	N
Shakopee	QLOGIC (interior buildout)	N/R	5,000,000	N

\*Excelsior Crossing project also entailed a 228,630 sq. ft. parking ramp for \$6,275,000

<u>Community</u>	<u>Name of Building, Firm or Builder</u>	<u>Square Footage</u>	<u>Permit Value</u>	<u>New Bldg. or Addition</u>
<b>Retail</b> (at least 50,000 sq. ft. or \$3 million in value)				
Blaine	Mill's Fleet Farm	235,528	\$12,000,000	N
West St. Paul	Lowe's	167,800	9,500,000	N
Apple Valley	Super Target	179,000	9,000,000	N
Brooklyn Park	Walmart	52,000	7,280,000	A
Waconia	Target	132,000	7,000,000	N
Inver Grove Hgts.	Inver Grove Honda	63,821	6,722,000	N
Richfield	Home Depot	126,175	5,870,210	N
Lakeville	Cub Foods	69,544	5,500,000	N
Coon Rapids	Menards	162,340	5,300,000	N
Roseville	Walser Automotive	44,500	4,400,000	N
Edina	Crate & Barrel	20,606	4,200,000	N
Blaine	Best Buy	45,667	3,800,000	N
Minneapolis	Penn Lowry Crossing	21,825	3,674,400	N

**Industrial**

**Office/warehouse** (at least 75,000 sq. ft. or \$2.5 million in value)

Medina	Loram Maintenance of Way	82,000	\$11,400,000	A
Fridley	Fridley Interstate Rail Distribution Center (2 buildings)	128,000	6,258,000	N
		74,880	3,661,000	N
Eagan	Boulder Lakes Business Park #3	116,549	6,000,000	N
Dayton	King Solution	140,000	5,777,777	N
Brooklyn Park	Interstate North Distribution Center	170,824	5,456,801	N
Brooklyn Park	Park West Business Center	103,764	5,063,135	N
Rogers	AMB Rogers Distribution Center	147,160	4,700,000	N
Eagan	White House Custom Colour	35,880	4,190,000	N
St. Paul	Secure Computing	54,361	4,100,000	N
St. Paul	River Bend Business Park	42,046	3,730,000	N
White Bear Lake	McGough Construction	76,868	3,647,350	N
Burnsville	Business Card Service	48,598	3,235,616	A
Brooklyn Park	610 Business Park	75,650	2,628,383	N
Eden Prairie	Staring Lake Corporate Center	63,876	2,530,000	N
Burnsville	River South Business Park	100,480	1,589,033	N
Burnsville	River South Business Park	80,000	1,084,752	N

**Warehouse** (at least 75,000 sq. ft. or \$2.5 million in value)

Eagan	Dart Warehouse IV	227,000	\$6,000,000	N
Cottage Grove	Werner Electric	116,496	4,500,000	N
Blaine	Arrowhead Electric	98,949	3,349,482	N
Chanhassen	Autobahn Motorplex	65,790	3,305,000	N
Coon Rapids	Schiebout Properties	61,118	2,725,000	N

Commercial, Industrial and Public Construction in the Twin Cities Region – 2007 Summary January 2009

Community	Name of Building, Firm or Builder	Square Footage	Permit Value	New Bldg. or Addition
<b>Manufacturing</b> (at least 75,000 sq. ft. or \$2.5 million in value)				
Rosemount	Flint Hills (new and addition)	90,972	\$11,100,000	N
St. Paul Park	Marathon Petroleum	10,725	3,598,000	N
Plymouth	Productivity Inc	20,381	3,367,540	A
Minneapolis	Kirschbaum-Krupp Metal Co.	16,830	3,063,000	A
Apple Valley	Uponor Mfg (Phase 4B)	18,953	2,845,000	A
Waconia	Applied Vacuum Tech.	37,600	2,700,000	N
Coon Rapids	Medtronic	138,677	1,877,000	A

**Public**

**Education** (at least 50,000 sq. ft. or \$5 million in value)

St. Paul	Macalester College (athletic/rec center)	175,000	\$33,500,000	N
Arden Hills	Bethel University (commons)	110,000	25,845,976	N
Plymouth	Plymouth Middle School (incl. renovation)	N/R	18,268,000	A
Savage	Red Tail Ridge Elementary	91,000	12,285,000	N
Blaine	Northpoint Elementary	56,931	11,500,000	N
Spring Lake Park	Spring Lake Park High School	109,144	10,050,000	A
Chanhassen	Chanhassen High School	405,000	9,500,000	N
Minneapolis	Minnehaha Academy (incl. remodel)	54,241	7,248,769	A
Fridley	Woodcrest Elementary	69,200	6,800,000	A
Spring Lake Park	Park Terrace Elementary	3,394	6,700,000	A
Watertown	Watertown Middle/High School (remodel)	6,720	5,664,170	A

**Medical** (at least 50,000 sq. ft. or \$5 million in value)

Maple Grove	Maple Grove Hospital	245,000	\$49,034,625	N
St. Paul	Sholom Home	N/R	33,197,641	N
St. Louis Park	Methodist Hospital	90,000	21,000,000	A
St. Paul	Alton Memory Care Center	N/R	5,000,000	N

(See also medical projects in the Commercial category).

