

Coon Rapids Quarterly Economic Development Report October 2018



This report illustrates Coon Rapids' economic climate with the most recent data available. The following report covers development, employment and housing activity, and both illustrates and analyzes shows steady improvement in many areas of the local economy through the 3rd quarter of 2018.

Data on employment and wages come from the Minnesota Department of Employment and Economic Development's (DEED) Quarterly Census of Employment and Wages (QCEW), which released its 2018 Q1 data in October 2018. Housing data come from the Northstar MLS, which contains data up to one month old.

Development Report

Year-to-Year Comparison

	2017 Q3	2018 Q3
Total Building Permits Issued	4,534	1,182
Total Building Permit Valuation	\$55,180,447	\$70,384,539
New Housing Units Permits Issued	4	258
New Commercial Building Permits Issued	1	1

Q3 2018 Highest Value Building Permits

Project Type	Description	Address	Valuation
Multi-Family Dwelling	Riverdale Station Flats - East	3120 Northdale Blvd.	\$30,500,805.00
Multi-Family Dwelling	Riverdale Station Flats - West	3140 Northdale Blvd.	\$12,520,095.00
Commercial	Nystrom & Associates	11660 Round Lake Blvd.	\$3,170,000.00
Commercial Addition	Aldi	3410 Northdale Blvd.	\$1,290,000.00
Hospital/Medical	Mercy Imaging Dept.	4050 Coon Rapids Blvd.	\$642,727.00
Grading	CenterPoint Energy	9160 Evergreen Blvd.	\$600,000.00
Commercial Interior Remodel	Burger King	2025 Northdale Blvd.	\$350,000.00
Single Family Dwelling	New Dwelling	12425 Alder St.	\$349,827.00
Single Family Dwelling	New Dwelling	12404 Alder St.	\$320,154.00
Single Family Dwelling	New Dwelling	2961 118th Ln.	\$319,424.00

- Permits associated with a the 251-unit Riverdale Station Flats apartment project and a new medical office building for Nystrom Associates represented the highest value building permits issued in the first quarter.

Economic Development News

- **Business retention visits** in the third quarter included American Preclinical Services, Lexington Manufacturing, and ChemServ.
- The City, Metro North Chamber of Commerce, and Anoka Area Chamber of Commerce partnered on a **Coon Rapids Business Council** meeting in August featuring a presentation from the Minnesota Retailers Association.
- The City is advertising in a State of Minnesota insert in *Site Selector* magazine that will be used at national trade shows and other events to promote business development in the state and partnering cities.
- The City is beginning to reorganize the economic development pages of the City's web site. The broader City web site will be refreshed in the coming months. Development of a **regional economic development web site** is underway.

New, Expanding, and Remodeled Businesses – Q3 2018

Name	Location	Business Type
Nystrom & Associates	11660 Round Lake Blvd.	Health & Nutrition
Aldi	3410 Northdale Blvd.	General Retail
Chipotle	2170 Northdale Blvd.	Restaurants, Food, and Beverages
Diaohs First Choice Coffee	8560 Cottonwood St.	Restaurants, Food, and Beverages
Purple Rose Event Center	2975 Coon Rapids Blvd.	Restaurants, Food, and Beverages

Current Major Development Projects

Allina Health Customer Experience Center

8880 Evergreen Blvd.

Allina Health has selected Coon Rapids for the site of its new Customer Experience Center, which will centralize Allina Health call centers and integrate phone and digital capabilities into one location. A dedicated Customer Experience Center will make it easier to navigate the health care system and improve access to care and overall customer experience. By 2020, the center is expected to employ up to 500 people.



Riverdale Station Flats

Northdale Blvd. and 123rd Ave.

Construction has started on Sherman Associates' 251-unit transit-oriented apartment project adjacent to the Riverdale Transit Station.

Nystrom & Associates

Coon Rapids Blvd. at Round Lake Blvd.

Construction has started on Nystrom & Associates' medical clinic.

