

HWY 55+JACOB AVE

GROWTH AREA PLAN

City of Hastings, Minnesota



FEBRUARY 24th, 2025

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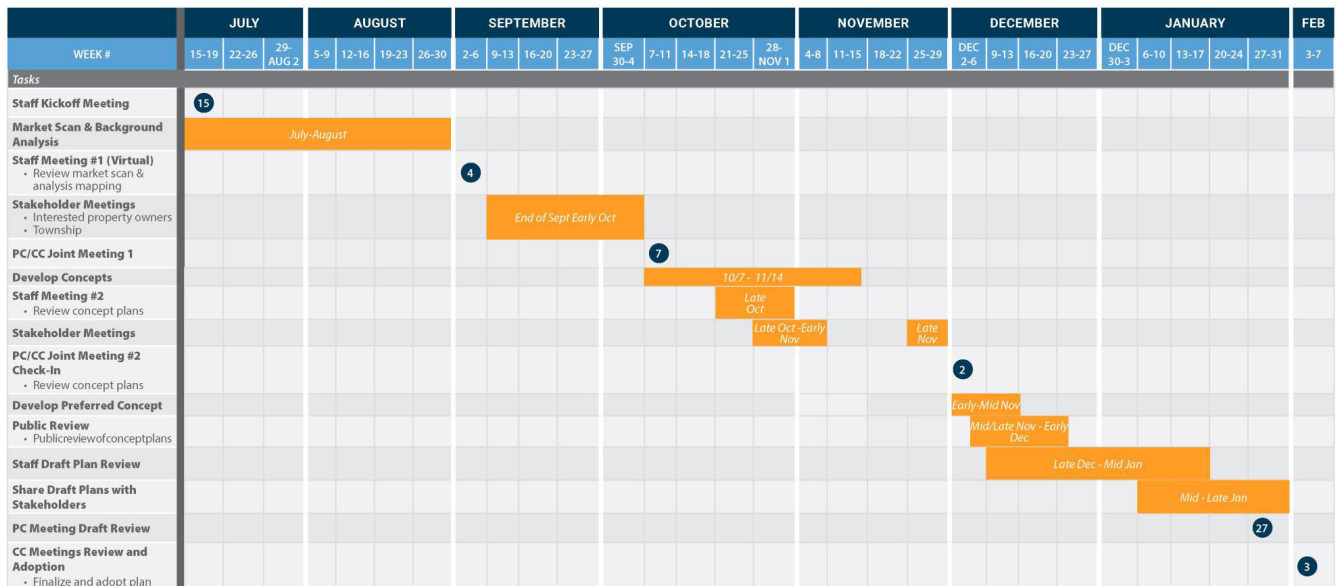


ABOUT

The Highway 55 and Jacob Avenue Growth Area Plan (GAP) focuses on a portion of land west of the current City of Hastings boundary. The study area is focused around the intersection of Highway 55 and Jacob Avenue, stretching north to 140th Street East, and south past 150th Street East (near the Heritage Ridge Neighborhood). Much of the land area is undeveloped, or in larger rural residential land use with a few homesteads and small businesses.

TIMELINE

Legend
 Confirmed Dates
 Proposed Dates





THE PLANNING PROCESS

The purpose of this plan is to help the City understand development implications and outline a feasible development plan for the project area. The City aims to balance property owner desires with a strategic growth planning approach utilizing the information compiled and analyzed throughout the project.



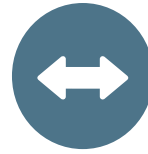
Evaluating options for land use and development patterns for the remaining parcels of land that have yet to develop



Planning park/trail/open space patterns that serve the study area and potentially areas beyond



Incorporating storm water management solutions



Evaluating ways of providing access to remaining parcels of land



Ensuring a financially and feasible development solution

Key elements involved in this study included expanding on previous planning efforts such as the People Movement Plan (2021), 2040 Comprehensive Plan, and the current Zoning Ordinance. A market analysis and community engagement were facilitated throughout the process to inform the study that led to the creation of development concepts and final recommendations for the project area.



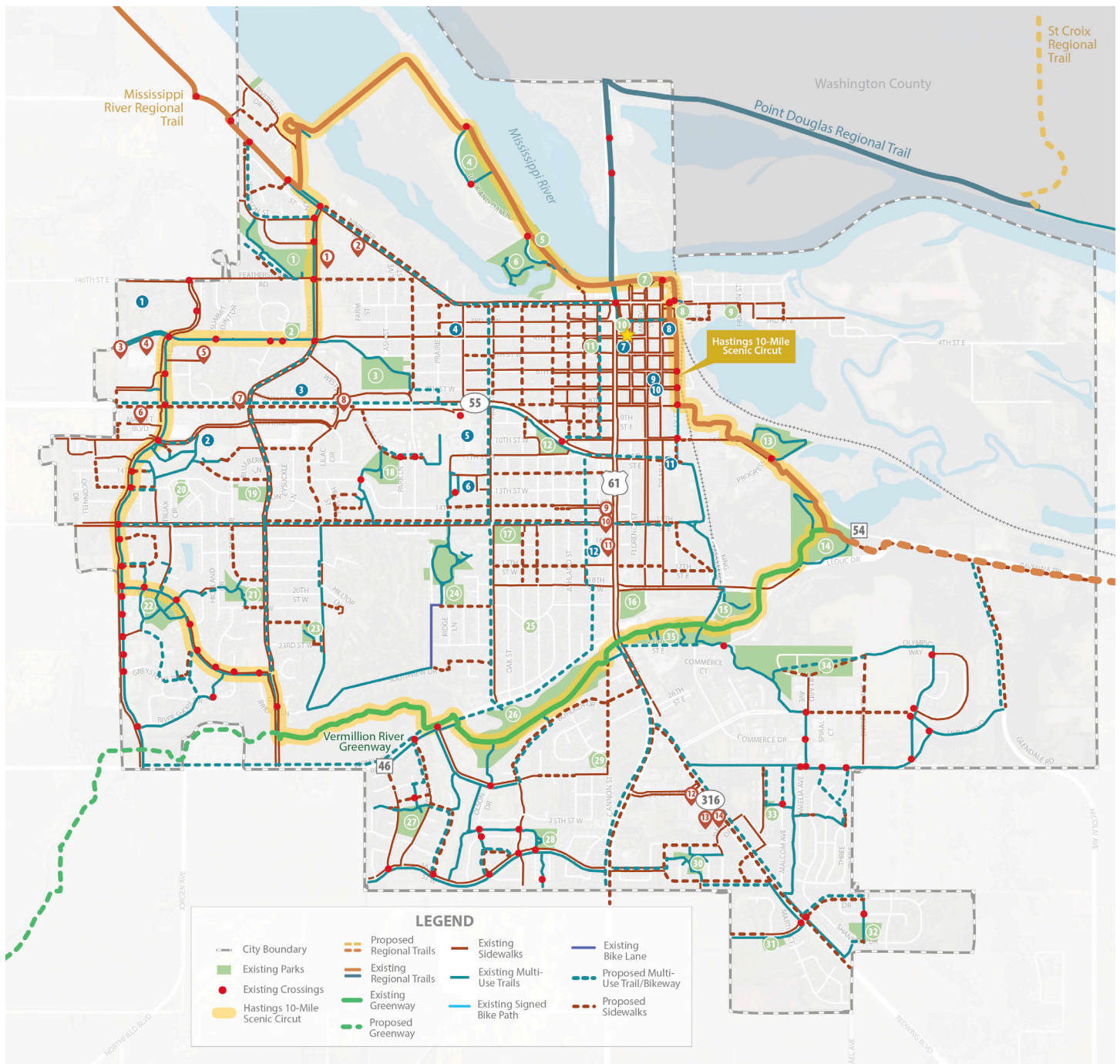
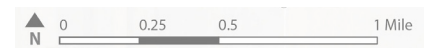


