
ECONOMIC DEVELOPMENT STRATEGIC FRAMEWORK

CITY OF BURNSVILLE, MINNESOTA

July 2025



Photo Courtesy of Experience Burnsville

Contents

1	Introduction	1
2	Plan Process	3
2.1	Community Engagement.....	3
2.2	Engagement Feedback.....	4
2.3	Key Findings	7
3	Peer City Insights and Strategic Lessons	8
3.1	Regional Comparative Cities.....	8
3.2	Extraterritorial Comparative Cities	10
4	Socioeconomic and Market Realities.....	12
4.1	Demographics	12
4.2	Economic Conditions	15
4.3	Commercial and Industrial Market.....	16
4.4	Housing Market.....	19
5	Plan Objectives and Action Steps.....	22
5.1	Objective 1: Enhance Burnsville's Economic Strengths & Ignite New Business Growth	23
5.2	Objective 2: Target Development and Redevelopment Opportunities	27
5.3	Objective 3: Strengthen Economic Development Partnerships.....	31
6	Appendix	33





1 Introduction

The City of Burnsville's (the "City") reputation as a dynamic community within the Twin Cities region is evident from its commitment to continuous growth and development. The City's past endeavors, especially the Economic Development and Redevelopment Strategic Plan of 2018, showcase a planned trajectory towards fostering a diverse and sustainable community.

Subsequent plans, such as the 2040 Comprehensive Plan, Center Village Redevelopment Vision, and Integrated Marketing and Communications Plan of 2019, further underscores Burnsville's dedication to sustainable economic development and in positioning itself strategically for the future. These documents not only emphasize crucial aspects of economic growth, business retention, and community engagement but also set clear benchmarks to measure success.

Yet, the world has changed. The COVID-19 pandemic has cast a long shadow, making it essential for cities like Burnsville to reevaluate their economic strategies. The shifts in everyday routines, shopping habits, office space, industrial operations, and entertainment choices have necessitated a fresh perspective. While Burnsville's past plans were robust and visionary, the current scenario demands an updated approach, one that aligns with the new normal.

Plan Purpose

Burnsville is at a strategic crossroads in its economic development. While the city currently enjoys a diverse economy with a strong mix of industrial, retail, and office spaces that house small and medium-sized enterprises across various industries, there are emerging opportunities and challenges that necessitate a focused strategic approach. The city's well-located commercial building inventory and in-demand, affordable small to mid-size industrial spaces, and extensive medical facilities/office space make it an ideal place for businesses to start, build, and grow. However, to capitalize on these strengths and ensure sustainable economic growth, a roadmap for economic growth and sustainability is essential.

The Economic Development Strategic Framework ("EDSF") is an opportunity for Burnsville to recalibrate its strategies, ensuring that the City remains resilient and continues its trajectory towards sustained growth and community well-being.



Economic Development Priorities

ECONOMIC DEVELOPMENT CATEGORIES	Business Related Strategies	Workforce Skill Building	Infrastructure	Real Estate Development	Business District Activation, Placemaking	Citywide Tourism, Marketing, Identity Building	Workforce Needs	Human Development
	Target industry identification	Customized training	High speed internet	Incentives	Facade, rehab grants	Branding	Affordable housing	Early childhood opportunities
STRATEGIES	Business Recruitment	Secondary education internships, mentoring	Electrical capacity	Regulatory processes	Marketing	Festivals and events	Childcare, after school programs	High quality K-12
	Retention, Visitation		Transportation	Land availability	Events	Campaigns		
	Entrepreneur support		Rail/Ports		Services (garbage, sidewalk clearing)			
	Business investment & expansion support							

This economic development strategy builds on the foundation of the 2040 Comprehensive Plan and 2019 Economic Development Strategic Plan, which identified key categories used to guide this framework. These categories—business-related strategies, workforce skill building, infrastructure, real estate development, business district activation, citywide tourism and marketing, workforce needs, and human development—served as overarching principles that informed the development of Burnsville’s Economic Development Strategic Framework. This framework takes a deeper, more focused approach to drive meaningful action and impact.

Each category is integral to addressing specific dimensions of economic vitality while ensuring alignment with the City’s broader vision. Business-related strategies, for instance, prioritize business recruitment, investment, and expansion support to sustain Burnsville’s competitiveness and foster entrepreneurship. Workforce skill building emphasizes customized training and mentorship programs to meet the demands of a dynamic labor market. Infrastructure initiatives focus on enhancing connectivity and accessibility through investments transportation, and mobility solutions. Real estate development efforts center on providing development incentives and streamlining regulatory processes to encourage sustainable growth.

Strategies to enhance Burnsville’s identity and regional appeal, including marketing, events, and festivals under the business district activation and citywide tourism and marketing categories were also mentioned. Workforce needs, such as affordable housing and childcare, were also very important to residents in these plans, while human development initiatives focus on investments in early childhood centers and high-quality education to support long-term community well-being.



2 Plan Process

The EDSF plan included a robust existing conditions and research analysis to ensure that the plan strategies are grounded in current realities. These conditions and findings are summarized in this report and detailed in Appendix A. In addition to this market research, the EDSF process included engagement with key stakeholders and the public throughout the process to learn about priorities and challenges that the city can help to address through its economic development strategies.

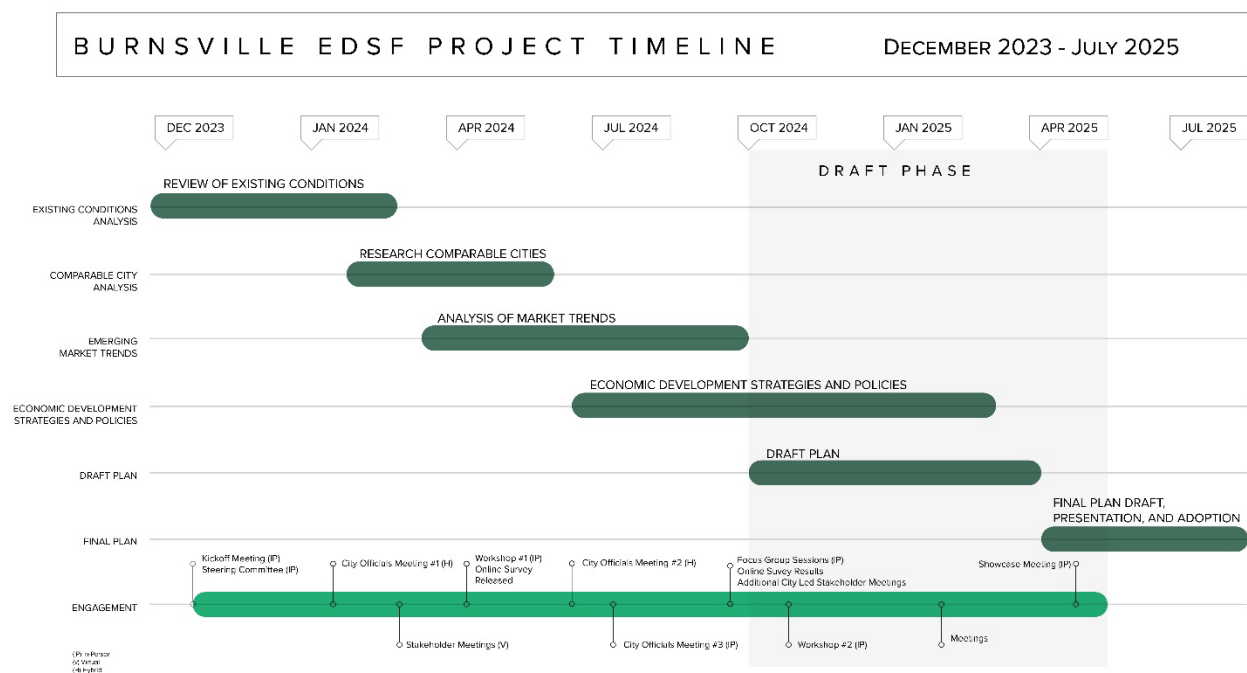


Figure 1: Project Timeline

2.1 Community Engagement

Burnsville's economic development is a collaborative endeavor that requires the active participation and insights of its community and key stakeholders. Recognizing this, the community engagement strategy was designed to ensure transparent, inclusive, and continuous dialogue throughout the project's lifecycle. By combining virtual and in-person interactions, engagement catered to the diverse needs and preferences of participants. This approach ensured that every voice was heard, fostering a unified vision for Burnsville's vibrant future.

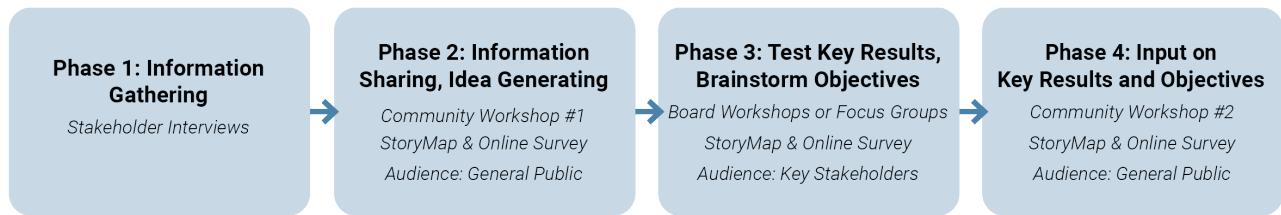


Figure 2: Public Engagement Overview

The team identified stakeholders, leaders, and underrepresented communities, for targeted in-person and virtual interaction. There were also a series of in-person and virtual workshops, coupled with online surveys, to gather insights and feedback. The engagement activities conducted are summarized below.