<u>Community</u>	<u>Name of Building, Firm or Builder</u>	<u>Square Footage</u>	<u>Permit Value</u>	<u>New Bldg. or Addition</u>
<b>Public projects other than medical and education</b> (at least 50,000 sq. ft. or \$10 million in value)				
Stillwater	Washington County Govt. Center	200,000	\$45,000,000	A
Burnsville	Burnsville Performing Arts Center	69,115	17,214,100	N
Bloomington	Bloomington Central Sta. (park/ride)	488,385	16,163,584	N
Maplewood	Ramsey County Correctional Facility	59,316	15,992,316	A
St. Paul	Regions Hospital parking ramp	N/R	15,225,000	N
Minneapolis	Center for Changing Lives	112,000	14,343,000	N
St. Paul	Wilder Foundation	N/R	13,537,705	N
Richfield	City public works facility	34,062	12,900,000	N
Prior Lake	City of Prior Lake wastewater plant	N/R	12,747,000	N
Chanhassen	SW Metro Transit, transit station	92,022	5,728,000	N
Mound	Mound Transit Center	71,669	4,650,000	N
New Brighton	U.S. Postal Service annex/warehouse	57,879	2,338,377	N

**Table 5  
Community Totals of Square Footage and Value**

Community	County	Square feet	Permit Value (\$)	Number of Projects	
				With Sq. Ft.	With Value
Afton	Washington	2,300	120,000	1	1
Andover	Anoka	37,433	2,810,494	7	7
Anoka	Anoka	4,060	508,000	2	2
Apple Valley	Dakota	365,802	27,133,000	21	21
Arden Hills	Ramsey	110,000	25,845,976	1	1
Bayport	Washington	0	0	0	0
Baytown Twp.	Washington	0	0	0	0
Belle Plaine	Scott	28,750	2,037,835	3	4
Belle Plaine Twp.	Scott	0	0	0	0
Benton Twp.	Carver	22,032	560,000	2	2
Bethel	Anoka	0	0	0	0
Birchwood	Washington	0	0	0	0
Blaine	Anoka/Ramsey	918,997	68,266,071	29	29
Blakeley Twp.	Scott	0	0	0	0
Bloomington	Hennepin	1,374,490	113,538,341	10	10
Brooklyn Center	Hennepin	6,528	419,204	4	5
Brooklyn Park	Hennepin	483,356	27,470,990	10	10
Burns Twp.	Anoka	20,508	841,142	3	3
Burnsville	Dakota	558,976	49,119,590	16	16
Camden Twp.	Carver	0	0	0	0
Carver	Carver	0	0	0	0
Castle Rock Twp.	Dakota	8,712	800,000	1	2
Cedar Lake Twp.	Scott	0	0	0	0
Centerville	Anoka	44,453	2,560,000	2	2
Champlin	Hennepin	20,586	1,290,578	2	2
Chanhassen	Carver/Hennepin	806,017	31,331,000	9	9
Chaska	Carver	8,275	373,000	1	2
Circle Pines	Anoka	0	0	0	0
Coates	Dakota	0	0	0	0
Cologne	Carver	-	1,578,000	0	3
Columbia Hgts.	Anoka	15,113	3,329,000	2	2
Columbus	Anoka	183,663	19,809,000	2	2
Coon Rapids	Anoka	476,733	17,677,000	12	12
Corcoran	Hennepin	0	0	0	0
Cottage Grove	Washington	161,212	8,636,000	5	5
Credit River Twp.	Scott	-	110,000	0	1
Crystal	Hennepin	6,600	429,000	1	1
Dahlgren Twp.	Carver	5,036	200,000	1	1
Dayton	Hennepin	190,000	7,777,777	2	2
Deephaven	Hennepin	12,060	1,150,000	1	1
Dellwood	Washington	0	0	0	0
Denmark Twp.	Washington	0	0	0	0



Community	County	Square feet	Permit Value (\$)	Number of Projects	
				With Sq. Ft.	With Value
Eagan	Dakota	568,633	66,674,000	14	14
East Bethel	Anoka	2,127	1,385,035	2	2
Eden Prairie	Hennepin	306,497	20,487,000	6	7
Edina	Hennepin	93,537	12,912,652	6	7
Elko New Market	Scott	0	0	0	0
Empire Twp.	Dakota	0	0	0	0
Eureka Twp.	Dakota	4,272	360,770	1	1
Excelsior	Hennepin	1,000	286,000	1	1
Falcon Hgts.	Ramsey	0	0	0	0
Farmington	Dakota	77,865	7,056,766	6	6
Forest Lake	Washington	74,680	7,164,000	9	10
Fridley	Anoka	297,329	18,250,200	8	8
Gem Lake	Ramsey	0	0	0	0
Golden Valley	Hennepin	35,462	8,805,544	8	8
Grant	Washington	0	0	0	0
Greenfield	Hennepin	0	0	0	0
Greenvale Twp.	Dakota	0	0	0	0
Greenwood	Hennepin	0	0	0	0
Grey Cloud Twp.	Washington	0	0	0	0
Ham Lake	Anoka	45,989	3,908,100	4	6
Hamburg	Carver	0	0	0	0
Hampton	Dakota	0	0	0	0
Hampton Twp.	Dakota	0	0	0	0
Hancock Twp.	Carver	0	0	0	0
Hanover	Hennepin	0	0	0	0
Hassan Twp.	Hennepin	73,469	1,361,000	2	2
Hastings	Dakota/Washington	45,250	7,287,689	3	4
Helena Twp.	Scott	0	0	0	0
Hilltop	Anoka	0	0	0	0
Hollywood Twp.	Carver	0	0	0	0
Hopkins	Hennepin	1,013,630	35,395,800	3	7
Hugo	Washington	42,814	4,482,000	5	5
Independence	Hennepin	37,503	1,194,657	3	3
Inver Grove Hgts.	Dakota	166,860	18,770,000	5	6
Jackson Twp.	Scott	-	412,384	0	1
Jordan	Scott	0	0	0	0
Lake Elmo	Washington	21,000	2,700,000	1	1
Lake St. Croix Beach	Washington	0	0	0	0
Lakeland	Washington	0	0	0	0
Lakeland Shores	Washington	0	0	0	0
Laketown Twp.	Carver	17,242	1,984,000	2	2
Lakeland Shores	Washington	0	0	0	0
Laketown Twp.	Carver	17,242	1,984,000	2	2
Lakeville	Dakota	298,814	24,399,600	15	15
Landfall	Washington	0	0	0	0