Figure 1.1 People Movement Plan Network Graphic





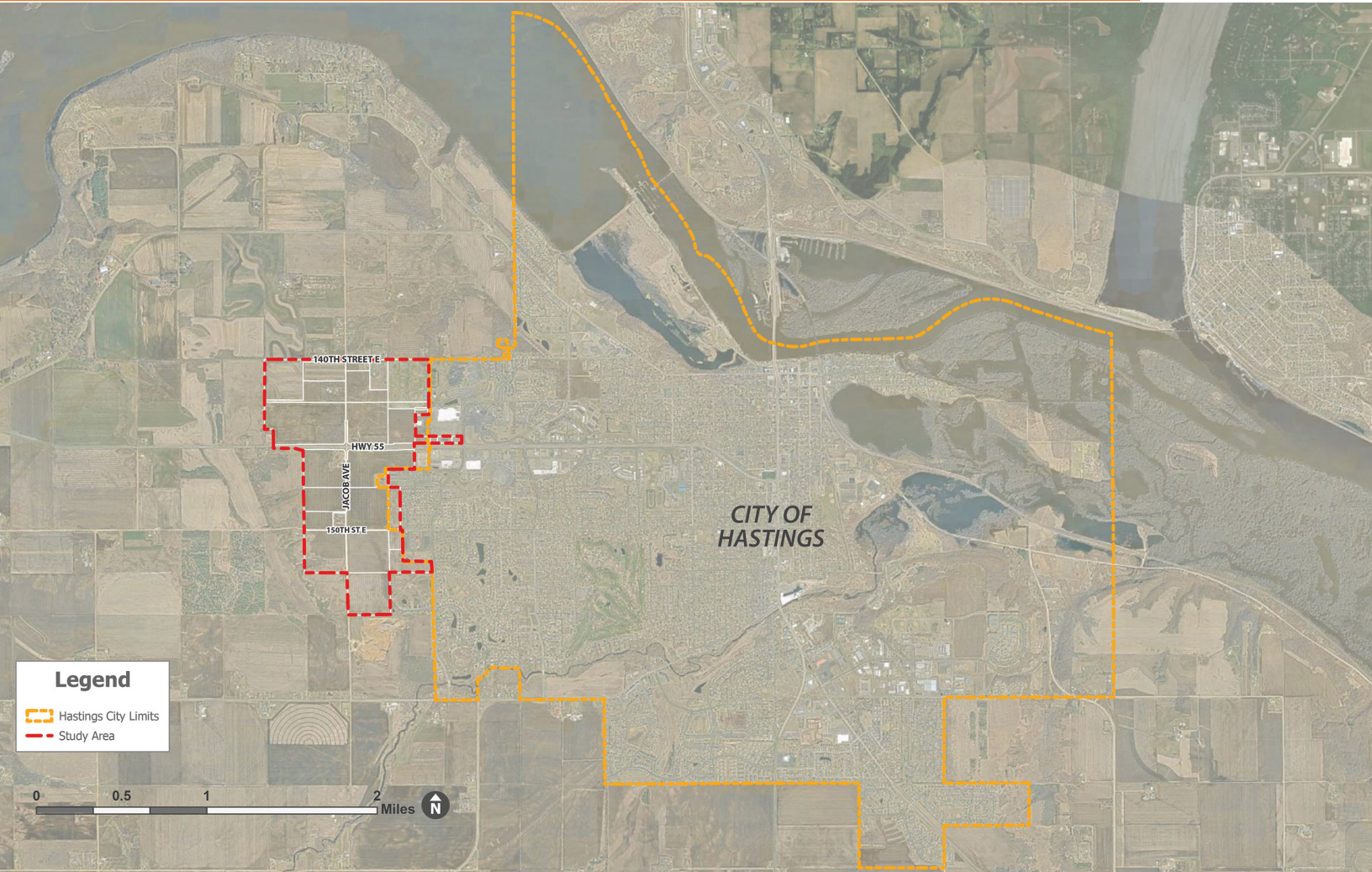


Figure 2.1 Site Boundary Map

BACKGROUND INFORMATION

EXISTING CONDITIONS MAPPING

This particular area was selected because of policy guidance from the 2040 Comprehensive Plan to understand where and how much land might be needed for future growth. Highway 55 and Jacob Ave are the main western corridors into the City and the planning process includes market analysis and preparing concept designs to supplement the guidance of the comprehensive plan.

The study and preparation of this growth area plan is important to ensure the following:

- Focus on growth opportunities toward the west and south to reduce pressure on the sensitive resources on the eastern side of the community.
- Carefully plan for contiguous properties on the western fringe of the City perimeter within the major roadway corridors.
- Plan for and confine urban growth over the 2018-2040 time period to the area just west of Jacob Avenue on the west, just north of 170th Street on the south.
- Solidify the City's rational and position on land use and urban design to build consensus and guide land owners and developers.
- Grow by investing in carefully planned areas by providing attractive public amenities and protecting environmental resources.

EXISTING LAND USE

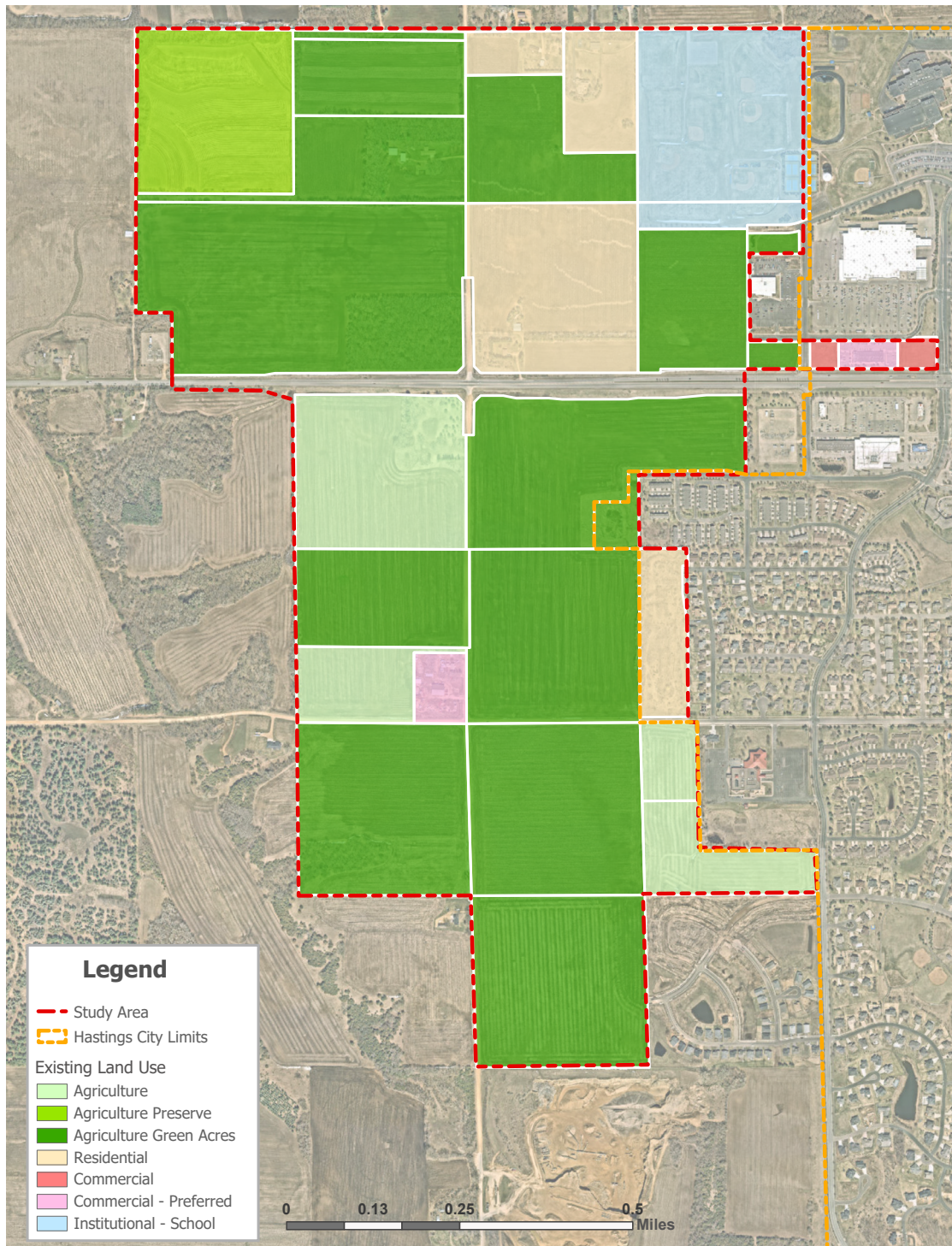


Figure 2.2 Property Ownership Map

Much of the land is currently zoned agricultural, which supports large areas of land dedicated to farming and homesteads. The three main agricultural land use categories listed: Agriculture, Agriculture Green Acres, and Agriculture Preservation are used to differentiate and provide tax relief for qualifying farmland. Property owners must meet specific qualifications for the Agriculture

Green Acres and Agriculture Preservation programs to limit market value increases that would impact property taxes due to development pressure. With the majority of the project area currently designated to agricultural use presents a favorable “blank slate” or “green field” opportunity for potential development driven by property owner or market interests.