Table 1: Engagement Activities

Project Activity	Purpose
Initial Kickoff Meeting with City Staff and Officials	Outline project scope and establish communication protocols
Initial Stakeholder Meetings	Introduce objectives and gather feedback
Elected Officials Meeting #1	Update on findings and gather insights
StoryMap & Online Survey Release	Gather insights on economic development aspirations
Community Workshop #1	Present baseline assessment and solicit community input
Elected Officials Meeting #2	Delve into specific topics
Targeted Focus Group Sessions	Gain deeper insights into specific areas
Community Workshop #2	Share draft framework, collect input on key results and objectives
Final Presentation	Present final framework, strategies, and steps

2.2 Engagement Feedback

The following chapter provides a comprehensive summary of feedback received during the initial phase of community engagement for Burnsville’s Economic Development Strategic Framework (EDSF). This engagement effort sought to gather insights from stakeholders, community leaders, and residents to inform the development of strategies that align with Burnsville’s economic growth priorities.



Engagement Opportunities

Community input was collected through stakeholder interviews, workshops, and an online survey. These activities aimed to capture diverse perspectives on Burnsville's economic strengths, challenges, and opportunities.

Stakeholder Interviews

From March to May 2024, representatives from key organizations participated in interviews to share their insights. Stakeholders included the Burnsville Chamber of Commerce, ISD 191 Pathways Program, Experience Burnsville, and Dakota County CDA, among others. Discussions centered on participants' roles in Burnsville's economic ecosystem, their target markets, and their views on Burnsville's opportunities.

Key Themes

- ▶ **Strengths:** Burnsville's diversity of jobs, welcoming culture, collaboration between organizations, and its status as home to important regional employers.
- ▶ **Challenges:** Transportation, supporting small employers, and geographic limitations.
- ▶ **Opportunities:** Equitable business development, addressing workforce needs, revitalizing the Burnsville Center, and fostering business district activation.

Community Workshops

Two workshops were conducted in 2024 to engage directly with residents and stakeholders.

Workshop 1: May 22, 2024

Attendees provided feedback through three activities:

- ▶ **Center Village Redevelopment Vision:** Suggestions included developing destination-driving spaces such as event venues, family restaurants, and entertainment districts.
- ▶ **Bucket Activity:** Participants allocated "Burnsville Bucks" to prioritize community vibrancy tactics. Results showed strong support for citywide tourism, marketing, and identity-building (6 votes), followed by real estate development (4 votes).
- ▶ **Table Map Exercise:** Input included promoting local businesses, enhancing bike paths, and developing electric vehicle infrastructure.



Feedback from Workshop 1 emphasized the community's desire for vibrant and destination-focused developments. Residents and stakeholders showed strong interest in creating spaces that foster economic activity, family-oriented entertainment, and multi-modal accessibility. Suggestions for improved bike paths and electric vehicle infrastructure reflect a push for sustainable urban mobility and connectivity.

Workshop 2: October 23, 2024 Feedback focused on draft objectives presented via poster boards. Participants highlighted the importance of aligning infrastructure plans with redevelopment opportunities, strengthening economic partnerships, and promoting health and wellness.

The insights from Workshop 2 indicated support for strategic redevelopment and collaboration. Participants valued infrastructure improvements that align with economic goals and stressed the need for inclusive partnerships to achieve shared community outcomes. Health and wellness initiatives were also recognized as integral to fostering a high quality of life for residents.

Online Survey

The online survey was designed to gather comprehensive input from residents and stakeholders, addressing both objective metrics and subjective perceptions of Burnsville's current economic and social landscape. Topics explored included the city's strengths, opportunities for investment, community concerns, and priorities for future development. This effort expanded engagement reach and provided valuable insights, with 52 responses collected. Key takeaways included:

Strengths Identified:

- Support for manufacturing sectors
- Cost of living
- Parks and recreation opportunities

Opportunities for Investment:

- Infrastructure improvements for walkability and biking
- Commercial amenities, including upscale dining and entertainment
- Green initiatives and environmental sustainability
- Community safety and schools





Concerns:

- Quality and affordability of housing
- Traffic congestion and vacant retail spaces

Detailed Survey Results

Eighty-four percent of respondents supported increased investment in infrastructure projects, underscoring a strong public demand for enhancements that boost economic growth. Sixty-eight percent of participants emphasized the importance of prioritizing green initiatives, reflecting a clear commitment to sustainability within the economic development strategy. Additionally, 72% highlighted the need to attract high wage “New Economy” jobs as vital for Burnsville’s economic future. While respondents recognized existing strengths, 55% felt the city lacks sufficient community amenities and retail options to serve its residents. Notably, 58% of respondents reported walking or biking within Burnsville at least weekly, showcasing the community’s active engagement with local infrastructure.

2.3 Key Findings

Burnsville’s community engagement efforts reveal a shared desire to balance economic growth with maintaining quality of life. Residents value the city’s affordability, recreational opportunities, and collaborative culture but seek improvements in infrastructure, safety, and community amenities. These insights underscore the importance of targeted strategies that address identified challenges while leveraging Burnsville’s unique strengths.



3 Peer City Insights and Strategic Lessons

Understanding Burnsville's position within the broader Twin Cities metro area and beyond is essential for crafting an effective economic development strategy. This chapter examines comparative data from both regional and extraterritorial peer cities, highlighting innovative tools, strategies, and best practices used to address economic development challenges. These insights help provide Burnsville with actionable benchmarks and opportunities to integrate proven approaches into its own strategic framework.

The analysis covers regional peer cities, including Brooklyn Park, St. Louis Park, Bloomington, Coon Rapids, and Eagan, to identify shared priorities such as affordable housing, connectivity, and placemaking. Additionally, a review of extraterritorial cities, such as Frisco, TX, and Cary, NC, sheds light on strategies for rapid economic growth, urban renewal, and infrastructure optimization. By understanding the successes and challenges of these cities, Burnsville can adopt tailored strategies that align with its unique needs and opportunities for sustainable growth.

3.1 Regional Comparative Cities

As part of the EDSF, a peer city review was conducted to identify best practices and benchmark Burnsville against other similarly sized cities within the Twin Cities metro area. Table 2, on the following page, highlights the comparison, showcasing tools, projects, and strategies used by Brooklyn Park, St. Louis Park, Bloomington, Coon Rapids, and Eagan to address economic development challenges and opportunities. These cities emphasize public-private partnerships ("P3s"), tax increment funding ("TIF"), and bespoke tools to drive growth and innovation. They also prioritize affordability, sustainability, and inclusivity in their initiatives.

Key Takeaways

Job creation, business retention, and sustainable infrastructure development are central priorities across the cities, with strategic use of tools such as TIF, grants, and P3s driving economic growth and innovation. Affordable housing emerges as a common challenge, with innovative programs like Bloomington's Opportunity Housing Ordinance and Coon Rapids' Home for Generations addressing this issue. Transit-oriented development ("TOD") and creative placemaking play a vital role in enhancing connectivity and urban vibrancy, as demonstrated by projects like the Beltline Station Development in St. Louis Park and the South Loop District in Bloomington. Additionally, these cities are leveraging their diverse and growing populations to shape inclusive and equitable economic development strategies. Burnsville has an opportunity to adopt best practices from its peers, including integrating affordable housing, promoting equity and inclusivity, and capitalizing on its strategic location to strengthen connectivity and drive sustainable growth.



City of Burnsville Economic Development Strategic Framework

Table 2: Comparative Cities within the Region

	Brooklyn Park	St. Louis Park	Bloomington	Coon Rapids	Eagan
Economic Development Tools	Tax Increment Funding (TIF) ¹ , Grants (including Community Development Block Grants (CDBG)), Public Private Partnerships (P3s) ¹ , Bespoke Tools (Microbusiness Loans, Real Estate & Equipment Loans)	TIF, Grants (Met Council LCDA, Hennepin County TOD, Minnesota Department of Employment and Economic Development (DEED)), P3s, Bespoke Tools and Economic Development Agency (EDA) ¹ Programs	TIF, Grants (DEED, JCF), P3s, Bespoke Tools (Opportunity Housing Ordinance)	TIF, Grants (COVID-19 Business Relief, Anoka County), P3s, Bespoke Tools (Home for Generations)	TIF, Grants (DEED, Dakota County CDA), P3s, Bespoke Tools (Business Subsidies, Low-Interest Loans)
Notable Initiatives and Projects	Brooklyn, Affordable Housing, Commercial Code Correction Program	The PLACE Project ¹ and the Bellline Station Development ²	The South Loop District and the use of Creative Placemaking	The Rivendale Business District	The Cedar Grove Transit Station and several Corporate Headquarters (Thomson Reuters, Blue Cross Blue Shield, etc.)
Outcomes and Impacts	Youth employment and the development of skills through Brooklyn; the improved affordability and availability of housing; vibrant and well-maintained business districts.	Job creation and employment opportunities through PLACE Project; increasing access to affordable housing; sustainable economic growth and efficient transportation and transportation improvements with TOD policies and overlays.	Job creation and employment opportunities through MN Job Creation Fund; increased affordable housing via the Opportunity Housing Ordinance; vibrant mixed-use urban centers; sustainable growth and environmental responsibility.	Job creation and commercial growth in Rivendale Business District; inclusive growth and sustainable development; improved housing through Home for Generations.	Job creation and commercial growth supported by and through corporate headquarters; diverse housing options including affordable housing; leveraging strategic location for growth.
Challenges and Barriers	Economic disparities and funding limitations for large scale infrastructure projects	Environmental cleanup, large-scale project funding constraints, mixed-use development(s) with affordable housing	Infrastructure funding and higher-density housing projects	Has relatively strong economic disparities and funding constraints	Balancing infrastructure demands with funding limitations
Influence of Demographic Trends	Diverse population influences inclusive economic development strategies	A growing population and a focus on sustainable, high-density living	Diverse and growing population influences housing and employment strategies	Diverse population shapes inclusive growth and sustainable development	Has a diverse and growing population that influences their quality of life and employment opportunities
Comparison to Burnsville's Notable Projects	Focus on equity and inclusivity, youth employment, small business support	The city has emphasised TOD, sustainability, and innovative projects like the PLACE District	Creative placemaking, high-density developments, sustainable growth	Revitalizing commercial districts, supporting small businesses, strategic planning	Leverages their strategic location, corporate presence, and sustainable growth and connectivity
Best Practices for Burnsville	Focus on equity and inclusivity, addressing economic disparities	Strong emphasis on TOD, addressing environmental cleanup	Creative placemaking, integrating affordable housing	Revitalizing commercial districts, economic disparities	Strategic location and corporate presence, infrastructure demands

¹ The PLACE Project is an innovative mixed-use, transit-oriented development in St. Louis Park, MN. It is designed to integrate affordable housing with commercial spaces and community amenities. The project emphasizes sustainability and creative placemaking, incorporating green building practices and public art.