Community	County	Square feet	Permit Value (\$)	Number of Projects	
				With Sq. Ft.	With Value
Lauderdale	Ramsey	0	0	0	0
Lexington	Anoka	0	0	0	0
Lilydale	Dakota	0	0	0	0
Lino Lakes	Anoka	7,442	827,625	1	1
Linwood Twp.	Anoka	0	0	0	0
Little Canada	Ramsey	21,000	1,640,000	3	3
Long Lake	Hennepin	0	0	0	0
Loretto	Hennepin	0	0	0	0
Louisville Twp.	Scott	-	973,395	0	1
Mahtomedi	Washington	12,000	650,000	1	1
Maple Grove	Hennepin	442,581	63,041,219	15	15
Maple Plain	Hennepin	0	0	0	0
Maplewood	Ramsey	249,393	27,761,099	10	10
Marine on St. Croix	Washington	0	0	0	0
Marshan Twp.	Dakota	0	0	0	0
May Twp.	Washington	3,793	832,000	3	3
Mayer	Carver	0	0	0	0
Medicine Lake	Hennepin	0	0	0	0
Medina	Hennepin	91,500	12,661,000	3	3
Mendota	Dakota	6,700	1,013,000	2	2
Mendota Hgts.	Dakota	173,199	16,493,000	6	7
Miesville	Dakota	0	0	0	0
Minneapolis	Hennepin	377,433	226,034,281	24	40
Minnetonka	Hennepin	661,064	106,281,978	6	6
Minnetonka Beach	Hennepin	0	0	0	0
Minnetrissa	Hennepin	105,915	5,524,100	2	2
Mound	Hennepin	75,496	5,244,722	3	3
Mounds View	Ramsey	10,875	460,000	1	1
New Brighton	Ramsey	357,073	32,396,114	9	9
New Germany	Carver	0	0	0	0
New Hope	Hennepin	0	0	0	0
New Market Twp.	Scott	0	0	0	0
New Prague	Scott	0	0	0	0
New Trier	Dakota	0	0	0	0
Newport	Washington	51,570	2,335,000	2	2
Nininger Twp.	Dakota	0	0	0	0
North Oaks	Ramsey	12,920	1,000,000	1	1
North St. Paul	Ramsey	24,364	7,065,000	3	3
Northfield	Dakota	0	0	0	0
Norwood Young America	Carver	48,464	2,810,300	3	3
Oak Grove	Anoka	0	0	0	0
Oak Park Hgts.	Washington	24,144	2,788,750	2	2
Oakdale	Washington	23,261	3,720,400	5	5
Orono	Hennepin	7,350	850,000	1	1
Osseo	Hennepin	4,100	310,000	2	2

Community	County	Square feet	Permit Value (\$)	Number of Projects	
				With Sq. Ft.	With Value
Pine Springs	Washington	0	0	0	0
Plymouth	Hennepin	165,716	37,900,540	12	13
Prior Lake	Scott	35,982	16,441,000	4	5
Ramsey	Anoka	76,760	4,662,470	4	8
Randolph	Dakota	0	0	0	0
Randolph Twp.	Dakota	-	870,000	0	1
Ravenna Twp.	Dakota	0	0	0	0
Richfield	Hennepin	195,628	22,378,439	8	8
Robbinsdale	Hennepin	4,300	189,482	1	1
Rockford	Hennepin	0	0	0	0
Rogers	Hennepin	206,026	8,190,000	6	6
Rosemount	Dakota	135,378	21,932,245	3	7
Roseville	Ramsey	154,715	15,740,616	10	10
San Francisco Twp.	Carver	0	0	0	0
Sand Creek Twp.	Scott	-	6,037,220	0	4
Savage	Scott	162,024	16,005,000	5	5
Scandia	Washington	0	0	0	0
Sciota Twp.	Dakota	0	0	0	0
Shakopee	Scott	98,716	16,719,684	8	13
Shakopee Mdewakanton					
Sioux Community	Scott	83,303	0	2	0
Shoreview	Ramsey	13,955	3,404,000	2	2
Shorewood	Hennepin	0	0	0	0
South St. Paul	Dakota	20,441	653,255	5	5
Spring Lake Park	Anoka/Ramsey	128,498	18,510,000	4	4
Spring Lake Twp.	Scott	5,052	958,000	1	1
Spring Park	Hennepin	0	0	0	0
St. Anthony	Hennepin/Ramsey	0	0	0	0
St. Bonifacius	Hennepin	10,192	2,665,000	2	3
St. Francis	Anoka	-	7,350,000	0	3
St. Lawrence Twp.	Scott	0	0	0	0
St. Louis Park	Hennepin	182,914	26,206,000	7	7
St. Mary's Point	Washington	0	0	0	0
St. Paul	Ramsey	406,384	146,682,597	3	3
St. Paul Park	Washington	25,005	6,177,000	13	24
Stillwater	Washington	201,394	46,024,800	2	3
Stillwater Twp.	Washington	0	0	0	0
Sunfish Lake	Dakota	0	0	0	0
Tonka Bay	Hennepin	0	0	0	0
Vadnais Hgts.	Ramsey	9,904	694,000	1	1
Vermillion	Dakota	0	0	0	0
Vermillion Twp.	Dakota	-	241,650	0	1
Victoria	Carver	0	0	0	0
Waconia	Carver	469,320	41,810,000	14	17
Waconia Twp.	Carver	7,200	120,000	1	1