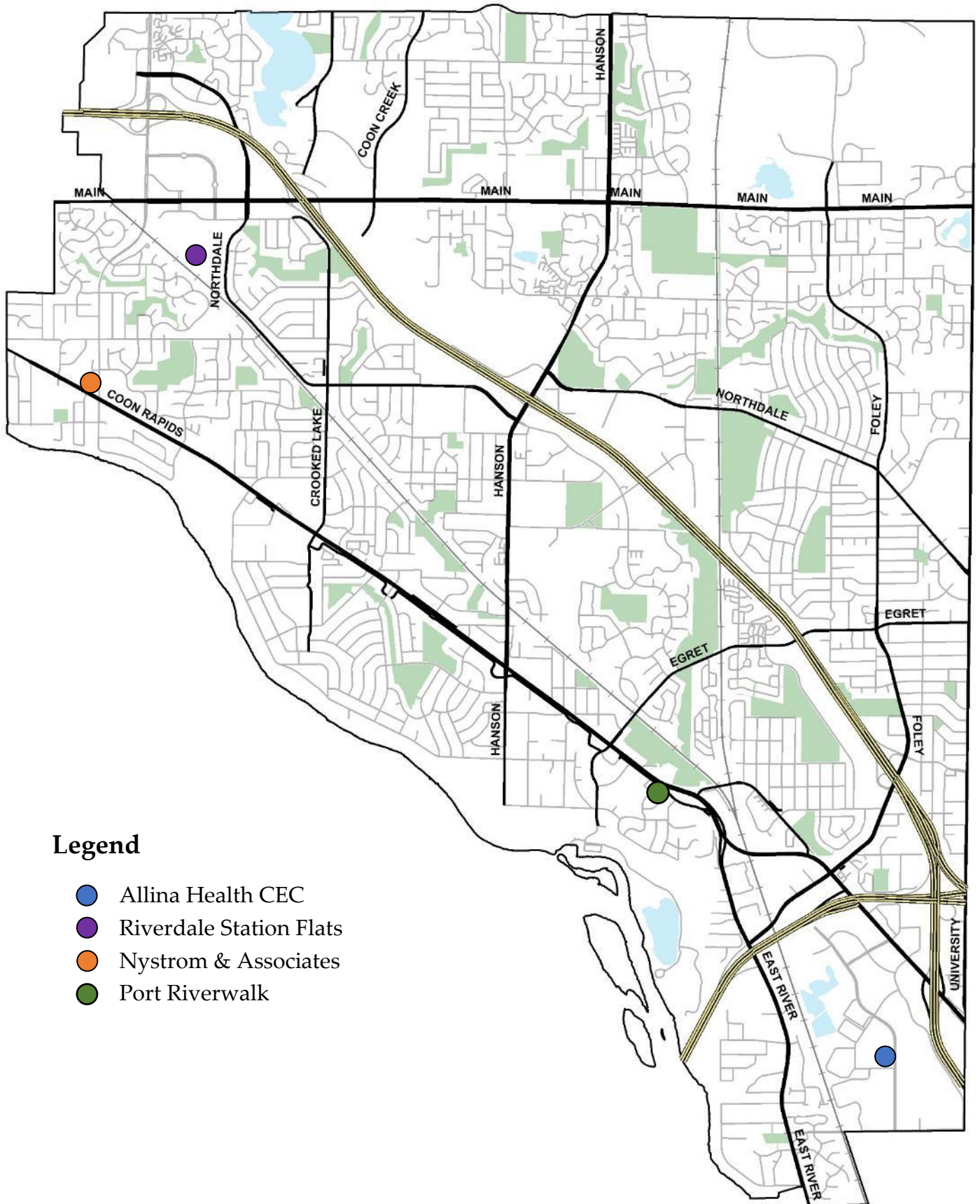


Port Riverwalk

Coon Rapids Blvd. at Avocet St.

The City's Housing and Redevelopment Authority approved a purchase agreement with Centra Homes, which plans to develop about 140 detached townhomes.