FUTURE LAND USE (2040 COMPREHENSIVE PLAN)

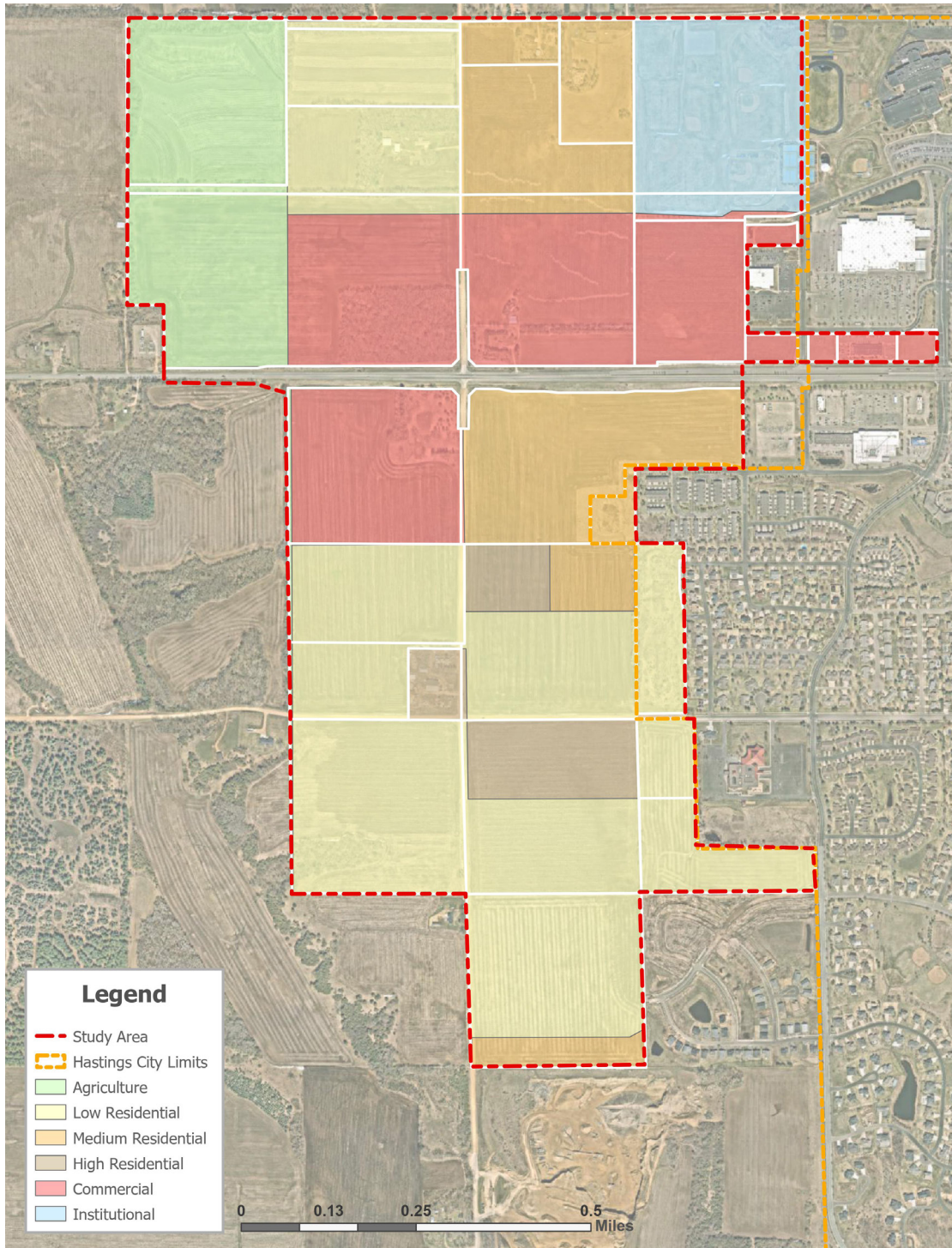


Figure 2.3 Future Land Use Map

On the other hand, future land use, as established by the 2040 Comprehensive Plan, illustrates a generalized pattern envisioned for Hastings and its surrounding area. This growth area plan communicates refined desired development types, potential land uses, and identifies suitable infrastructure needs on a more detailed scale for this project area based on the future land use map.

LAND SUITABILITY

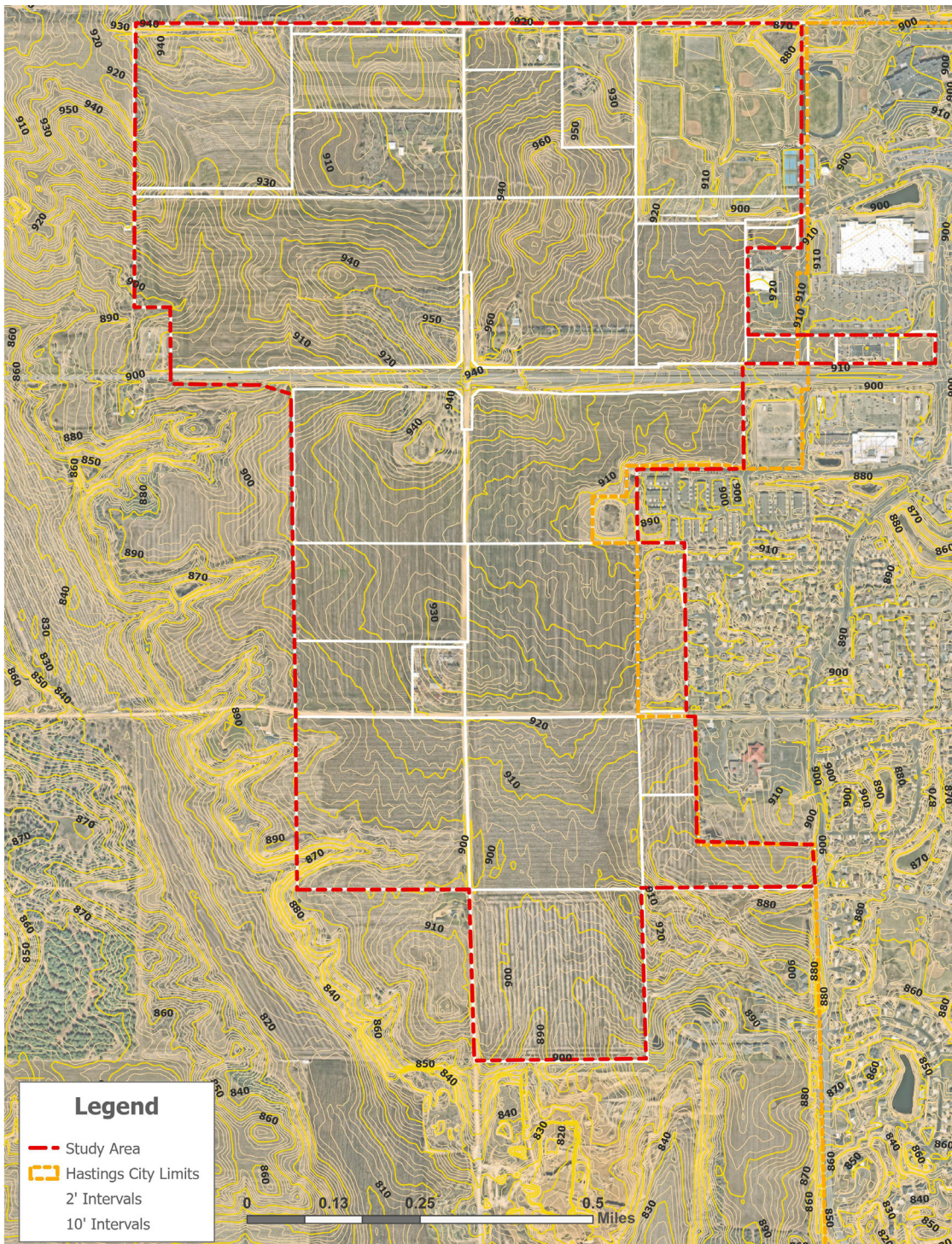


Figure 2.4 Land Suitability Map

Analyzing the current land topography can help identify if and where there are any development constraints. The slopes (contours) throughout the project study area indicate that there is generally a consistent grade throughout many of the parcels. With the most notable grade changes located North of Highway 55. This area may be