² The Bellline Station Development is a mixed-use, transit-oriented development project centered around the Bellline Light Rail Transit Station. Bellline Station integrates a variety of residential, commercial, and public spaces, including a mix of market-rate and affordable housing units, retail and office spaces, and public amenities designed to enhance accessibility and promote sustainable urban living.



3.2 Extraterritorial Comparative Cities

To further contextualize Burnsville's economic development efforts, a review of extraterritorial cities with varying geographic and economic conditions was conducted. Table 3, on the following page, highlights insights from Cary, NC; Frisco, TX; Overland Park, KS; Henderson, NV; Youngstown, OH; Flint, MI; and Rockford, IL. These cities leverage a range of tools, including TIF, P3s, grants, and bespoke incentives, to tackle challenges such as infrastructure demands, economic diversification, and urban renewal. Notable projects span technology parks, healthcare hubs, and downtown revitalization, showcasing diverse strategies to address unique community needs and growth priorities.

Key Takeaways

The analysis of extraterritorial cities reveals several transferable practices and considerations for Burnsville. Cities like Cary and Frisco emphasize rapid economic growth through technology parks, sports venues, and corporate headquarters, addressing infrastructure demands and enhancing community quality of life. Overland Park and Henderson focus on balancing growth momentum with infrastructure capacity by developing mixed-use urban centers, healthcare hubs, and community services. In contrast, cities like Youngstown, Flint, and Rockford prioritize urban renewal and industrial redevelopment to combat high unemployment, economic stagnation, and deteriorating infrastructure, with a particular focus on public health and safety. Demographic trends also shape strategies; Cary and Frisco target young professionals and families, while Henderson prioritizes retirees and healthcare services.



Table 3: Extraterritorial Comparative Cities

	Carry, NC	Frisco, TX	Overland Park, KS	Henderson, NV	Youngstown, OH	Flint, MI	Rockford, IL
Economic Development Tools	TIF, grants, P3s, bespoke sales and business tax refund tools	Tax Increment Reinvestment Zones (TIRZ), grants, P3s, bespoke tools for business incentives	TIF, Sales Tax and Revenue (STAR) Bonds ² , grants, TDD, CID, P3s, incentives for businesses	TIF, grants, New Markets Tax Credits, CID, P3s, bespoke local business incentives	TIF, grants, P3s, CID, TDD, redevelopment funds	TIF, grants, P3s, federal and state aid	TIF, grants, P3s, TDD, CID, local business incentives
Notable Initiatives and Projects	Technology park, developments, mixed-use urban centers, green space initiatives	Major sports venues, corporate headquarters, mixed-use developments	Corporate office parks, mixed-use developments, community centers	Healthcare facilities, tech hubs, residential communities	Urban renewal projects, industrial redevelopment, community revitalization	Water infrastructure projects, community health initiatives, urban renewal	Downtown revitalization, industrial park development, community services
Outcomes and Impacts	Youth employment and skills development through tech parks; improved green spaces; vibrant mixed-use urban centers.	High job creation through major sports venues and corporate HQs; vibrant commercial areas; balancing rapid growth with infrastructure capacity.	Job creation in corporate sectors; improved residential areas; vibrant community centers; sustainable growth.	Job creation in healthcare and tech sectors; increased housing improved community services; addressing infrastructure needs.	Job creation in manufacturing, urban renewal; community services enhancement; addressing high unemployment and population decline.	Job creation through infrastructure projects; improved community health; urban renewal; addressing public health crisis and high unemployment.	Job creation in various sectors; downtown revitalization; community service enhancements; addressing high unemployment and urban decay.
Challenges and Barriers	Managing rapid growth and infrastructure demands	Balancing growth with infrastructure capacity	Maintaining growth momentum and infrastructure improvements	Managing growth and ensuring adequate infrastructure	Combating high local unemployment and deteriorating infrastructure; population decline	Severe infrastructure issues, public health crisis, high unemployment	High unemployment, urban decay, limited economic diversification
Influence of Demographic Trends	Attracting young professionals and families; focus on quality of life and sustainability	Rapid population growth; young and affluent demographic; focus on amenities and quality of life	Focus on attracting families and businesses; quality schools and safe neighborhoods	Attracting retirees and young professionals; focus on quality of life and healthcare services	Focus on retaining residents; improving quality of life; economic diversification	Addressing population decline; focus on public health and safety	Focus on retaining residents; improving urban areas; diversifying the economy
Comparison to Burnsville's Notable Projects	Similar emphasis on mixed-use developments and green spaces; strong focus on tech employment opportunities	Emphasis on sports and entertainment venues; corporate HQs similar to Burnsville's commercial development	Corporate and residential development emphasis; sustainable growth initiatives	Emphasis on healthcare and tech sector growth; residential community developments	Emphasis on urban renewal and community revitalization; similar challenges with economic diversification	Emphasis on infrastructure and health initiatives; addressing economic recovery needs	Emphasis on downtown revitalization; addressing economic diversification
Best Practices for Burnsville	Implementing technology parks to drive youth employment and skills development; enhancing green spaces	Developing sports and entertainment venues to drive economic growth; attracting corporate headquarters	Encouraging corporate office parks; developing community centers to enhance neighborhood quality	Developing healthcare facilities and tech hubs; increasing housing and community services	Implementing urban renewal projects; fostering industrial redevelopment	Investing in water infrastructure and health initiatives; urban renewal strategies	Encouraging downtown revitalization; developing industrial parks and community services

¹ TIRZ is very similar to TIF in that it is a public financing method used to promote economic development and redevelopment in designated areas. An area must be designated as a TIRZ, and then property tax revenues generated from the increase in property values (the "increment") are captured and reinvested within the zone. TIRZ are only used within the State of Texas.

² Sales Tax and Revenue (STAR) Bonds are a financing tool available under Kansas state law designed to promote major commercial, entertainment, and tourism projects. STAR Bonds are only used within the State of Kansas.



4 Socioeconomic and Market Realities

Understanding Burnsville's current demographic and market conditions is critical to grounding its economic development strategies in reality. This chapter explores key population, economic, and housing trends that provide valuable insights into the city's evolving character and needs. Drawing from detailed analyses of Dakota County's population dynamics, Burnsville's economic conditions, and its housing market, this section lays the foundation for targeted strategies that address both the challenges and opportunities facing the community.

A comprehensive analysis, expanding on the key trends highlighted in this section, is available in Appendix A to support a deeper understanding of Burnsville's evolving demographic and market conditions.

4.1 Demographics

Population. Dakota County's population continues to grow due to high rates of natural change (birthrate outpacing death rate), as shown in Figure 3. New housing construction drove migration into Dakota County. Since the pandemic, in-migration has slowed. Natural change is likely to slow with an aging population, although edge cities have a higher ratio of younger families than post-War suburbs like Burnsville.

Burnsville's population growth is relatively moderate. The rate of household growth is slightly lower than population growth, indicating that Burnsville has been adding smaller households.

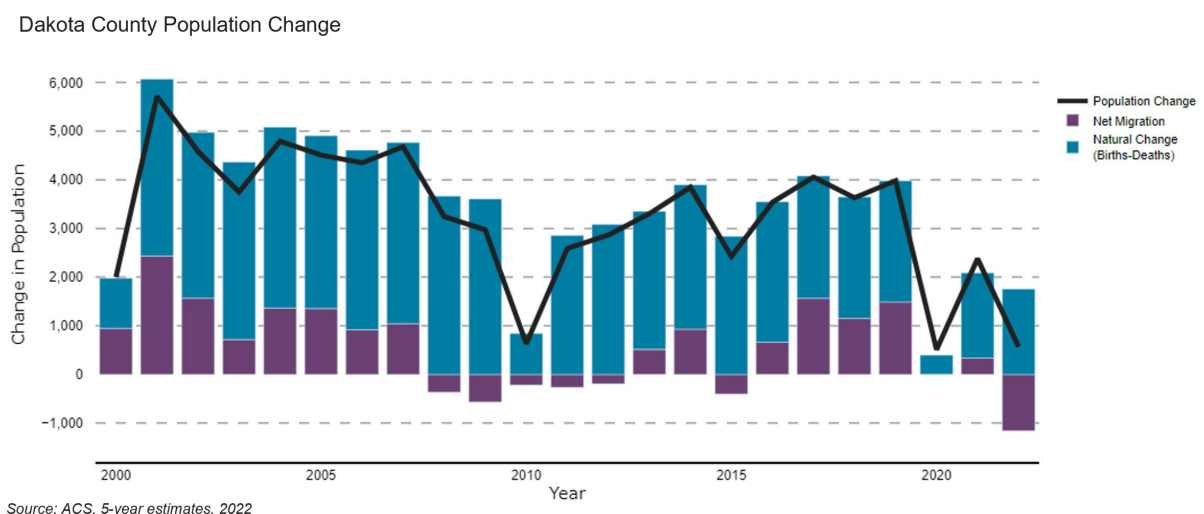


Figure 3: Dakota County Population Change



Age. Family turnover is starting to occur, although the population is aging. Burnsville contains an older population, with higher proportions of people age 50+ compared to many comparison geographies (excepting Brooklyn Park), as shown in Figure 4. Thirty-nine percent (39%) of Burnsville households are over the age of 60. St. Louis Park – a city that has aggressively pursued infill development - has significant growth in younger, early-career persons. Burnsville also has a growing population of younger households, aged 20-34.