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Community	County	Square feet	Permit Value (\$)	Number of Projects	
				With Sq. Ft.	With Value
Waterford Twp.	Dakota	0	0	0	0
Watertown	Carver	6,720	5,664,170	1	1
Watertown Twp.	Carver	3,200	106,240	1	1
Wayzata	Hennepin	65,685	10,510,522	4	4
West Lakeland Twp.	Washington	0	0	0	0
West St. Paul	Dakota	186,653	11,888,850	4	4
White Bear Lake	Ramsey/Washington	149,914	12,147,350	6	6
White Bear Twp.	Ramsey	93,330	2,827,000	4	4
Willernie	Washington	0	0	0	0
Woodbury	Washington	200,121	27,197,000	9	9
Woodland	Hennepin	0	0	0	0
Young America Twp.	Carver	0	0	0	0
<b>REGION TOTAL</b>		<b>15,391,732</b>	<b>\$1,722,615,308</b>	<b>509</b>	<b>586</b>
Minneapolis-St. Paul International airport area*	Hennepin	-	53,800,000	NA	NA
Total including airport		15,391,732	\$1,776,415,308		

\*Listing for the MSP airport area is composite, not individual project listings.

## About the data

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Measuring the volume of nonresidential construction activity over a given period of time is not entirely straightforward. Some information sources that report on new developments focus on when construction started, some on how much development is underway at a point in time, some on when a structure is completed or occupied. In this report, projects are counted at the time building permits are issued by local units of government. No information on demolitions is included, so the data represent a gross construction volume, but not the net gain in property value or space. With subsequent annual updates, the data should be useful for assessing longer-range trends.

Multiple building permits may be issued for a given project, separate from the permit for the major structural work—for example, for foundation work, mechanical, electrical, and finishing work. Metropolitan Council has attempted to represent the permit valuation and square footage for all new projects and additions (if over \$100,000) and to avoid duplicate reporting of these. However, there may be some inconsistency because of the complexity of some projects and differences among local permit record-keeping systems. Where it was possible to differentiate, we have not included permits that were only for remodeling, mechanical, electrical, plumbing, and finishing work.

Project “value” reflects the estimated cost of construction reported on the building permit. Permit values exclude some costs including land and landscaping, and are typically lower than market values of completed properties.

City-to-city comparisons may not be entirely valid if there are differences in survey completeness or methods of permit valuation.

Other construction activity may have occurred on properties of state and federal jurisdictions that are not included in this report. The University of

Minnesota, for example, is not covered in Metropolitan Council’s survey since it does not have to apply for building permits from local jurisdictions.

### Data collection methods

The Metropolitan Council surveyed each city and township, requesting the following information:

- Building name or tenant (if unknown, may list developer)
- Address
- Parcel identification number (PIN)
- Description of building use
- Square footage
- Permit value of building
- New building or addition

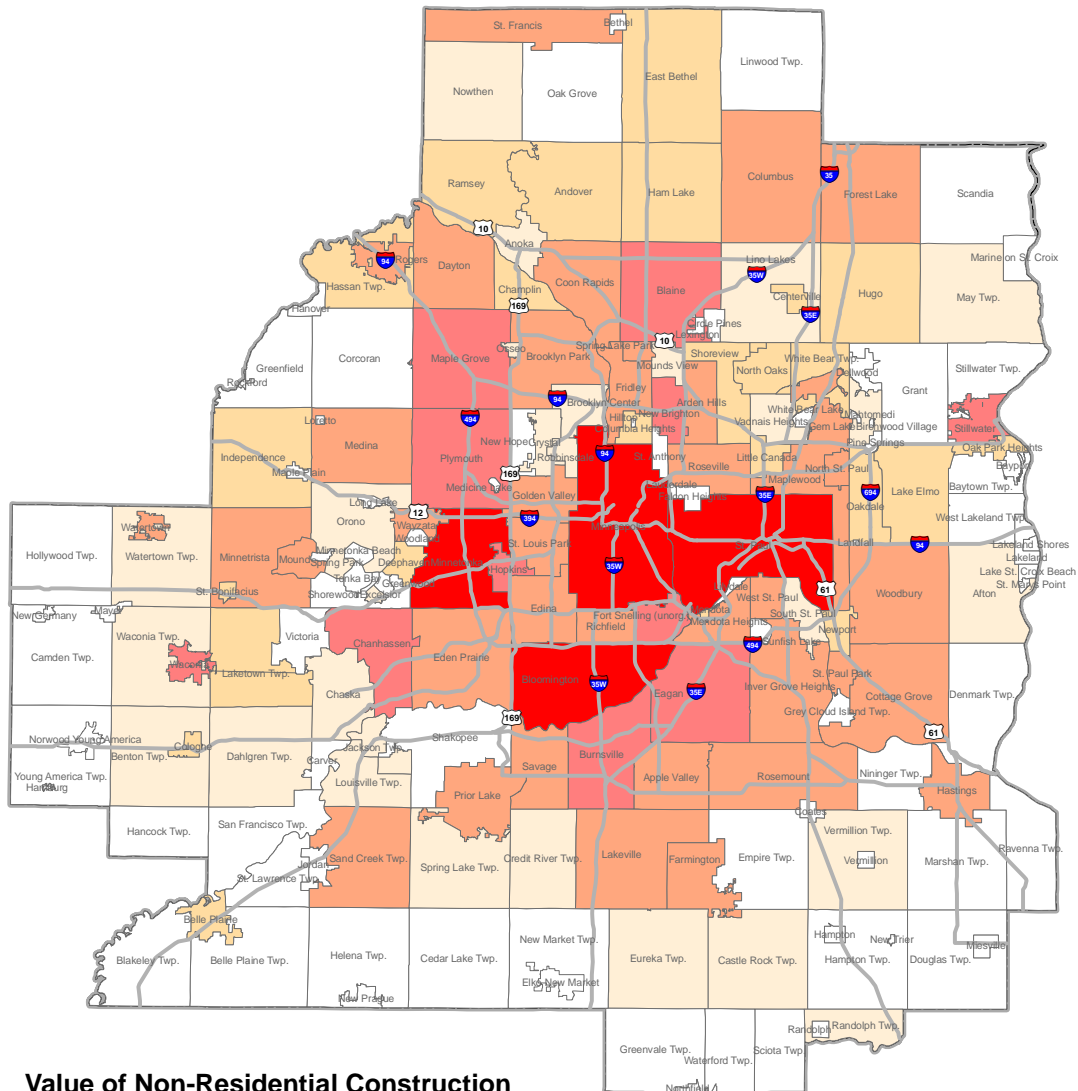
To promote consistency and completeness, Metropolitan Council Research validated survey responses with Service Availability Charge (SAC) reports where possible. Additional information from SAC reports and other sources was incorporated where appropriate.