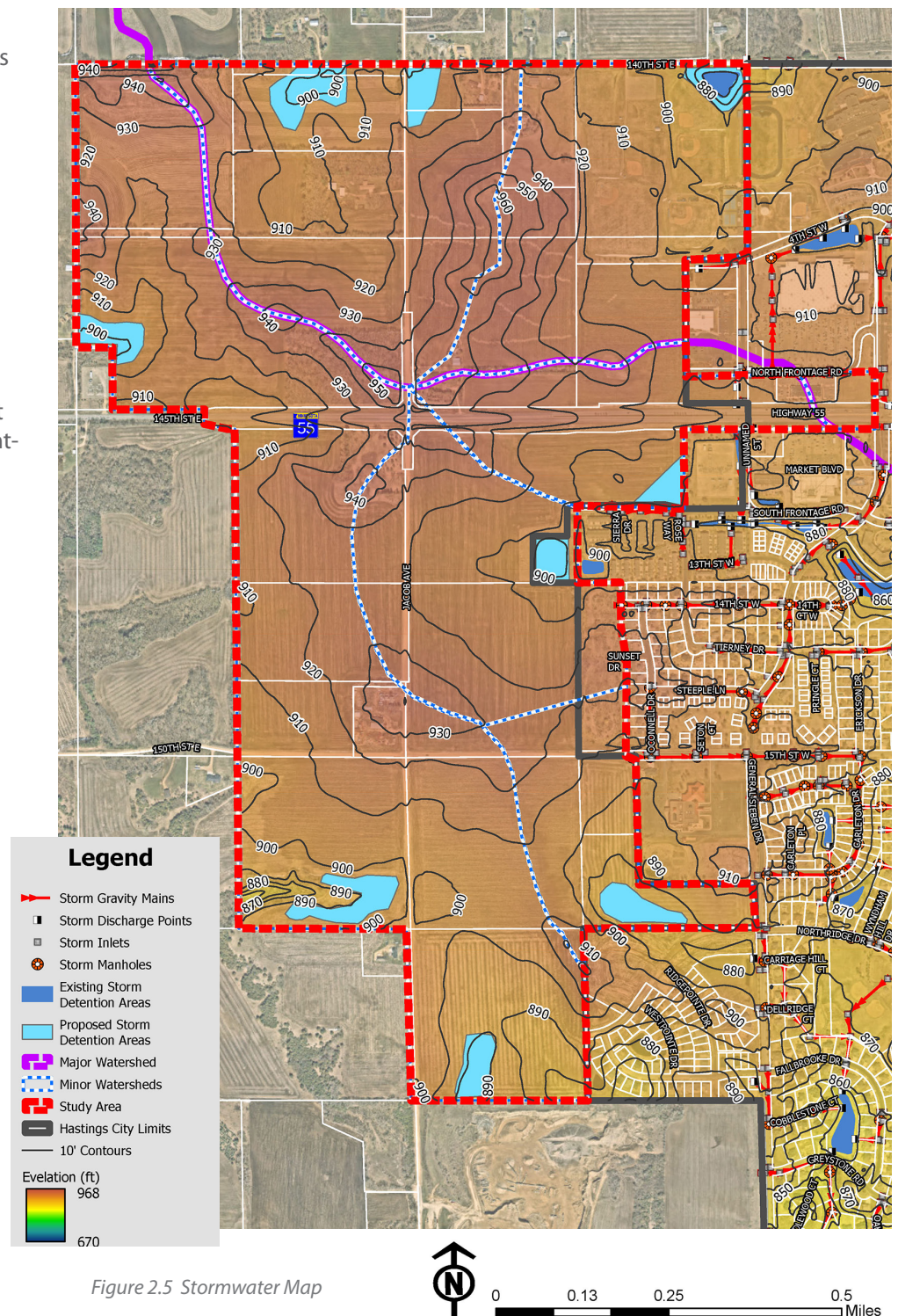
a strong potential for utility upgrades, such as a water tower, sanitary sewer treatment facility, and additional infrastructure placement. Landscape and soil data reveal no designated sensitive areas or habitats, with most land identified as upland soils-cropland, indicating minimal constraints for future development.

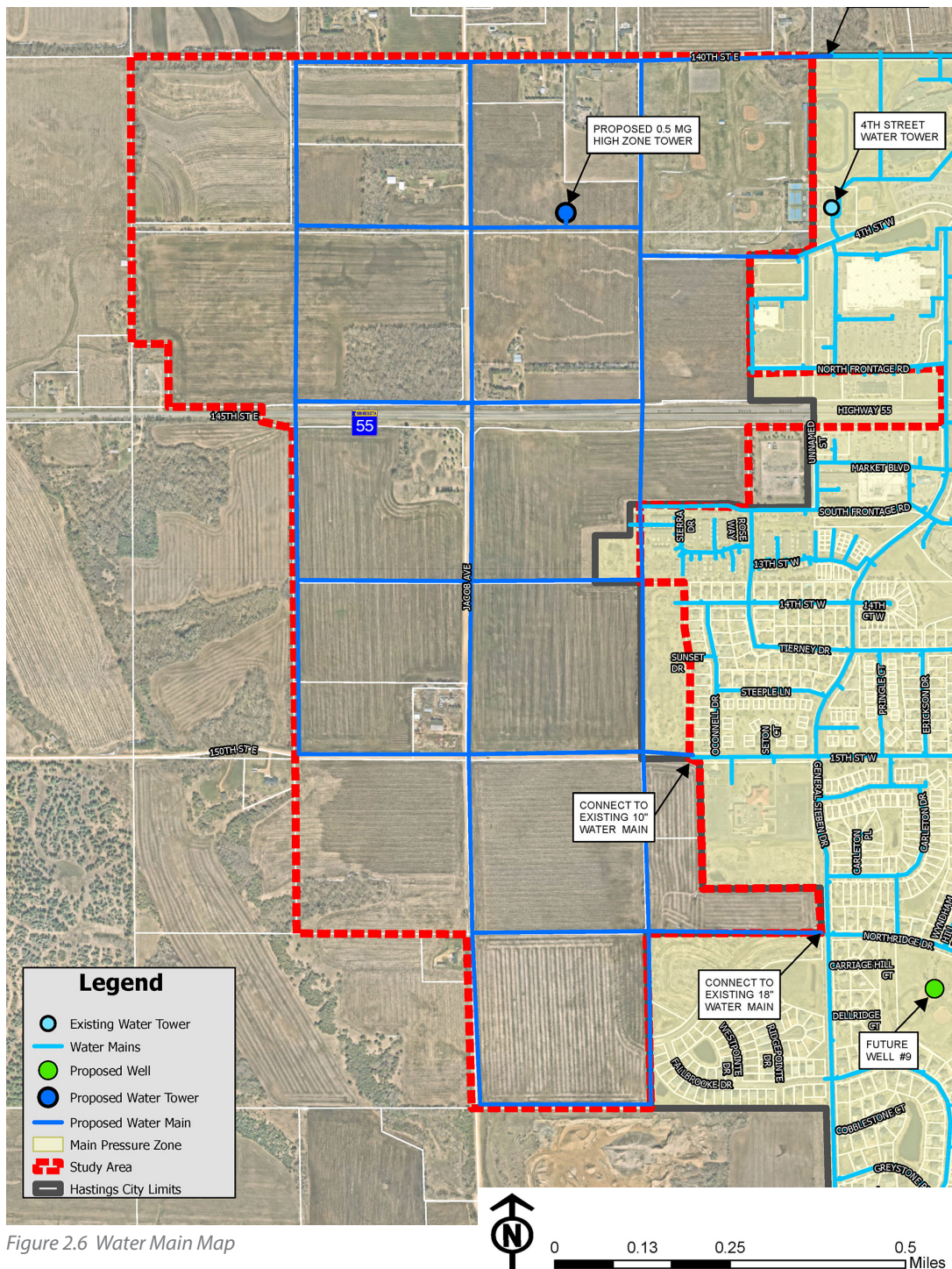
INFRASTRUCTURE CONSIDERATIONS

Future development will drive increased infrastructure needs, particularly for stormwater, sanitary sewer treatment, and water services, which the City intends to monitor and maintain. An engineering analysis, provided by SEH evaluated the contours, and ensured alignment with Dakota County and MnDNR watershed maps to identify grade breaks where each type of infrastructure could be located and serve for future development.