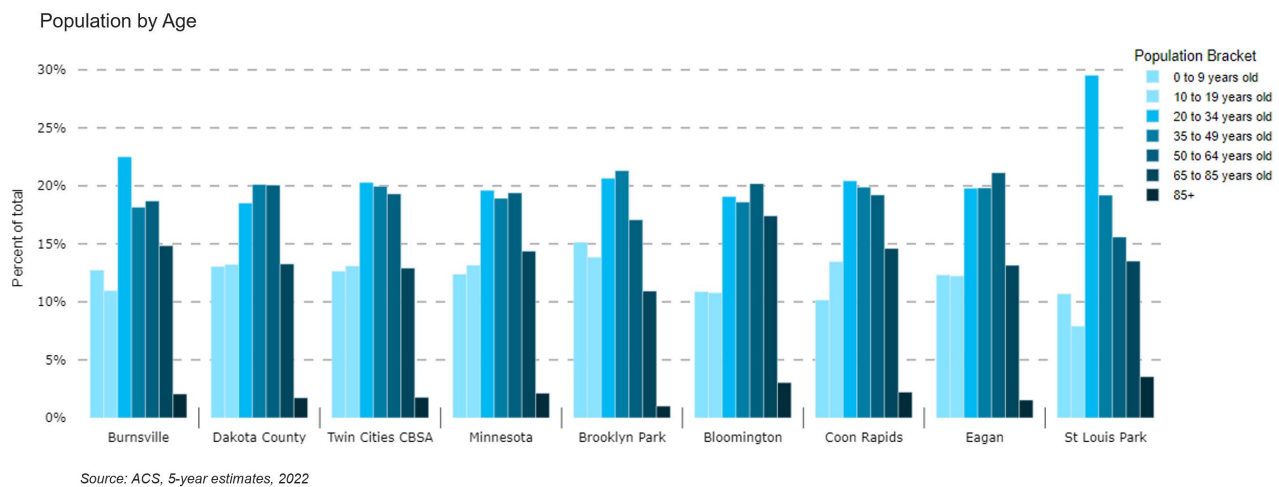


Figure 4: Burnsville and Comparison Cities Population By Age

Income. Burnsville is a strongly middle-class community. The income structure in Burnsville contains more middle-income families than comparison geographies, with lower proportions of both very high-income households and lower-income households, as shown in Figure 5. It does have a higher proportion of workforce households who earn 60-80% of the region's median household income.

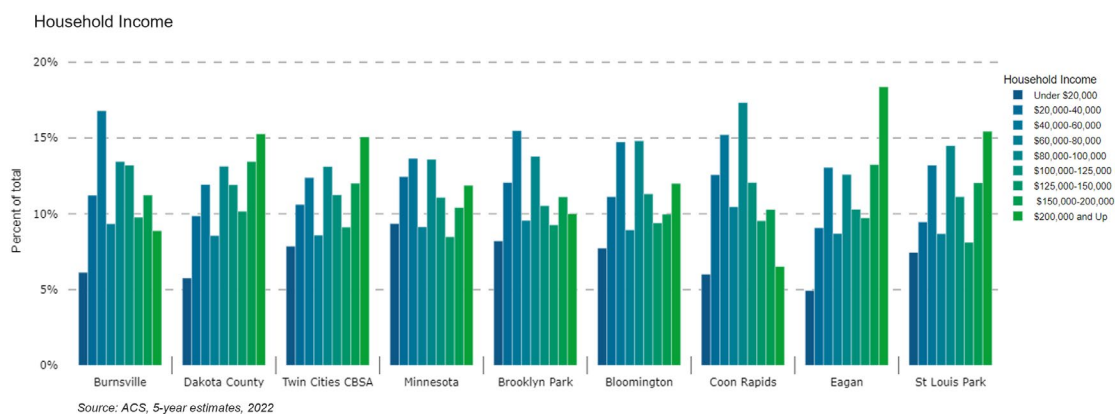


Figure 5: Burnsville and Comparison Cities Household Income



Diversity. Burnsville is a diverse suburb. Burnsville has higher rates of racial and ethnic diversity than the metro as a whole, including higher ratios of black and Latino families, as shown in Figure 6. There are 19,038 households that identify as white alone, with other major racial/ethnic groups including black households (2,697), Latino/Hispanic (1,728), Asian (1,286), and two or more races (927) households.

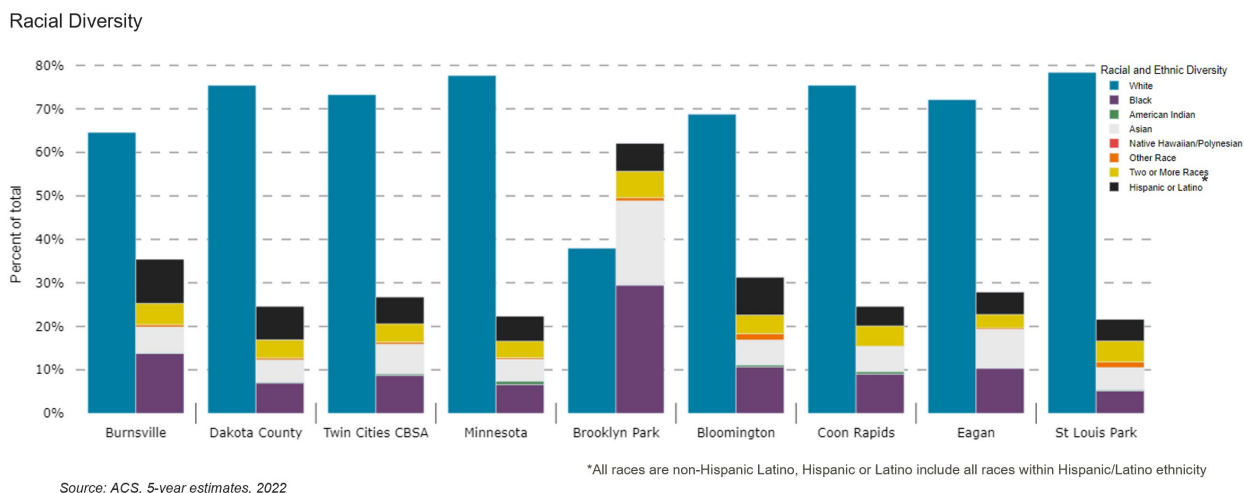


Figure 6: Burnsville and Comparison Cities Racial and Ethnic Diversity

Demographic Summary

- Incomes are growing slower than rents:** Given Burnsville and Dakota County's broader economic structure, incomes have not grown as quickly as other metro locations where a higher proportion of residents work in New Economy High Wages jobs. Median household incomes have not grown as quickly as housing costs - especially in the rental market. The consequence is that the ratio of median incomes to median rents is one of the highest in the metro, with rental prices far outpacing income gains. Likewise, more than 50% of Burnsville renters are housing cost burdened, and the proportion of households who are rent burdened has grown at a faster rate than comparison geographies.
- Burnsville's Aging Population:** Burnsville's population is aging. Burnsville's household size has dropped at a faster rate than other communities. The main cause is a shift in the number of families, with households with children shrinking over the past decade as married households without children grows. The proportion of other family types remains proportionally similar, albeit with small growth in co-habitation and people living alone – consequences of added multi-family rental housing stock.
- Home Values are Positioned Near Median Values for the Metro Area:** Burnsville's home values have appreciated at similar rates to other parts of the metro. Home values remain



competitively priced and are situated 59th percentile in terms of home values relative to median incomes. Due to limited developable area, home value maintenance and upkeep remains a priority for maintaining property values while also building out a deeper breadth of amenities that will continue to attract millennial aged households.

- **Burnsville, like other cities is at an inflection point:** Despite an aging population, there is already ‘turnover’ happening as older households move out of single-family homes and millennial families move in. This trend is expected to accelerate as Millennials continue to move into family-raising years and their parents move out of single-family homes that remain too large relative to their existing household size.

4.2 Economic Conditions

Workforce Overview. Manufacturing – a tradeable goods sector – remains the major driver of GDP growth in Dakota County. Burnsville’s Blue Collar job share is higher than the Metro, and it has been increasing at a faster rate proportionally than the region. Burnsville’s employment base has grown while its resident labor force declines. The number of people who live and are employed in the city has slowly declined. Figure 7 shows major takeaways about Burnsville’s workforce.