Coon Rapids Development Map



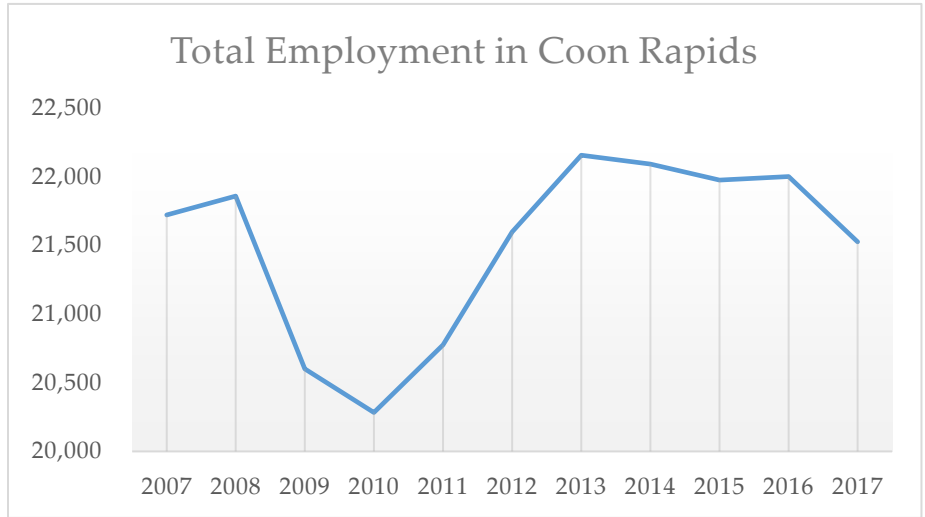
Legend

- Allina Health CEC
- Riverdale Station Flats
- Nystrom & Associates
- Port Riverwalk

Employment Report

Employment in Coon Rapids by Industry

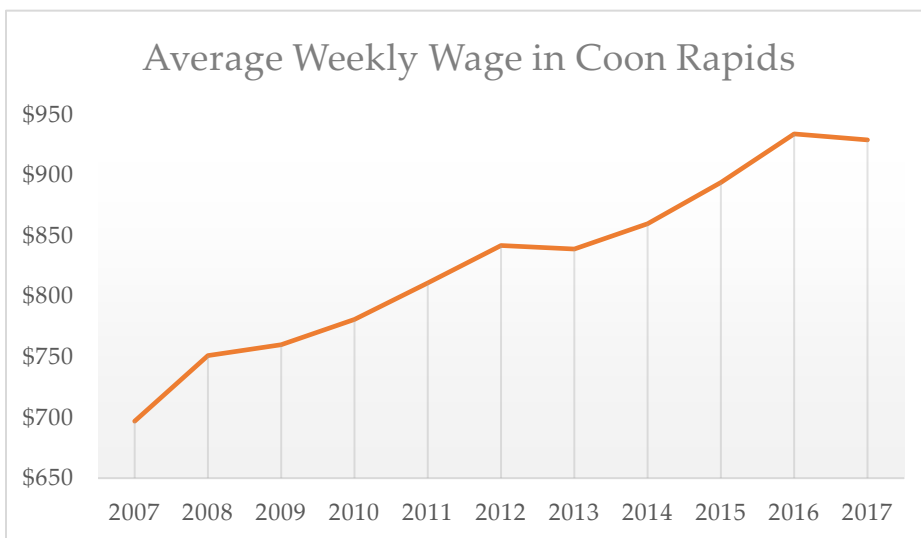
Industry	2018 Q1
Manufacturing	3,050
Trade, Transportation and Utilities	5,733
Information	243
Financial Activities	759
Professional and Business Services	2,116
Education and Health Services	6,520
Leisure and Hospitality	2,999
Other Services	953
Total, All Industries	22,812



Data source: Minnesota DEED QCEW

- Employment in Coon Rapids has recovered from its low point in 2009 - 2010 to surpass pre-recession figures. The Trade, Transportation and Utilities & Education and Health Services industries provide the bulk of private employment in the city, although a significant Manufacturing and Leisure and Hospitality industry presence exists as well.