STORMWATER

Potential stormwater flow directions and proposed ponding areas are highlighted at the lowest elevation points (2-3 feet). Actual BMPs and pond sizes would be determined when a formal development plan is submitted. Locations are based on pre-development low points and are for reference only. The map depicts a heat layer overlaid with contours showing elevation differences. No storm structures or pipes are included in this analysis at this time, as this is also development-dependent.





WATER MAIN

The 2040 Comprehensive Plan identifies a future water tower and looped water main, with additional pipe loops for the next contiguous 40-acre areas to be developed. The proposed water tower location is flexible but should be established within the highest contour in the area. There are three connections to the existing water main system which are shown at 140th, 4th St W, and 15th St W on the map above. The entire study area is assumed to be part of a future high-pressure zone.

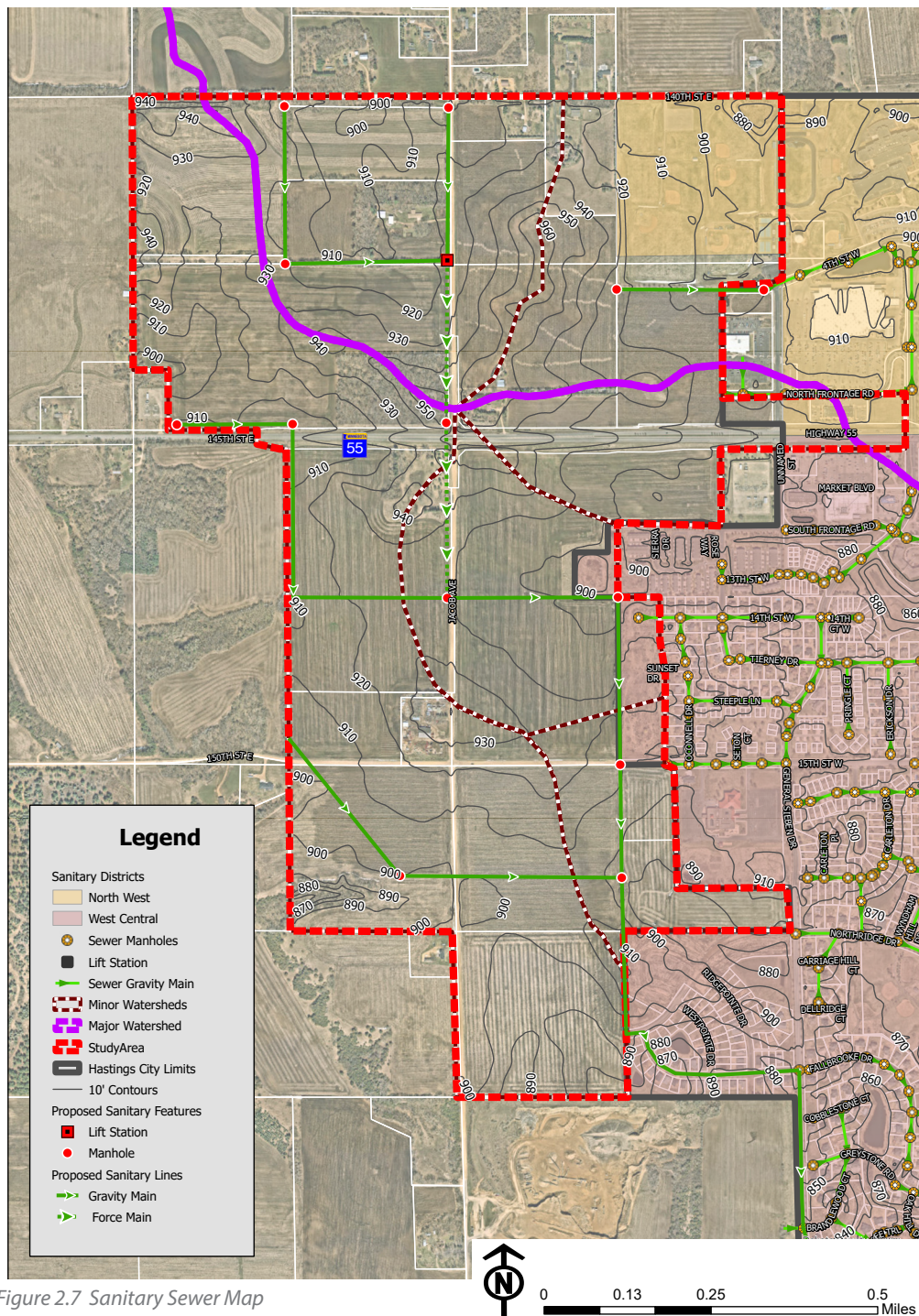


Figure 2.7 Sanitary Sewer Map

SANITARY SEWER

As for sanitary sewer there are several points in the policy guidance from the 2040 Comprehensive Plan that provide the layout and routes of the main trunk lines and potential upgrades to inform this project study area. Key areas include:

- Jacob Ave upgraded to a General Sieben Lift Station, continuing northeast to the treatment facility.
- A small portion of the area NE of the Jacob/Highway 55 intersection may be served by extending the 4th St. W. sanitary sewer west to the ridgeline. This would be based on development type, intensity, and elevations.
- The area NW of Jacob/Highway 55, has higher elevations, therefore, using a lift station and force main to push past the intersection is recommended. An alternative route could follow low points and connect at Highway 55, west of Jacob Ave.
- The area south of Highway 55 follows low points with two trunk lines collecting at the upgraded General Sieben Lift Station.

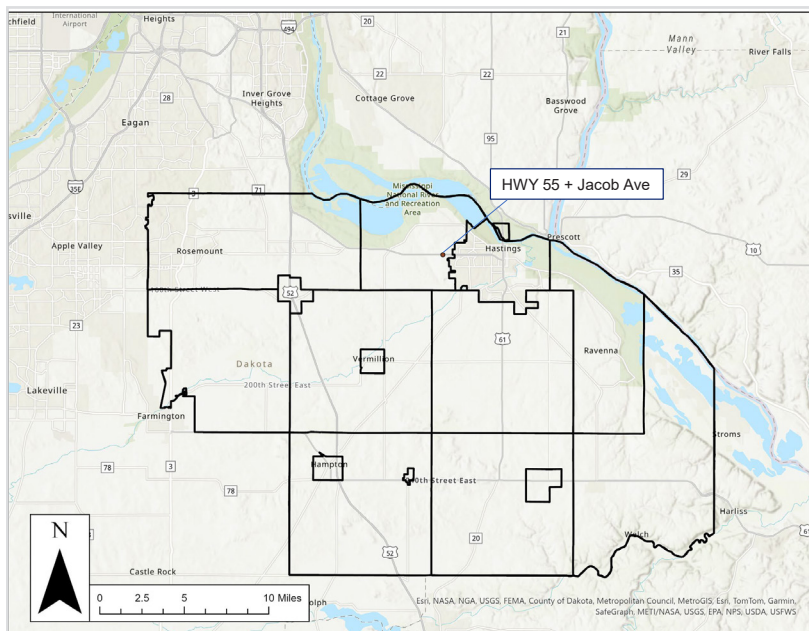
MARKET SCAN

This section summarizes the findings and recommendations from the market analysis prepared by Loci Consulting. The full market analysis can be found in the document appendix. The analysis guided the growth area concept maps and land use planning by evaluating demographics, market trends, site constraints, traffic patterns, land use demands, and more. Understanding market elements and changes helps identify key trends, opportunities, and challenges for current and future economic conditions in Hastings.