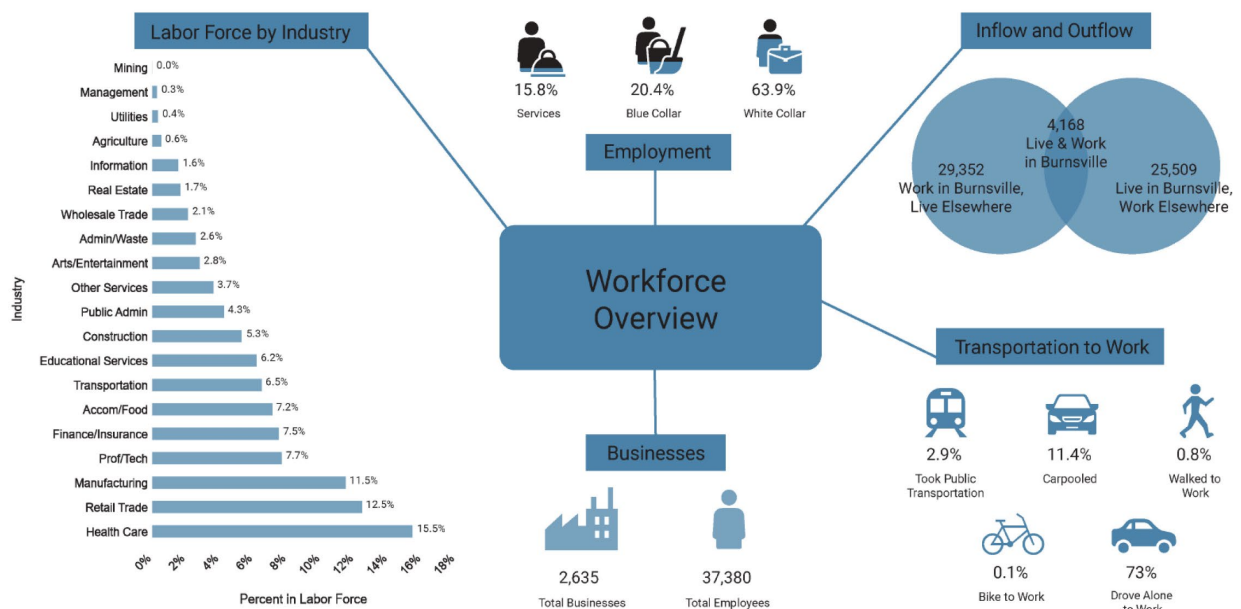


Figure 7: Burnsville Workforce Overview



4.3 Commercial and Industrial Market

Office Market Trends. Office-based occupations are in decline metro-wide, Burnsville is no exception (-17.83%), although regional concentration of professional services and engineering create a buffer. General retail employment (-12.4%) and accommodation/food service jobs (-8.9%) are also down metro-wide and in Burnsville, as shown in Figure 8.

Job losses metro wide and in Burnsville in office-intensive sectors, when combined with Covid-19 induced declines in office use, describe a sector in decline. Burnsville's mixed-use centers have many amenities desired for office users, and Burnsville's office market is outcompeting many other areas in the region due to its affordability and growing proximity to a broader range of amenities. However, future demand for office space is still unclear. Older office buildings – such as those south and north of the HOC, but not in the Gateway area, are likely to be redeveloped, and this is already occurring.

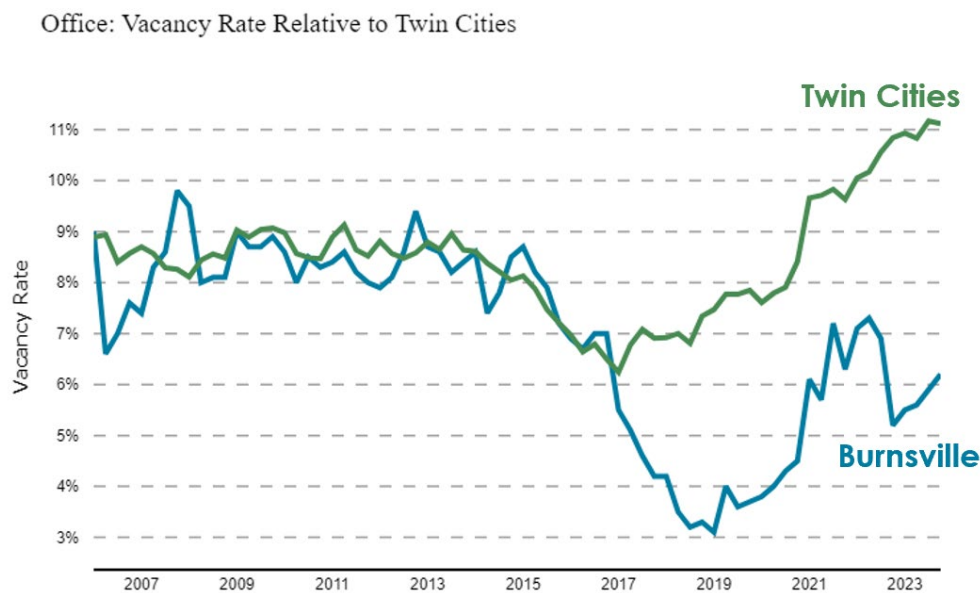


Figure 8: Burnsville Office Vacancy Rate Relative to Twin Cities



Industrial Market Trends. Job Growth has been strongest in occupations that use industrial space, in particular wholesaling and manufacturing activity. These are jobs that pay well and generate growth.

Industrial buildings in Burnsville are older, smaller, with lower ceiling heights and fewer dock bays than new inventory in the metro. Nonetheless, excellent location and very strong demand for smaller space for small to mid-size businesses has kept occupancy high. Figure 9 provides more information about the existing industrial areas in Burnsville. It is recommended to preserve, maintain, and selectively redevelop industrial space to grow an important jobs base.

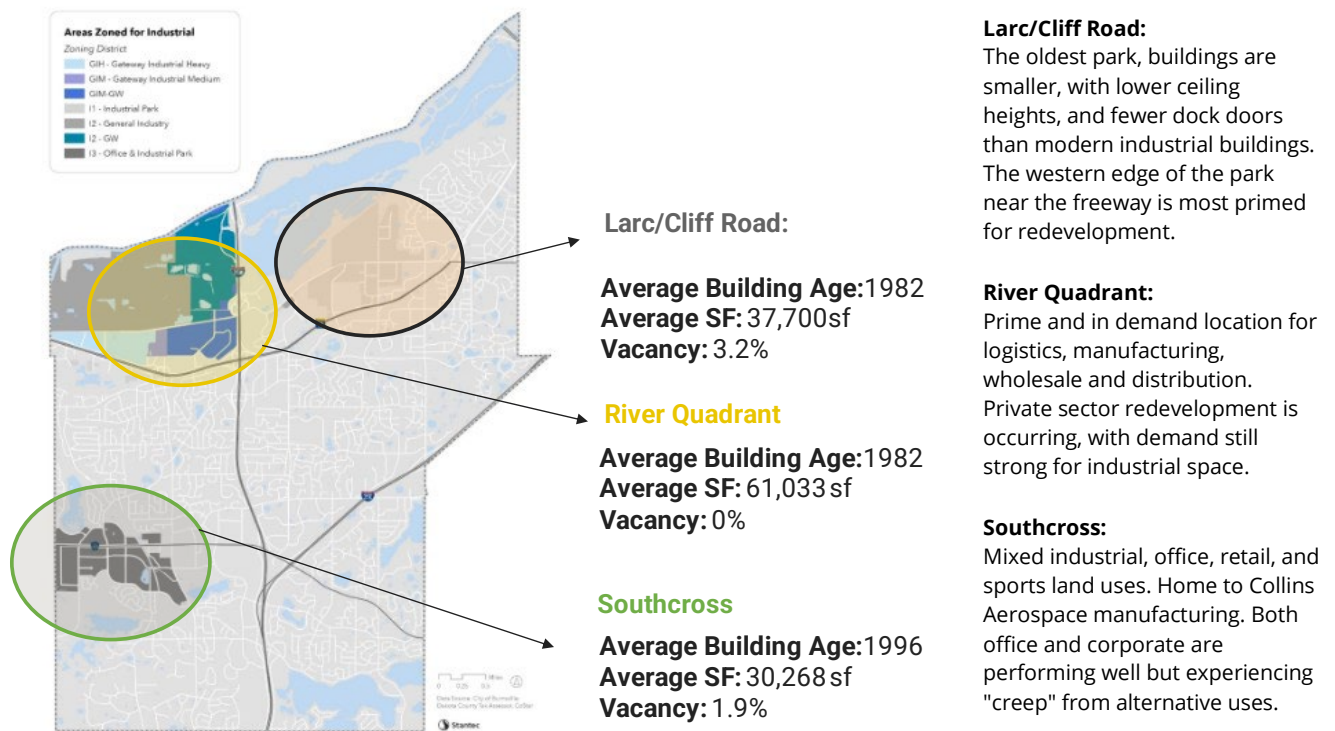


Figure 9: Burnsville Industrial Areas



Retail Market Trends. Over the past decade, Burnsville has added no new retail space apart from fast-casual restaurant concepts. This lack of new development, combined with workforce shortages, has contributed to declining employment in both the food and accommodation sectors as well as retail.

Regionally and nationally, retail developers significantly slowed new construction in the 2010s due to the rise of e-commerce, which curtailed supply. However, market absorption has stabilized over time, driving limited new development, increased acquisition activity, and redevelopment projects.

While overall vacancy rates in Burnsville remain high, as illustrated in Figure 10, this is largely attributable to the 220,447 square feet of vacant space at the mall and prolonged vacancies in some neighborhood centers undergoing redevelopment. These redevelopment efforts indicate market-driven, opportunistic activity rather than a broader decline in retail demand.

Burnsville Center's transition remains the major challenge in the retail market.