Council Research staff designated each listing as either “Commercial,” “Industrial,” or “Public”. A more detailed “use” descriptor was also added. The Public category includes government-owned structures and semi-public buildings (hospitals, schools, churches, community centers) owned or occupied by nonprofit organizations (including religious). All schools were coded as Public use, whether ownership is public or private.

The Minneapolis-St. Paul International Airport is not within the boundaries of a minor civil division. The information on airport construction was received from the Metropolitan Airports Commission.

For complete address information for each construction project, and mapping capability, see the MetroGIS website at <http://www.datafinder.org>.

Figure 14: Value of Non-residential Construction Added in 2007



**Value of Non-Residential Construction**

- Under \$100,000
- \$100,000 - \$999,999
- \$1,000,000 - \$4,999,999
- \$5,000,000 - \$29,999,999
- \$30,000,000 - \$99,999,999
- \$100,000,000 and Over

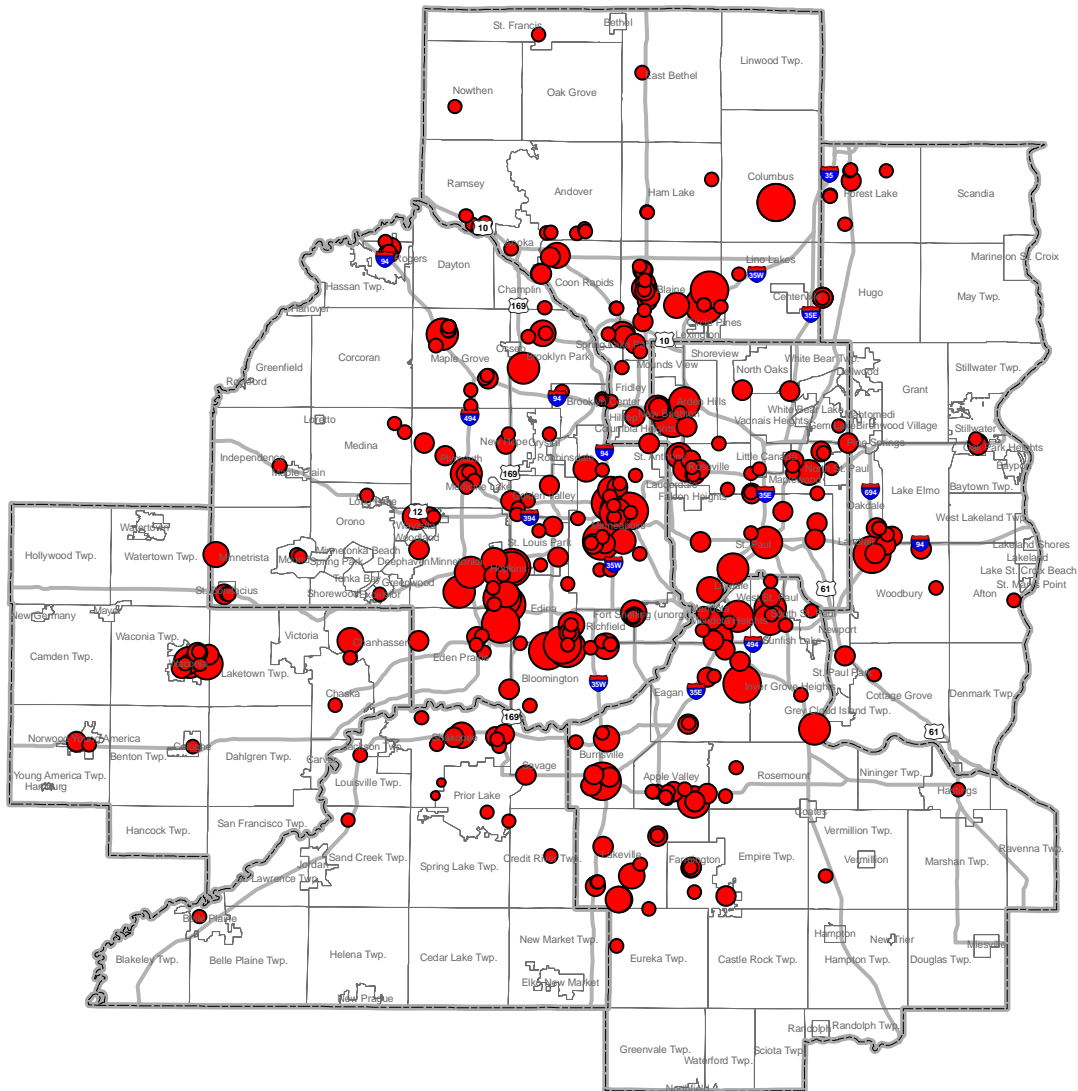
- Major Highway
- County Boundary
- Community Boundary

0 2.5 5 10 15 20 Miles

Source: 2007 Metropolitan Council's Non-Residential Construction Report



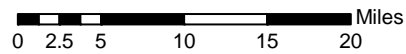
Figure 15: Value of Commercial Construction Added in 2007