Average Weekly Wages in Coon Rapids by Industry

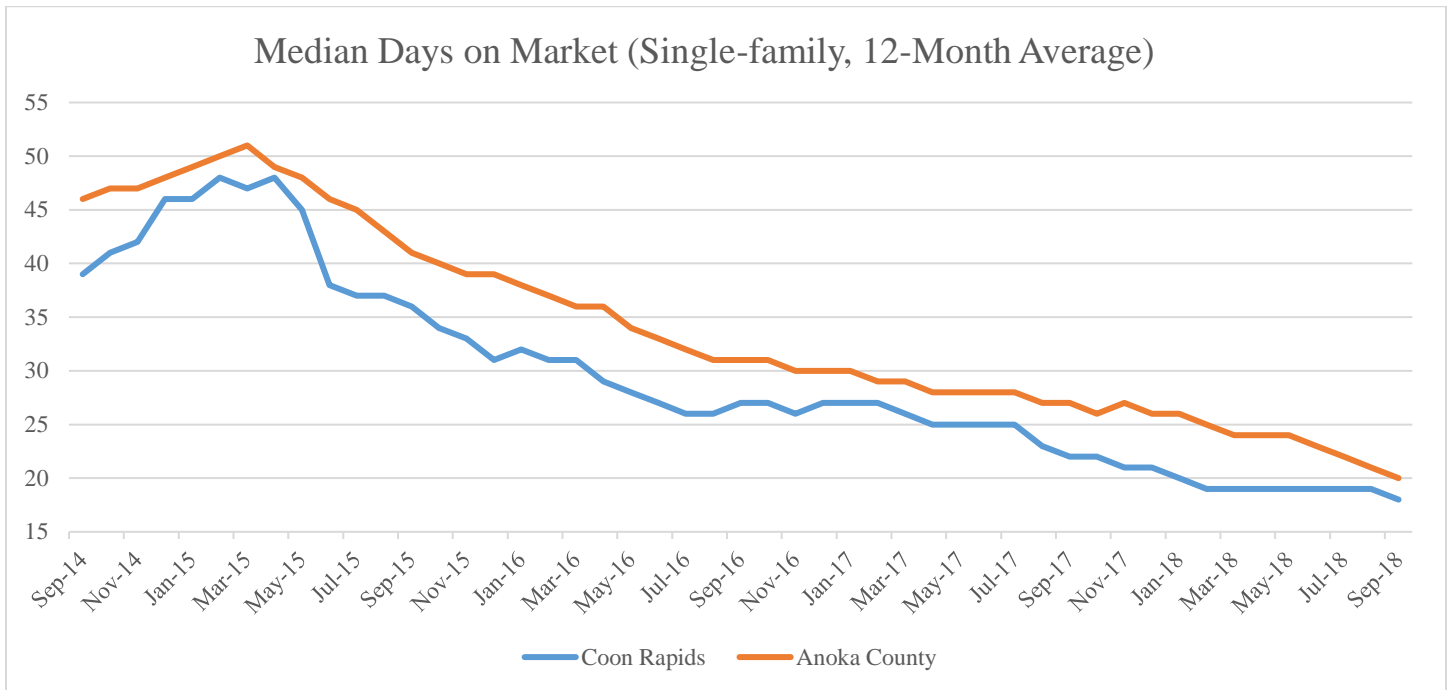


Industry	2018 Q1
Manufacturing	\$1,454
Trade, Transportation and Utilities	\$734
Information	\$627
Financial Activities	\$1,296
Professional and Business Services	\$931
Education and Health Services	\$1,229
Leisure and Hospitality	\$362
Other Services	\$601
Total, All Industries	\$959