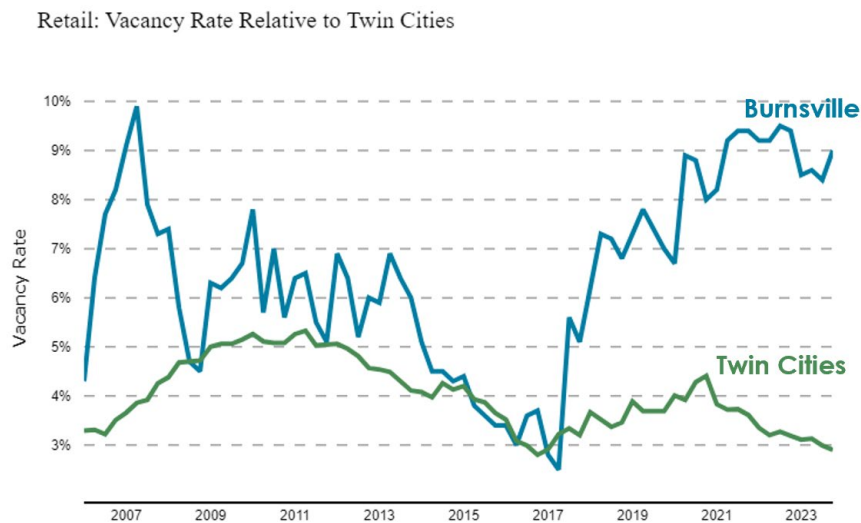


Figure 10: Burnsville Vacancy Rates



4.4 Housing Market

Housing Market Trends. Burnsville has one of the highest rates of cost-burdened renters¹ in the southern metro. Since 2009, the proportion of households that are rent burdened have grown faster in Burnsville than elsewhere in the metro region, as shown in Figure 11.

Relative to comparison cities, Burnsville's median rent as a percentage of monthly household income is severe. In Burnsville, median rent is 20% of the median household income. Relative to the 7-County metro region, Burnsville sits in the 87th percentile, or only 13% of Metro cities have a higher median gross rent relative to median income ratio. Burnsville housing demand is strongest at the entry end of the ownership housing market. Missing middle housing remains an option for adding housing stock at this price range.

Figure 11: Housing Cost Burdened Households

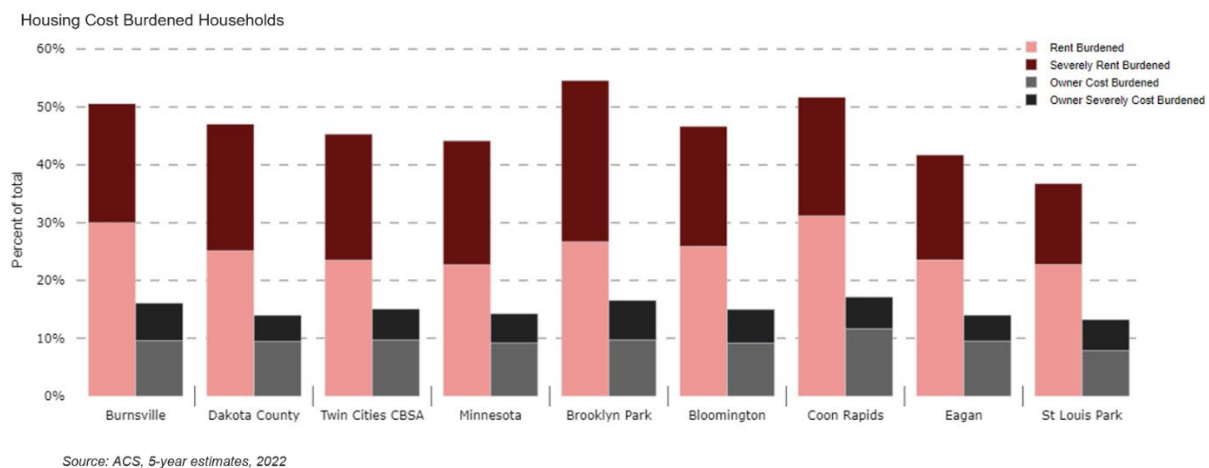


Figure 12, on the following page, provides a detailed overview of housing affordability across various income brackets, measured as percentages of Area Median Income (AMI), and salary ranges for various occupations. The chart illustrates the alignment between housing types, such as subsidized and market-rate housing, and the income levels they serve. It highlights disparities in affordability, with lower-income households relying on Section 8 vouchers, LIHTC housing, or naturally occurring affordable housing (NOAH). Conversely, higher-income groups access new market-rate housing or custom single-family units. This visualization underscores the critical gaps in affordable housing availability for households in the 30-60% AMI range, emphasizing the need for strategic interventions to address these inequities.

¹ A renter is considered cost-burdened if they spend more than 30% of their household income on rent and basic utilities. This threshold is used to indicate financial strain, as it leaves limited resources for other essential expenses such as food, healthcare, and transportation.

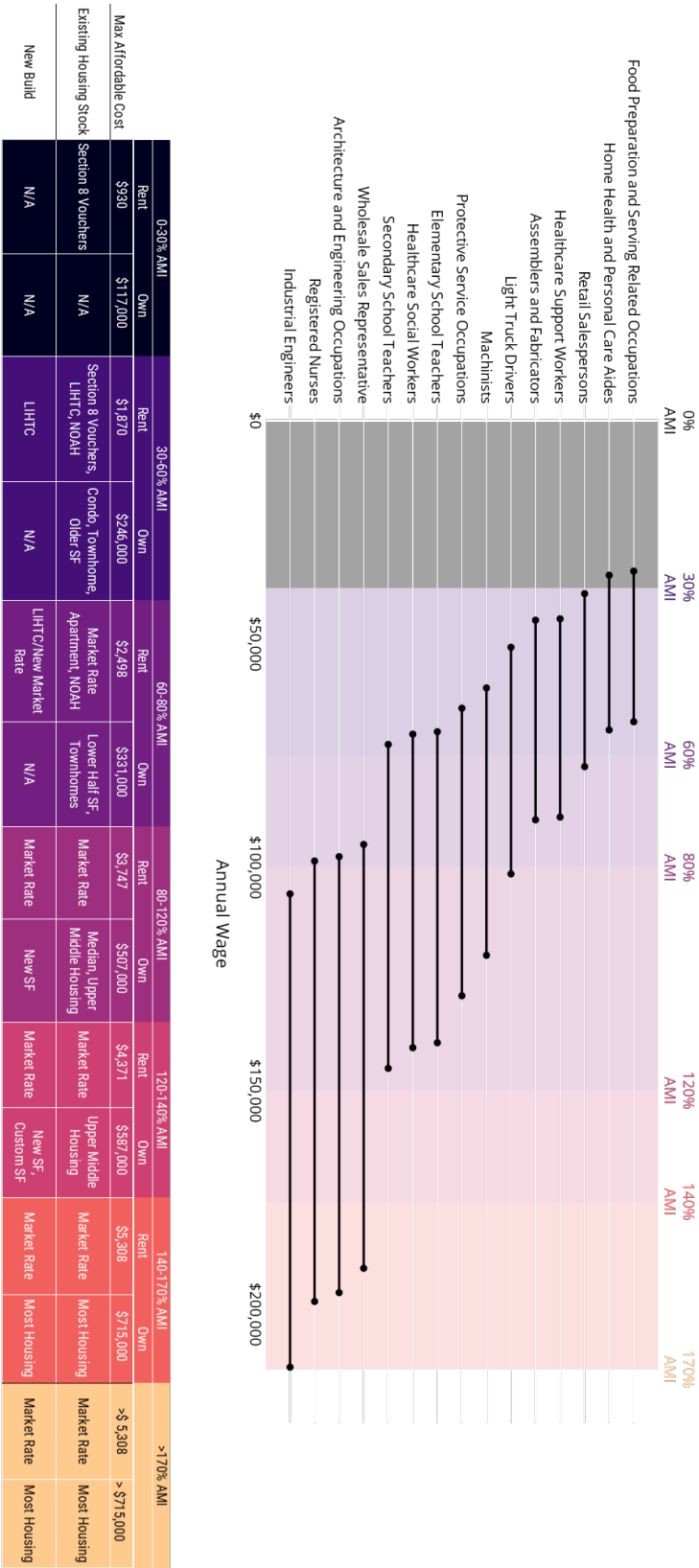


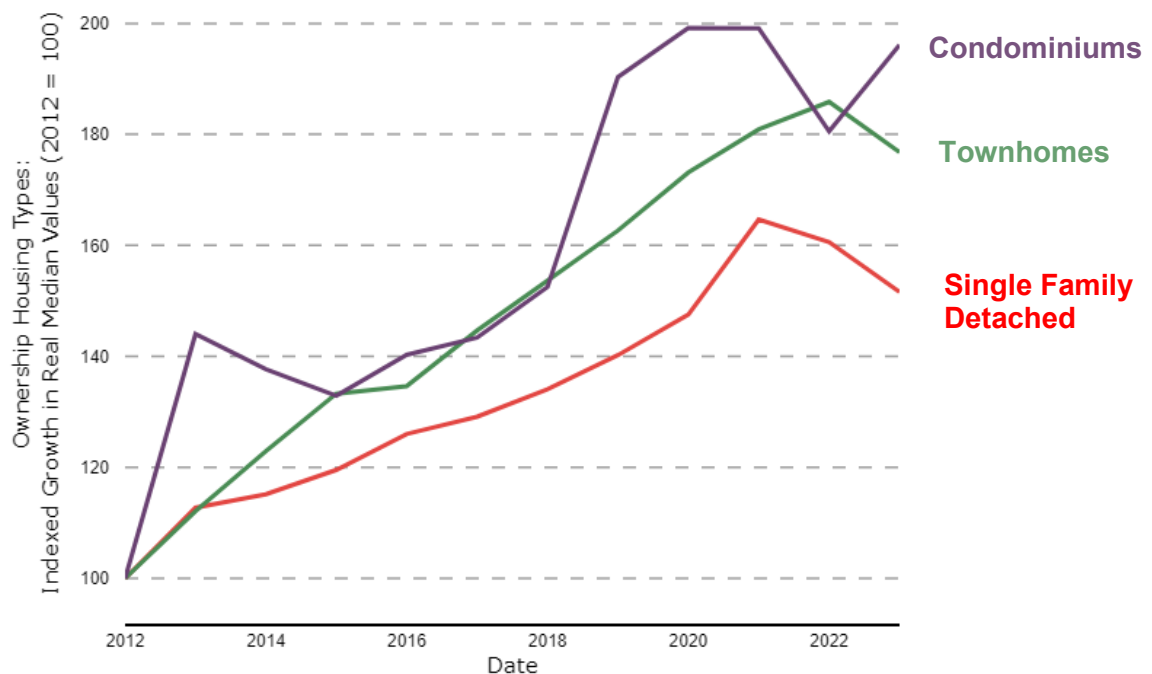
Figure 12: Occupational Income and Housing Affordability



Figure 13, below, illustrates the indexed change in real housing values from 2012 to 2022 for three Burnsville housing types: condominiums, townhomes, and single-family detached homes, with 2012 serving as the baseline (index = 100). Over the decade, condominiums experienced the most significant growth, peaking sharply around 2020 before a slight decline in 2022.