**Value of Commercial Construction**

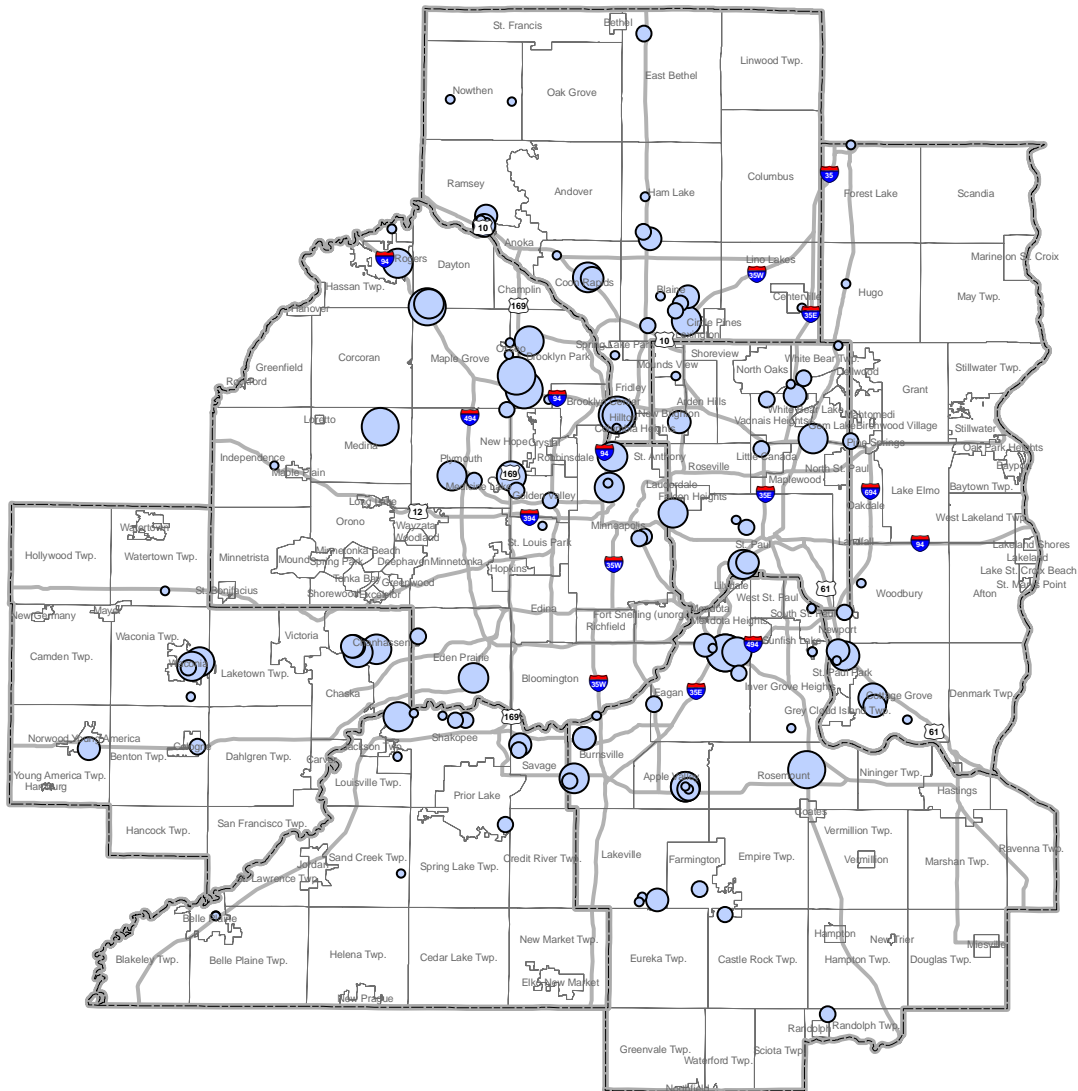
- \$100,000 - \$999,999
- \$1,000,000 - \$2,999,999
- \$3,000,000 - \$5,999,999
- \$6,000,000 - \$9,999,999
- \$10,000,000 and Over

- Major Highway
- ▭ County Boundary
- ▭ Community Boundary



Source: 2007 Metropolitan Council's Non-Residential Construction Report

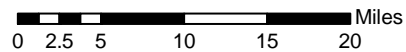
Figure 16: Value of Industrial Construction Added in 2007



**Value of Industrial Construction**

- \$100,000 - \$1,499,999
- \$1,500,000 - \$5,999,999
- \$6,000,000 - \$11,999,999
- \$12,000,000 - \$29,999,999
- \$30,000,000 and Over