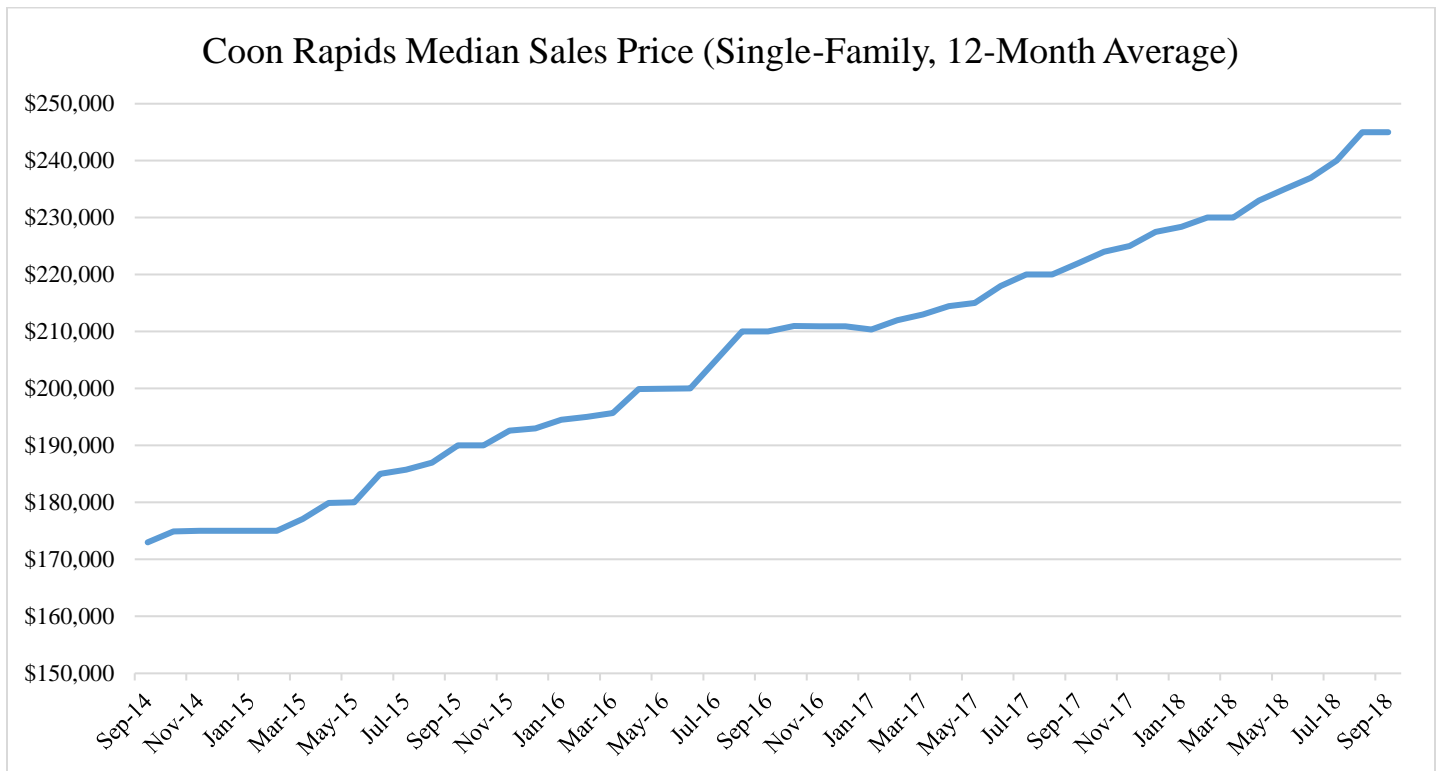
Data source: Minnesota DEED QCEW

- Wages in Coon Rapids have seen steady growth since 2007. Average annual wage growth in the city since 2007 is 3.3%, which outpaces inflation. The Manufacturing industry, as well as Education and Health Service industries maintain a higher weekly wage than any other sector in Coon Rapids. Interestingly, the city's industries with the highest proportion of city employment generally pay a higher wage.