Townhomes followed a steady upward trajectory, reflecting consistent value growth that surpassed single-family detached homes but remained below condominiums. Single-family detached homes exhibited the slowest growth rate among the three, showing a more stable but gradual increase in value. This data highlights the varying demand and market dynamics across housing types, with condominiums demonstrating high volatility and townhomes and single-family homes offering steadier investment potential over time.

These trends underscore the evolving preferences in housing markets, driven by urbanization, affordability, and lifestyle factors.



Source: Redfin

Figure 13: Indexed Change in Real Housing Values by Housing Type



5 Plan Objectives and Action Steps

The objectives and action steps presented in this chapter were developed through a comprehensive and collaborative process. They are informed by key findings from the 2024 Housing and Commercial Needs Assessment Study, Appendix A, which provided critical data and insights on Burnsville's housing, commercial, and industrial market conditions. Additionally, input was gathered through extensive stakeholder engagement, including interviews and discussions with community leaders, business representatives, and residents. Feedback and comments from city staff further refined these objectives to ensure alignment with Burnsville's strategic priorities and community aspirations. Together, these sources form the foundation of a tailored economic development strategy designed to meet the City's current and future needs.

Strategies are often categorized into short-term, medium-term, and long-term based on the timeline for implementation and expected outcomes.

Short-term goals typically span a period of one to three years and focus on immediate, actionable priorities. These may include quick wins such as updating policies, launching pilot programs, or addressing other pressing community needs. Short-term goals are designed to build momentum, address urgent challenges, and set the stage for more extensive initiatives.

Medium-term goals generally cover a three- to five-year timeframe. They bridge the gap between short-term priorities and long-term vision, focusing on projects or strategies that require moderate planning and resource allocation. These goals are pivotal in sustaining progress and aligning with overarching plans.

Long-term goals encompass a horizon of five to ten years or more and represent transformative objectives that shape the community's future. These goals often require extensive planning, significant investment, and collaboration across multiple stakeholders. Long-term goals provide a visionary framework, guiding decision-making and ensuring that short- and medium-term actions align with the community's broader aspirations.



5.1 Objective 1: Enhance Burnsville's Economic Strengths & Ignite New Business Growth

Rationale: Strong regional demand exists for industrial space, particularly for non-traditional manufacturing or wholesaling operations and medical services. Preserving and enhancing spaces for these industries is essential to support local industry, promote economic growth, and provide employment opportunities. Burnsville's industrial and office spaces are also ideally suited for supporting new and growing firms.

Data from the Burnsville Housing and Commercial Needs Assessment Study indicates that strong retail sector and New Economy: Low Wage jobs are stressing the more affordable end of the housing market, suggesting that further diversifying housing options is warranted. Providing a variety of housing options helps support a skilled workforce, making Burnsville an attractive place to both live and work and supports new business.

Small businesses contribute the largest share of job creation and economic resilience in Burnsville, even after accounting for firm age. Developing expertise in entrepreneurship and small business support can also assist new and existing firms meet their needs.

1. **Industrial Land Use Preservation** (Medium-Term): Maintaining existing industrial areas for industrial use prevents encroachment by non-industrial developments such as retail or residential projects. Discouraging non-industrial uses ensures that industrial businesses have adequate space to operate and expand, maintaining the city's industrial capacity and supporting economic growth in this sector. Creation of an overlay district supports maintenance of these economically important industrial uses. Under this strategy, the Economic Development Commission may review all non-permitted uses in industrial overlay districts and offers recommendations to the City Council for action.

Justification: Data provided within the Burnsville Housing and Commercial Needs Assessment Study indicates that Burnsville's manufacturing and wholesale industries are a unique and important area of economic strength in Burnsville and warrants support.

- **Action Step: Review Existing Uses**
Review and assess current zoning ordinances and land uses to identify areas where non-industrial activities are permitted in industrial zones.
- **Action Step: Draft Overlay District**
Develop an overlay district to intentionally evaluate nontraditional uses from occupying traditional industrial properties.



- **Action Step: Engage with Stakeholders**
Consult with property owners, businesses, and community members to gather feedback and refine proposals.
 - **Action Step: Present for Approval and Adoption**
Submit finalized overlay district plans to the City Council for review, approval, and adoption.
 - **Action Step: Promote Overlay District Information**
Collect industrial use information from the overlay district and market information to encourage future growth within the areas.
2. **Medical Land Use Preservation** (Medium-Term): Maintaining existing medical areas for medical use prevents encroachment by non-medical developments. Restricting non-medical uses ensures that medical businesses have adequate space to operate and expand, maintaining the city's medical capacity and supporting economic growth in this sector. Creation of an overlay district supports maintenance of these economically important medical uses. Under this strategy, the Economic Development Commission reviews all non-permitted uses in medical overlay districts and offers recommendations to the City Council for action.

Justification: Data provided within the Burnsville Housing and Commercial Needs Assessment indicates that Burnsville's medical industry is an important economic strength of Burnsville and warrants support.

- **Action Step: Review Existing Uses**
Review and assess current zoning ordinances to identify areas where non-medical uses are permitted in medical zones.
- **Action Step: Draft Overlay District**
Develop overlay districts to intentionally evaluate nontraditional uses from occupying traditional medical-use locations.
- **Action Step: Engage with Stakeholders**
Consult with property owners, businesses, and community members to gather feedback and refine proposals.
- **Action Step: Present for Approval and Adoption**
Submit finalized overlay district plans to the City Council for review, approval, and adoption.
- **Action Step: Promote Overlay District Information**
Collect medical use information from the overlay district and market information to encourage future growth within the areas.



3. **Support Workforce Housing and Home Ownership Opportunities** (Long-Term): Providing a variety of housing types and homeownership opportunities supports workforce retention and attraction, ensuring employees have the option to reside and grow families within the community they work.

Supporting workforce housing identified within the Burnsville Housing and Commercial Needs Assessment Study as a strategy to support existing and new business growth.

- **Action Step: Assess and Expand Affordable Housing Aid**
Explore the use of Local Affordable Housing Aid to expand housing programming, with a focus on increasing homeownership and workforce housing.

4. **Monitor and Market Existing Occupancy Levels within Commercial and Industrial Areas** (Short-Term): Burnsville's industrial and office space contains a diverse mix of small and medium-sized enterprises across industries. Burnsville's commercial building inventory is well located in the metropolitan market and aligns well with small business needs. Understanding occupancy levels allows the City to assist in marketing vacancies to help maintain high occupancy rates in these priority areas.

Justification: Monitoring and marketing underutilized commercial spaces is a common Economic Development best practice.

- **Action Step: Monitor Commercial and Industrial Leases to assist in retaining businesses**
Engage area businesses with upcoming lease terminations to understand future plans. Use information to assist area businesses in marketing industrial and commercial space vacancies.
- **Action Step: Implement a Comprehensive Occupancy Monitoring Program**
Create an occupancy monitoring program that will aid the city understanding of economic trends and make informed decisions to support small business growth and industrial diversification.

5. **Develop and Market Economic Development Supports for New Small Businesses** (Medium Term): Marketing economic development resources to small businesses is crucial for fostering local growth, innovation, and job creation. Small businesses are the backbone of Burnsville's economy. By effectively promoting resources like grants, funding opportunities, training, and networking events, the city can empower small businesses to expand, thrive, and overcome challenges.



Justification: Promoting economic development resources to new small businesses is an Economic Development best practice.

➤ **Action Step: Market existing resources for businesses**

Develop a targeted marketing strategy to increase awareness of existing business resources, including programs like Open to Business, the Chamber of Commerce, SCORE, and DEED. Engage with local businesses, entrepreneurs, and community organizations to disseminate information through workshops, digital platforms, and community events. Collaborate with these resource providers to ensure accurate and up-to-date information is available. Monitor engagement and feedback to refine promotional efforts and enhance program visibility.

➤ **Action Step: Research and develop new resources**

Conduct research to identify gaps in existing business support offerings and develop new resources tailored to the needs of local businesses. Potential initiatives may include business counseling services, training workshops, sign permit grants, a business code cash-style program, programming supporting tourism related businesses, free booths at city events, discounted building permits, and a deferred SAC/WAC payment program. Collaborate with stakeholders and gather feedback to refine and prioritize programs, with the flexibility to incorporate additional ideas as they arise. Present recommendations to the City Council for consideration and potential implementation.