The primary market area (PMA) is within a 15-minute drive radius of the project area, highlighting economic activity in Hastings and nearby areas. Using Census data and stakeholder insights, projections were made to 2029.

Hastings' development progression and potential for economic opportunities are detailed in the strengths and weaknesses table below, followed by key findings and recommendations.

STRENGTHS	WEAKNESSES
Large, vacant parcels create an open opportunity for adaptable development	The larger parcels could have longer development timelines
Highway 55 is a direct connection and gateway to Hastings and the metro	Jacob Avenue is currently unpaved which could be viewed as an added expense and there is limited connectivity to County Road 46
Existing (unpaved) County Road 46 along Jacob Ave shows potential for future connectivity	Development areas further south and north of Highway 55 are not favorable for commercial
Recent housing on the edge of the city limits near growth area poses natural residential expansion	Interchange at County Road 46 and Highway 52 is more intuitive for traffic flow than Highway 55 and Highway 52 near growth area
Growth area could be a gateway district into Hastings	
Existing strong retail node along Highway 55, high school, and Dakota County Government Center poses opportunities for higher density residential development	
The land mass in the growth area offers opportunities for buffering along residential uses	



Cities and townships included:

- Hastings
- Nininger township
- Coates
- Douglas township
- Empire township
- Hampton
- Hampton township
- Marshan township
- Miesville
- New Trier
- Ravenna township
- Rosemount
- Vermillion
- Vermillion township
- Welch township

HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

Source: ESRI; Maxfield Research Inc.; Loci Consulting LLC

Primary Market Area

KEY MARKET FINDINGS

Considering Hastings' current assets and market conditions, unveiled that accommodating for residential, commercial, and industrial uses align with market trends.



RESIDENTIAL

- Overall, the growth area would work well for residential development.
- Absorption of single-family dwellings and townhomes has been steady, despite market swings, interest rate spikes, etc.
- Developers have brought several new rental projects to the market, where absorption has been strong.



RESTAURANT AND RETAIL

- Retail would work well at parcels immediately adjacent to the Highway 55 and Jacob Ave intersection and related uses nearby.
- Overall, the market for retail, or draw for retail development, has been slow in the Primary Market Area



INDUSTRIAL

- Sites closer to County Road 46 outside of the Growth Area are better candidates sites for industrial.

MARKET RECOMMENDATIONS

- Focus initial development on residential projects closer to but not immediately adjacent to the Highway 55 and Jacob Ave intersection and city boundaries.
- Guide parcels immediately adjacent to the the Highway 55 and Jacob Ave intersection for retail development.
- Look for opportunities to develop higher density residential uses closer to existing and planned commercial areas.
- Improve Jacob Ave to enhance connectivity through the project area.
- Understand that project area as a long-term buildout - 20+ years.
- Take the opportunity to preserve and develop trail and park systems through the project area.
- Expect near-term industrial demand to be maintained by planning for additional available industrial parcels in the existing business park.
- Plan for long-term industrial development to occur outside of the growth area on parcels immediately adjacent to County Road 46.



STAKEHOLDER ENGAGEMENT

PROPERTY OWNER ENGAGEMENT

The scale of this growth area plan allows for a more focused approach on targeted stakeholders. All property owners within the project area were contacted and encouraged to participate, helping to inform them of the market impacts that feed into the land use concepts being developed for the phasing and design of the project area including roadways, utilities, traffic, and other infrastructure needs. The property ownership map helps understand property owner goals and opens a cooperative dialogue with the City.

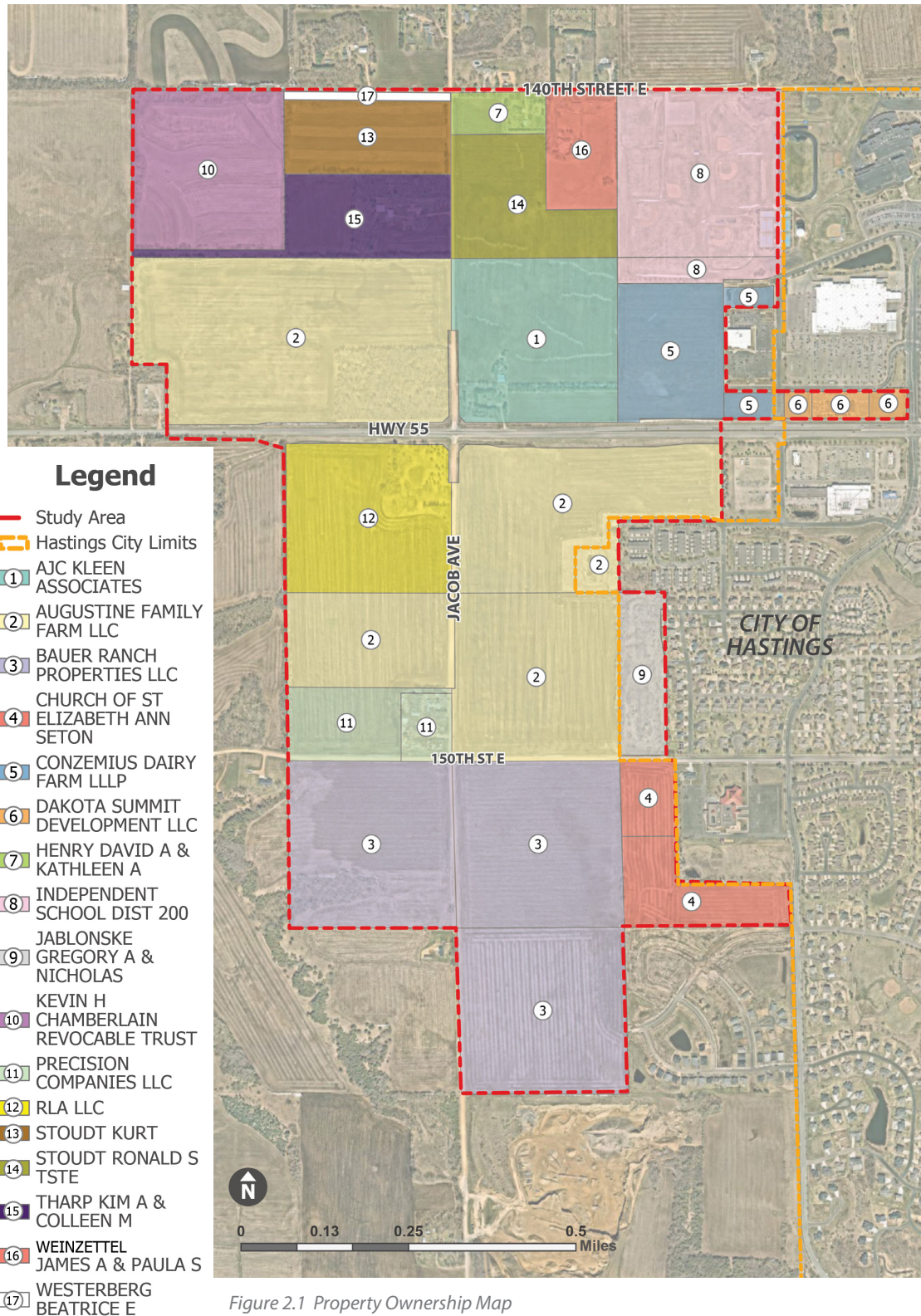


Figure 2.1 Property Ownership Map

COMMUNITY ENGAGEMENT

Public engagement was also conducted to gauge community feedback on the proposed concept direction of this growth area. A public project website was created to provide background information, status updates, and mapping activities, ensuring consistent input was gathered to inform the development of the growth area plan. Key takeaways from the community engagement include:

678

Total Site
Visits

553

Individual
Visitors

86

Total
Contributions

49

Individual
Contributors

- Mixed reactions regarding attracting businesses and expanding employment opportunities to drive job creation and economic activity.
- A prominent need for affordable housing options, but concerns were raised that more mixed-use and high-density housing could disadvantage the community. There is a desire to maintain the small-town feel, with a preference for single-family homes and neighborhoods with nearby parks.
- Questions and concerns were mentioned about the location of future water towers and treatment facilities, and how future development would impact water pressure issues.
- An emphasis on preserving natural resources, incorporating more trail connections and maintaining the current agricultural land use to continue to allow for hunting and farming.
- Suggestions for improving traffic management and road safety, as development would increase traffic.