- Major Highway
- ▭ County Boundary
- ▭ Community Boundary



Source: 2007 Metropolitan Council's Non-Residential Construction Report



Figure 17: Value of Public Construction Added in 2007

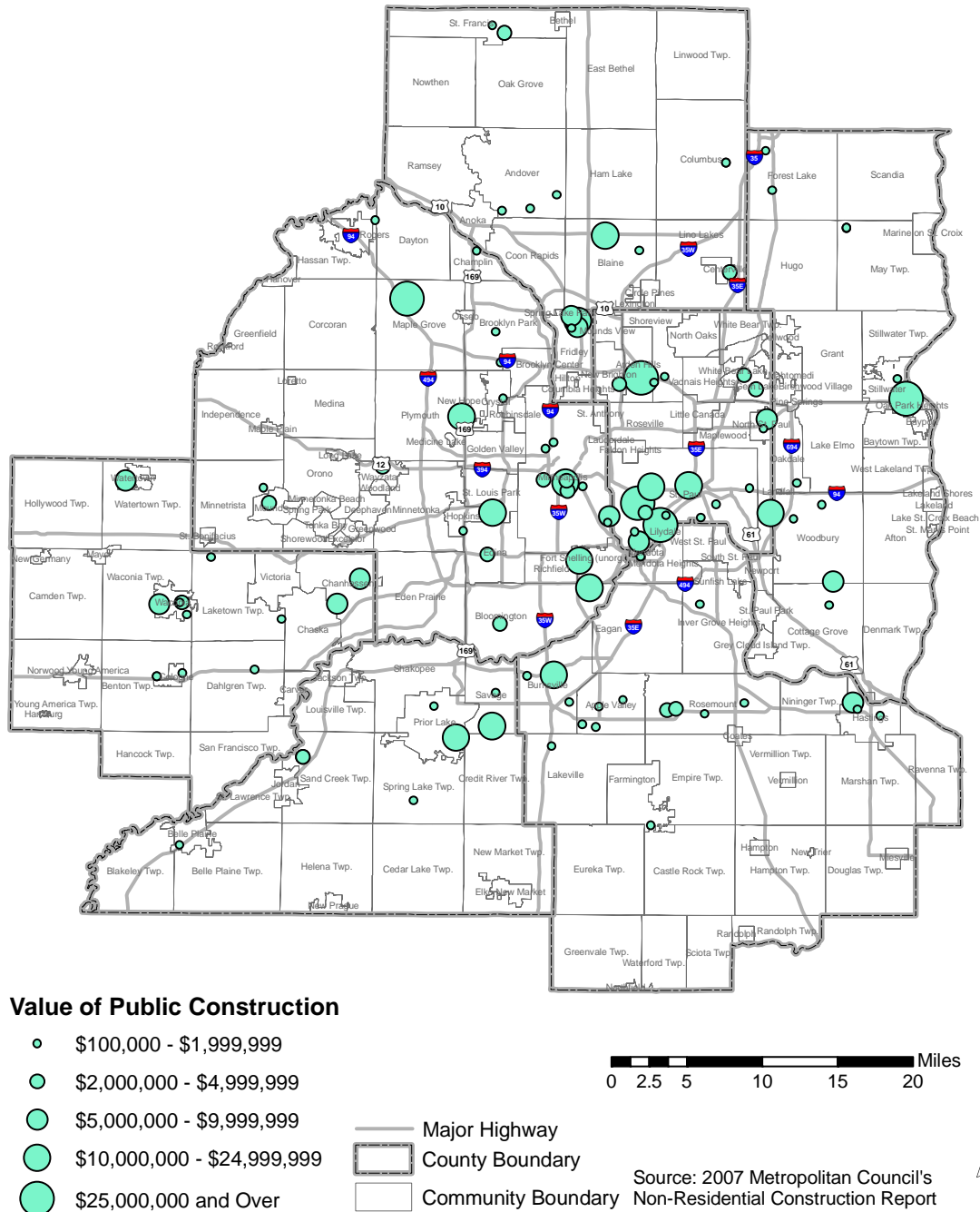
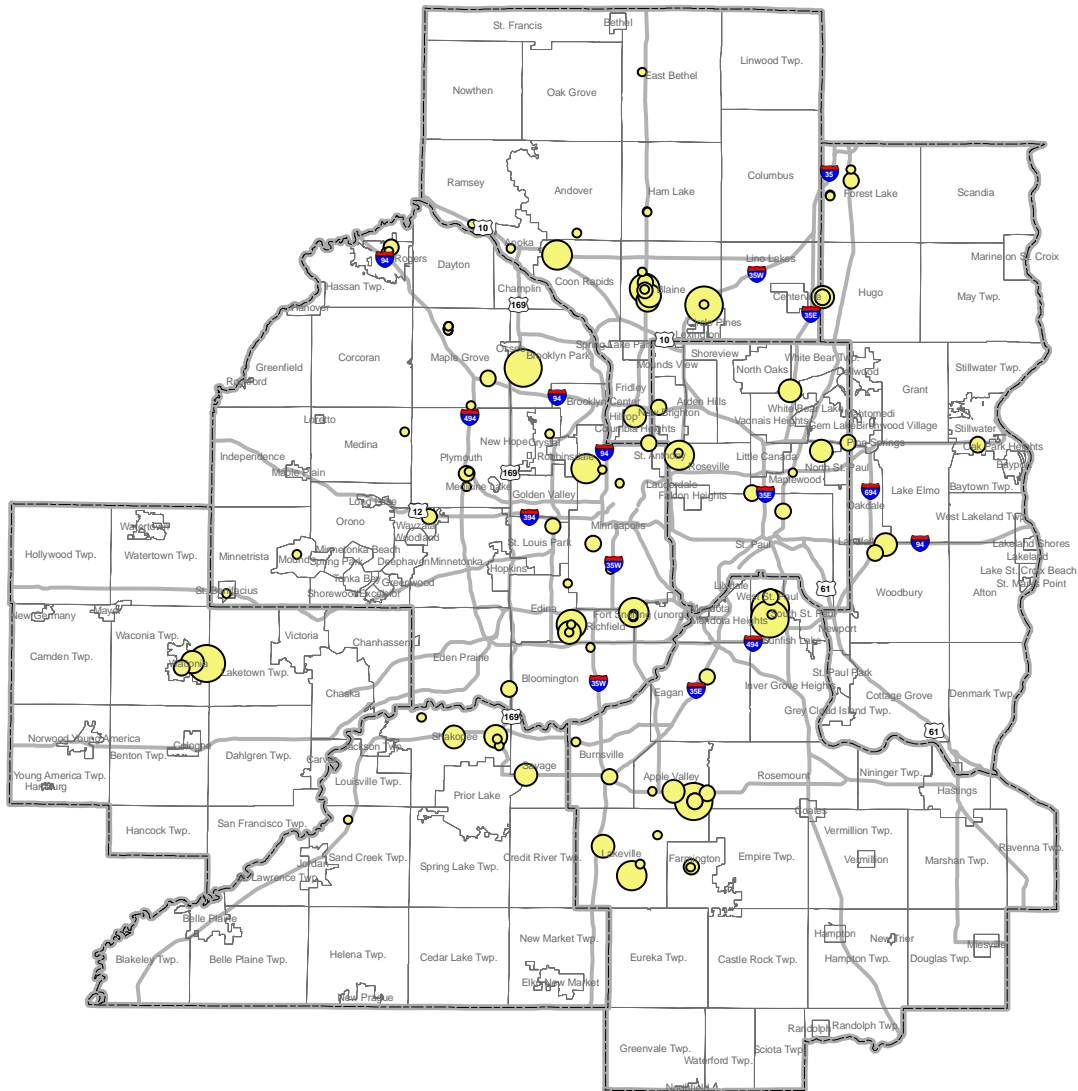