➤ **Action Step: Update and develop marketing materials in multiple languages to be more reflective of the diverse business community**

The predominant languages in Burnsville are English, Spanish, and Somali. Update and create marketing materials in multiple languages, including English, Spanish, and Somali, to better reflect Burnsville's diverse business community. Ensure materials are culturally relevant and accessible, utilizing input from local business owners and community leaders. Distribute materials through various channels, such as city websites, social media, and local organizations, to effectively reach and support the community. Regularly review and revise materials to maintain accuracy and inclusivity.



5.2 Objective 2: Target Development and Redevelopment Opportunities

Rationale: Targeting development and redevelopment opportunities is key to driving economic growth and enhancing the community. By supporting the revitalization of underutilized areas and redevelopment opportunities, the city can attract new business, create jobs, and improve residential and commercial spaces. This growth strengthens the City's competitive edge, expands the tax base, and ensures a vibrant, sustainable future.

1. **Brownfields Identification and Clean Up** (Medium Term): Identifying and remediating brownfield sites transforms underutilized or contaminated properties into viable industrial/business spaces. Cleaning up these sites not only addresses environmental health concerns important to the community but also expands the availability of land for development, attracting new businesses and investments.

Justification: Assisting in the identification and identifying resources to remediate brownfield sites is an Economic Development best practice and community engagement identified this as an opportunity for Burnsville.

- **Action Step: Conduct Comprehensive Assessment**
Coordinate with Dakota County to prioritize, fund and conduct a comprehensive assessment to identify potential brownfield sites within the city limits.
 - **Action Step: Collaborate with Environmental Agencies**
Collaborate with environmental agencies to evaluate the extent of contamination on identified sites and explore options for remediation.
 - **Action Step: Prioritize Sites for Remediation**
Prioritize sites based on redevelopment potential, location, and level of contamination. Present prioritized sites to leadership for support.
 - **Action Step: Seek Funding Opportunities**
Seek funding opportunities, such as state or federal grants, to fund remediation efforts, with support from City Council.
 - **Action Step: Develop and Implement Remediation Plans**
Develop and implement remediation plans for prioritized sites to prepare them for redevelopment.
2. **Explore City Financial Support around Commercial, Industrial and Medical Districts** (Long-Term): Providing formal support through financial incentives and programs encourages investment in these districts. Tools like tax abatements, low-interest loans (LILs), tourism development grants/loans, energy efficiency improvements, and façade improvement



programs can stimulate modernization, expansion, and aesthetic enhancements of facilities, making them more competitive and appealing.

Justification: Data provided within the Burnsville Housing and Commercial Needs Assessment indicates that financial incentives and programs would result in significant investment in the commercial, industrial and medical districts within the city.

- **Action Step: Review and Potentially Update the City's Public Finance Policy**
Review and update the Burnsville Public Finance Policy to include specific incentives for target districts, such as abatements, low-interest loans, energy efficiency improvements, and façade improvement programs.
- **Action Step: Develop Financial Assistance Programs**
Establish programs like tax incentives, LILs, energy efficiency programs, and grants for façade improvements.

3. **Develop a Long-Term Use Strategy for Surplus City-Owned Land** (Medium Term):
The City owns numerous surplus and high value parcels, including several undeveloped lots. These lots present opportunities to support a new or existing business and should be prioritized based upon city development goals.

Justification: Developing a strategic marketing plan for surplus city owned real estate, in alignment with economic goals, is an Economic Development best practice.

- **Action Step: Identify and Prioritize City-Owned Land**
Create a comprehensive and prioritized list of surplus city-owned land that aligns with Burnsville's strengths in industrial, commercial, and medical uses. Conduct an assessment of each parcel to evaluate its potential for future sale or development opportunities. Ensure the list aligns with the city's strategic goals and economic development objectives.
- **Action Step: Validate Land Use Prioritization**
Collaborate with Public Works, Parks, and watershed districts to review the prioritized list of surplus land. Verify that the proposed development aligns with the best and highest use of each parcel, considering environmental, recreational, and infrastructure needs. Make adjustments based on stakeholder feedback to ensure responsible and sustainable land use planning.
- **Action Step: Market and Solicit Proposals for Development**
Develop a marketing strategy to promote surplus properties based on the finalized prioritized list. Use the solicitation process to engage developers, emphasizing properties with zoning and land uses that align with current priorities and future land use plans. Highlight opportunities that support Burnsville's long-term economic and



community development goals. Regularly monitor the process and adjust strategies to maximize interest and successful outcomes.

4. **Develop a Support Strategy for Underutilized Privately-Owned Land** (Medium-Term): There are multiple vacant, non-residential and underutilized properties scattered across the city. In addition to being underutilized, these sites may be a nuisance for the community, consuming valuable city services to help owners adequately manage their property while vacant. These lots present opportunities to support a new or existing business.

Justification: Assisting in the revitalization of underutilized, privately owned, real estate is an Economic Development best practice.

- **Action Step: Inventory Vacant Non-Residential Parcels**
Collaborate with city GIS staff to identify and map all vacant non-residential parcels within Burnsville. Use this inventory to create a comprehensive database that supports strategic redevelopment planning and decision-making.
- **Action Step: Engage Property Owners**
Initiate direct communication with property owners of vacant non-residential parcels to identify potential redevelopment opportunities. Use these conversations to understand barriers to redevelopment, including regulatory, financial, or market challenges, and gather input on their goals and plans.
- **Action Step: Provide Customized Redevelopment Support**
Offer tailored support to property owners to facilitate redevelopment efforts. Assistance may include brownfield remediation guidance, marketing support, and access to financial resources, such as grants or other incentives.

5. **Assess the Development Review Process for Barriers and Efficiency Gains** (Short-Term): Identifying barriers to the development process is crucial for a city to streamline and enhance the efficiency of its economic growth initiatives. By recognizing and addressing these obstacles, the city can create a more favorable environment for investment and development, ultimately leading to increased job creation and community prosperity.

Justification: Reviewing municipal development processes and how those impact developers is an Economic Development best practice.

- **Action Step: Review Existing Development Review Process**
Review the entirety of the Burnsville development review process and related ordinances, to enhance efficiency, increase transparency, and foster sustainable growth that aligns with community needs and priorities. This process is intended to greatly improve customer experience and reduce project approval timelines.



➤ **Action Step: Create a Comprehensive Development Guide to Help Streamline the Development Process**

Development guidelines serve as a comprehensive resource to assist developers, businesses, and property owners in navigating the application and approval process for new projects. These documents typically outline key steps, timelines, and requirements for various types of development, such as residential, commercial, and mixed-use projects.

6. **Continue to assist developers with environmental remediation on identified sites** (Long-Term): Supporting developers in the remediation of contaminated sites reduces barriers to redevelopment and encourages investment in property. This approach accelerates the availability of clean, developable land.

Justification: Continued support of environmental remediation efforts is a recommended practice described in the Burnsville Housing and Commercial Needs Assessment.

➤ **Action Step: Continue Utilizing Financial Assistance Programs & Follow the City's Development Tools Policy**

Coordinate financial assistance or incentives to developers undertaking environmental remediation projects on identified sites.

➤ **Action Step: Showcase Success Stories**

Highlight successful remediation projects to attract additional developers and investments into the city through department website, newsletters, social media and other outlets.



5.3 Objective 3: Strengthen Economic Development Partnerships

Rationale: Collaboration between the City of Burnsville, local businesses, regional entities, and other stakeholders is essential for driving broader economic impact. By strengthening economic development partnerships, the city can leverage shared resources, expertise, and networks to tackle large-scale economic challenges, enhance competitiveness, and promote sustainable growth.

1. **Enhance Partnerships with Local and Regional Entities** (Short-Term): Maintaining and building connections with local and regional entities such as the Burnsville Chamber of Commerce, Experience Burnsville ("Convention & Visitors Bureau"), Dakota County CDA, Greater MSP, transit partners like METRO Transit and the Minnesota Valley Transit Authority ("MVTA"), and others can enhance support for small and medium-sized enterprises within the City.

Justification: Developing and maintaining relationships with other regional economic development entities is an Economic Development best practice.

➤ **Action Step: Continue Business Outreach**

Expand the number of businesses visited annually by both the City and the Chamber of Commerce.

➤ **Action Step: Explore improved partnership with Experience Burnsville**

Coordinate with Experience Burnsville to consider tourism-related business visits to aid in identifying strategies to better support tourism in the city.

➤ **Action Step: Facilitate Regular Meetings**

Continue to work proactively with these entities by facilitating regular meetings between City officials and/or City staff.

➤ **Action Step: Attend Local Business Meetings**

Economic development staff member should attend meetings hosted by local groups to stay connected with the business community.

➤ **Action Step: Facilitate Communication Channels**

Establish regular communication with these associations to share updates on city initiatives and gather feedback from businesses.

➤ **Action Step: Facilitate Quarterly Meetings With Businesses that Want to Build a Stronger Relationship with the City**



Burnsville can strengthen relationships with businesses by hosting quarterly meetings that provide a forum for open communication, collaboration, and feedback. These meetings allow city representatives and business leaders to discuss challenges, share updates on initiatives, and identify opportunities for mutual growth. Establishing this regular dialogue helps build trust, align priorities, and create a collaborative environment that supports economic development and community well-being.

2. **Coordinate with Neighboring Cities** (Medium Term): Collaborate with nearby cities, such as Savage, Apple Valley, Bloomington, Lakeville, and Eagan, on economic development projects.

Justification: Coordinating with neighboring cities on potential projects and opportunities should be a part of regular business and is considered an Economic Development best practice.

➤ **Action Step: Identify Opportunities**

The City can collaborate on economic development projects by forming regional partnerships that allow them to pool resources, share best practices, and coordinate infrastructure improvements that benefit all participating areas.



6 Appendix: Burnsville Housing and Commercial Needs Assessment Study