* Full list of comments can be found on the City's project webpage

Preferred Concept

We Want to Hear From You!

A Preferred Concept has been developed from input provided by the City Council. Hear your thoughts! [Click here](#) or use the button below to navigate to an online interactive mapping tool where you can leave your feedback on the preferred concept.

[Go to the Interactive Map!](#)

If you are new to the site, you can find a project overview and relevant background information in the sections below.

Preferred Concept:



Project website leading to online social map for community engagement opportunities

Welcome to the Interactive Map

Please review the proposed concept and provide your comments via the drag and drop tools below. Your comments will help to guide final recommendations.

How to Leave Your Feedback

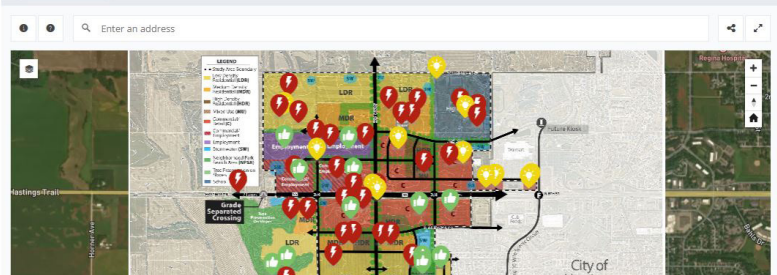
There are three comment categories to leave your feedback:

- I Like This: Tell us what you like about the concept
- Ideas: Tell us about your ideas to improve this place
- Concerns: Tell us about your concerns at this location

1. Select the 'Add Marker' button in the lower right and click a point on the map. Fill out the information in the pop-up menu to leave a comment.
2. Select the 'Submit' button to leave your comment on the map. You will be asked to fill out some general information to leave feedback the very first comment you enter, but the site will remember your information within each viewing session allowing you to comment multiple times without having to re-enter details. *The personal information requested will be used for data collection purposes only and will not be used for any further marketing or contact purposes*

Open

#3 contributions so far



SOCIAL MAP SNAPSHOT

Below is a high-level snapshot of select comments received on the project social map. A more comprehensive list of community comments received can be found on the City's project webpage.

Comment Categories:



I Like This



Ideas



Concerns

The best way to preserve our natural resources is to maintain the current land use. Landowners throughout Nininger Township are protecting our soil and water through modern agricultural practices, including both livestock and crop production. This approach also supports ample wildlife habitats across the township. Commercial and residential expansion would jeopardize these efforts.

This is land that needs to stay land we need to leave Hastings alone the small town is what we love about it

Expanding out into this area would be detrimental to the farms and wildlife in the area. Hastings is a smaller city, it does not need to expand this much into farmland.

Add bike trail/sidewalk from High school west on 140th, north on Jacob, bridge/tunnel under 132nd ST E (to eliminate crossing of busy road), and route to connect to the Mississippi River Regional Trail at 125th ST E/Isadore Ave. This will provide a safe route to school if the area north of 140th becomes more heavily residential.

Why is there a commercial area being added in residential? Hastings already has a Downtown, midtown, Westview, south the town on 316, and at Highway 55 and General Sieben. Add a commercial on Highway 55

This intersection is a scary one to turn left on (55 to Jacob), especially heading as the hill partially blocks your view. Turning onto 55 People unfortunately speed along this road as well. There would need to be some sort of plan other than a stop sign for this and any potential future intersections.

More parks! Consider adding a few more - even in commercial areas to boost appeal and value of the area. It provides a green space for people to relax, exercise, and socialize.

Based on the current plan, this area will increase traffic to several quiet streets as it appears to be one of the 3 entrances into this new "neighborhood". This is unwelcome. Preserve the small town feel of Hastings. Also, the HDR and MDR are plentiful in this town. If there is expansion that needs to happen, single family homes with decent yards will be attractive rather than more apartments and townhomes.

There was a 20 year plan at some point that had a "494" type loop for traffic heading to redwing or the island. With the significant developments happening in East Rosemount. High likely hood of increased traffic through town. Good for business, but congestion is already an issue. Either design it to accommodate through traffic. Or to discourage it as a short cut to CR46/47.

This should be a through street that is paved all of the way down Jacob Ave to 46 to ease the pressure on General Sieben and Vermillion/61 through town. This will allow people going to the cities or to completely bypass downtown and residential streets. A roundabout on 46 and 55 is highly recommended at Jacob Ave. Then a bypass from 46 to 61 and 316 is needed.

I love the idea of a park here - Hastings needs more parks!

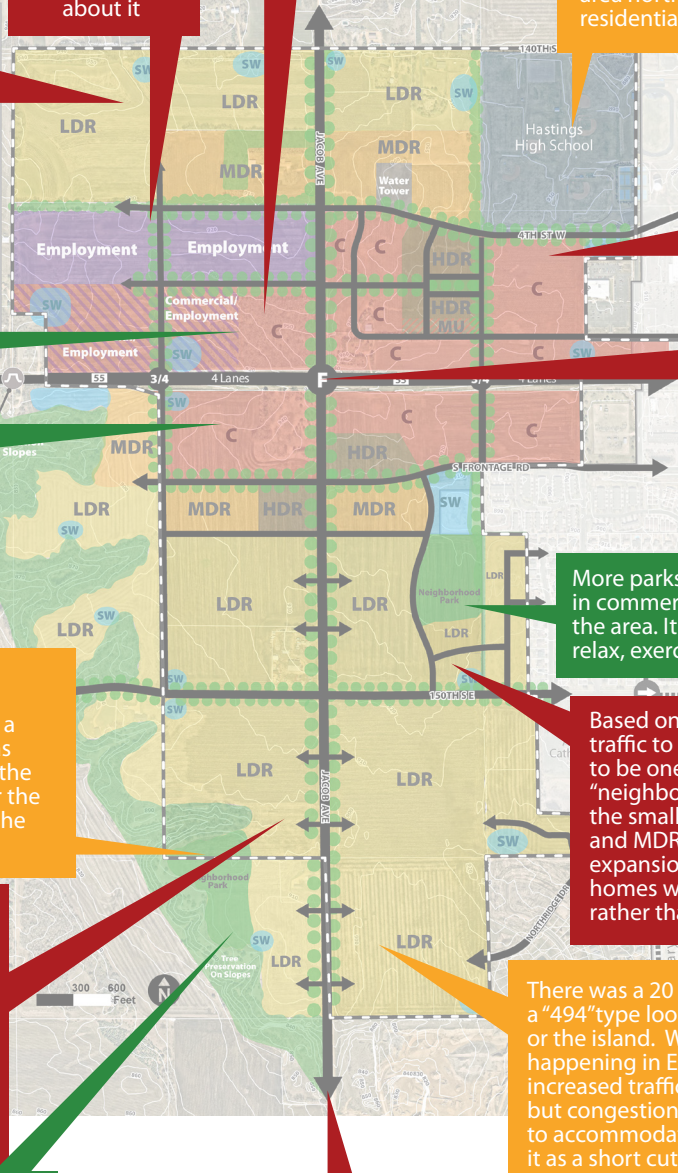
We need to attract and support businesses as they're a primary driver of job creation, tax revenue, and overall economic activity. Without a healthy business landscape, Hastings will struggle to expand and improve its quality of life for residents.

I would be interested in seeing a trail system as well in this area to connect the valley. It would allow a safe area for pedestrians, as well as encouraging tree preservation in the area. There would be potential for the trail to connect to the trail along the Vermillion river.

Will Jacob Ave be paved all the way through (55 to 46)? Who will pay for this? Should keep area rural. If not, how will you make the folks that this will impact whole? Seems only input from major land owners are considered. What about those who are minor land owners? I have read that it will not be "imminent domain" but it might as well be when you take away the rural area from those who choose to live here.

I think all of this is great! Hastings needs to expand commercially and the need for AFFORDABLE housing is a necessity! This all looks great to me!