Figure 18: Value of Retail Construction Added in 2007:



**Value of Retail Construction**

- \$100,000 - \$999,999
- \$1,000,000 - \$1,499,999
- \$1,500,000 - \$2,999,999
- \$3,000,000 - \$5,999,999
- \$6,000,000 and Over

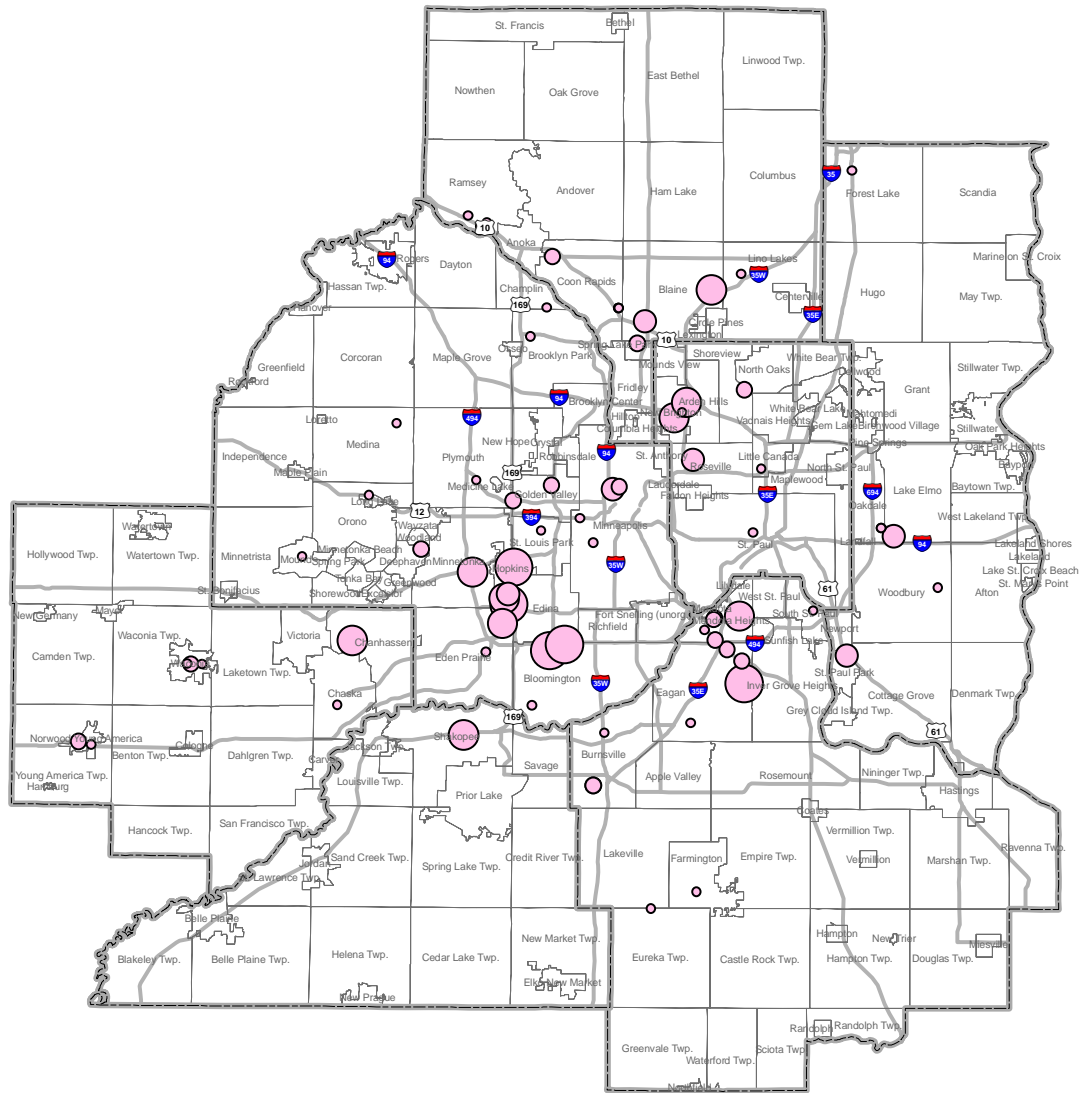
0 2.5 5 10 15 20 Miles

- Major Highway
- ▭ County Boundary
- ▭ Community Boundary

Source: 2007 Metropolitan Council's Non-Residential Construction Report



Figure 19: Value of Office Construction Added in 2007:



**Value of Office Construction**

- \$100,000 - \$999,999
- \$1,000,000 - \$1,999,999
- \$2,000,000 - \$4,999,999
- \$5,000,000 - \$14,999,999
- \$15,000,000 and Over

- Major Highway
- ▭ County Boundary
- ▭ Community Boundary

0 2.5 5 10 15 20 Miles

Source: 2007 Metropolitan Council's Non-Residential Construction Report