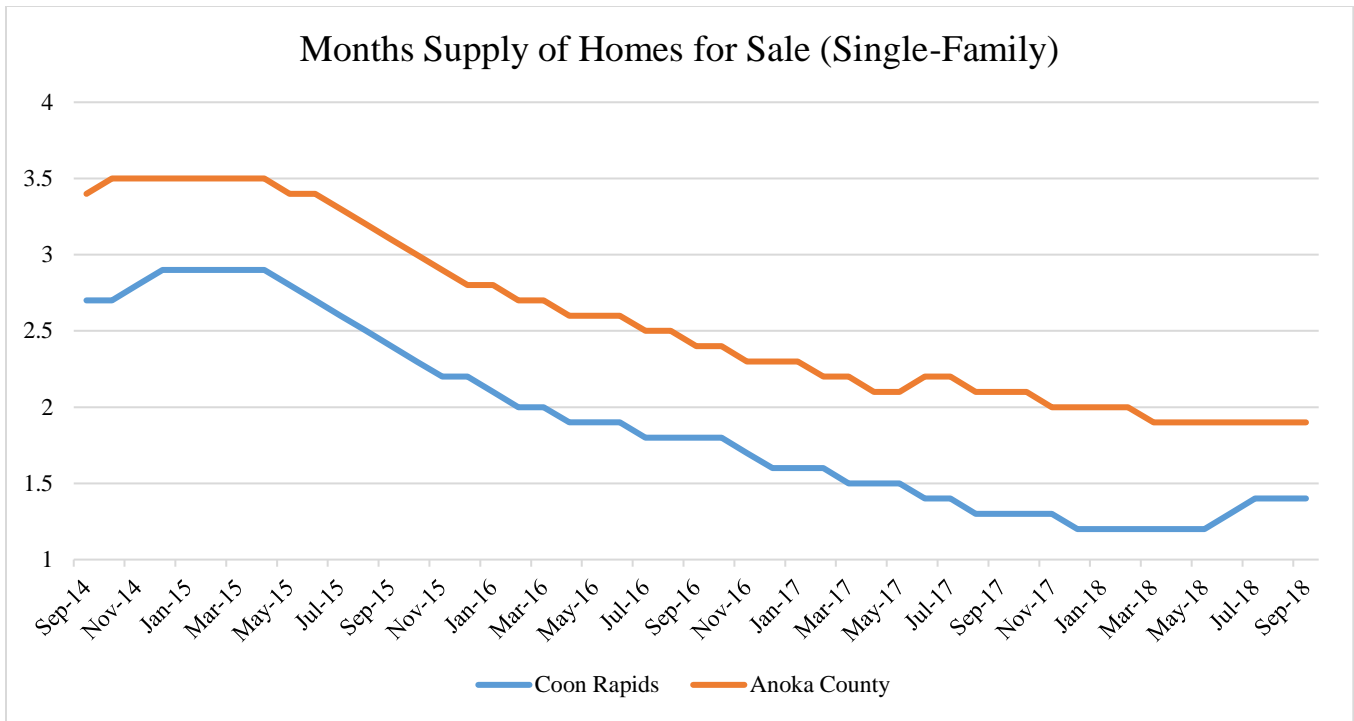
Housing Report



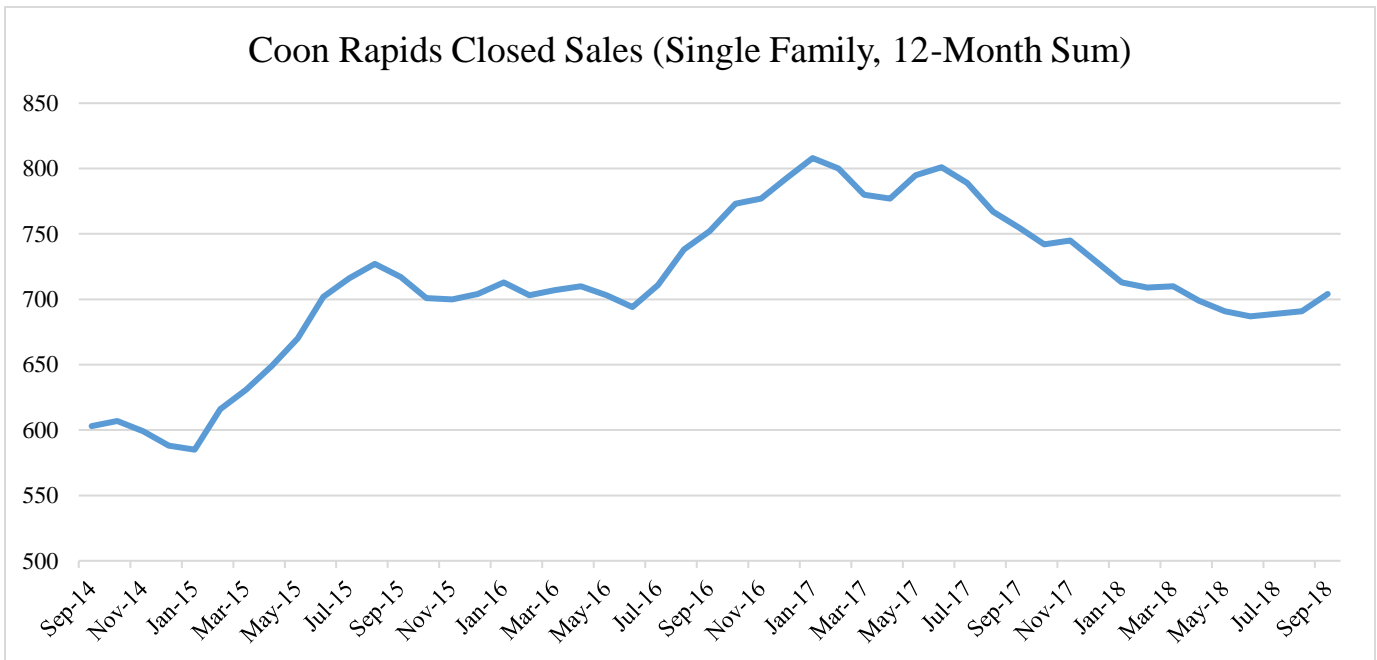
- The median number of days spent on the market has continuously dropped since reaching a peak in February 2015, which has created a seller’s market in which prices continue to rise along with demand.



- As expected, the median sales price for single-family homes has risen in the same time period, to reach a peak of \$245,000 in August and September 2018. This trend is likely to continue for some time, based on current market conditions.



- The supply of single-family homes for sale in both Coon Rapids and Anoka County as a whole has consistently decreased since early 2015, in part due to the reluctance of existing homeowners to reenter the highly competitive housing buyer market.



- The number of closed sales on single-family homes in Coon Rapids has increased since late 2014, though the current number is less than the peak in late 2016 & early 2017.