Residential (HDR)
Mixed Use (MU)
Commercial/ Retail (C)
Commercial/ Employment
Stormwater (SW)
Neighborhood Park Search Area (NPSA)
Tree Preservation on Slopes

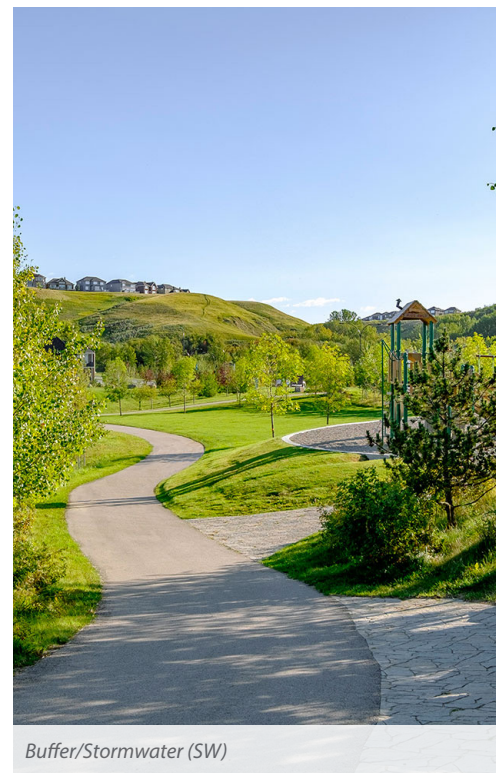




RECOMMENDATIONS

PROJECT CONCEPTS

The project concepts are the staple of this growth area plan. This visual plan details the consensus of land use, infrastructure needs, public amenities, and more built from this planning process. Three concepts were developed and narrowed down to one preferred concept based on feedback from staff, stakeholders, and the community. While this preferred plan doesn't not necessarily define the exact development patterns and specific sites that will develop in the future. It will help the city guide any decision making and potential development projects that come forward to align as closely as possible to this desired planning direction.



Buffer/Stormwater (SW)

Precedent Images



Medium Density Residential (MDR)



Low Density Residential (LDR)



High Density Residential (HDR)



Mixed Use (MU)

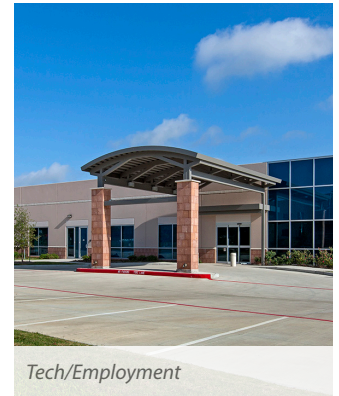
PREFERRED CONCEPT

The preferred concept emphasizes incorporating mostly low-density residential development to maintain Hastings' small town character. Commercial concentration is featured as recommended from the market analysis to be located along Highway 55 and Jacob Ave, the key thoroughfares of this project area. Minimal high-density residential areas are identified on specific sites near the commercial land uses to support the housing need and provide foot traffic for the commercial areas. While medium-density residential areas buffer both the commercial and high-density residential uses from the low-density residential areas to reduce the impact of these use intensities and maintain the area's intended character. Some commercial areas highlight opportunities for potential mixed-use to allow flexibility for multiple land uses either horizontal or vertical to accommodate market demands. There was also intentional acknowledgement to showcase an area reserved for employment-based industrial jobs, allowing for sufficient building square footage flexibility if needed.

Additionally, the concept map demonstrates areas best supported for parks, open spaces, and stormwater locations to capture the suburban-urban park feel of this growth area. This design incorporates the People Movement Plan (2021) trail connections, favored transportation routes, and offers ideas for landscape buffering, creating a well-planned and protective urban environment that reflects the community's desires and character.



Vertical Mixed Use (MU)



Tech/Employment



Commercial (C)

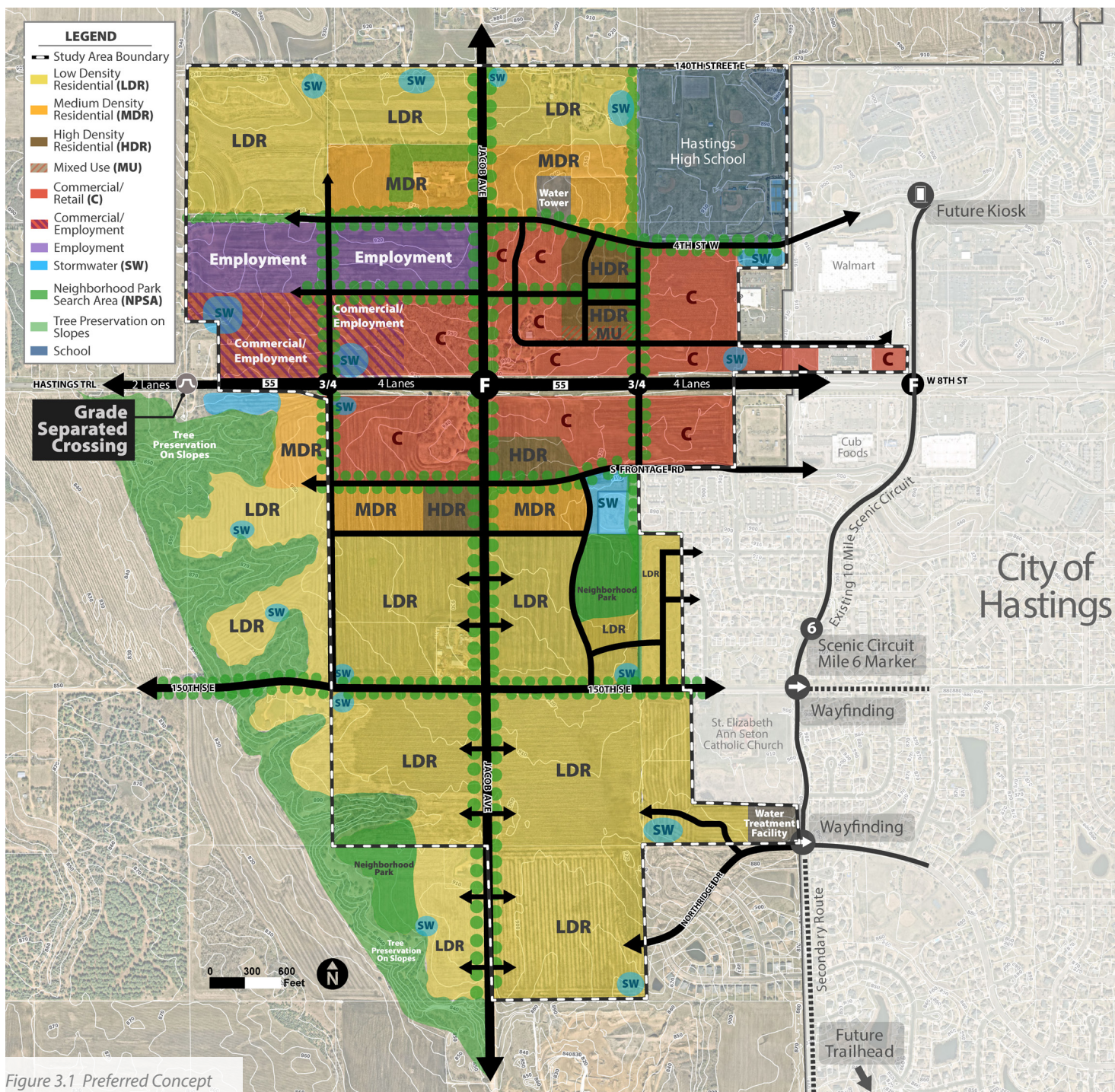


Figure 3.1 Preferred Concept

LAND USE	ACERAGE	% OF TOTAL LAND AREA
Low Density Residential (LDR)	+/- 290 Acres	47%
Medium Density Residential (MDR)	+/- 55 Acres	9%
High Density Residential (HDR)	+/- 25 Acres	4%
Commercial (C)	+/- 155 Acres	25%
Existing School Property	+/- 7 Acres	7%
Employment	+/- 35 Acres	6%
Utility	+/- 6 Acres	1%

Table 3.1 Preferred Concept Land Use Table



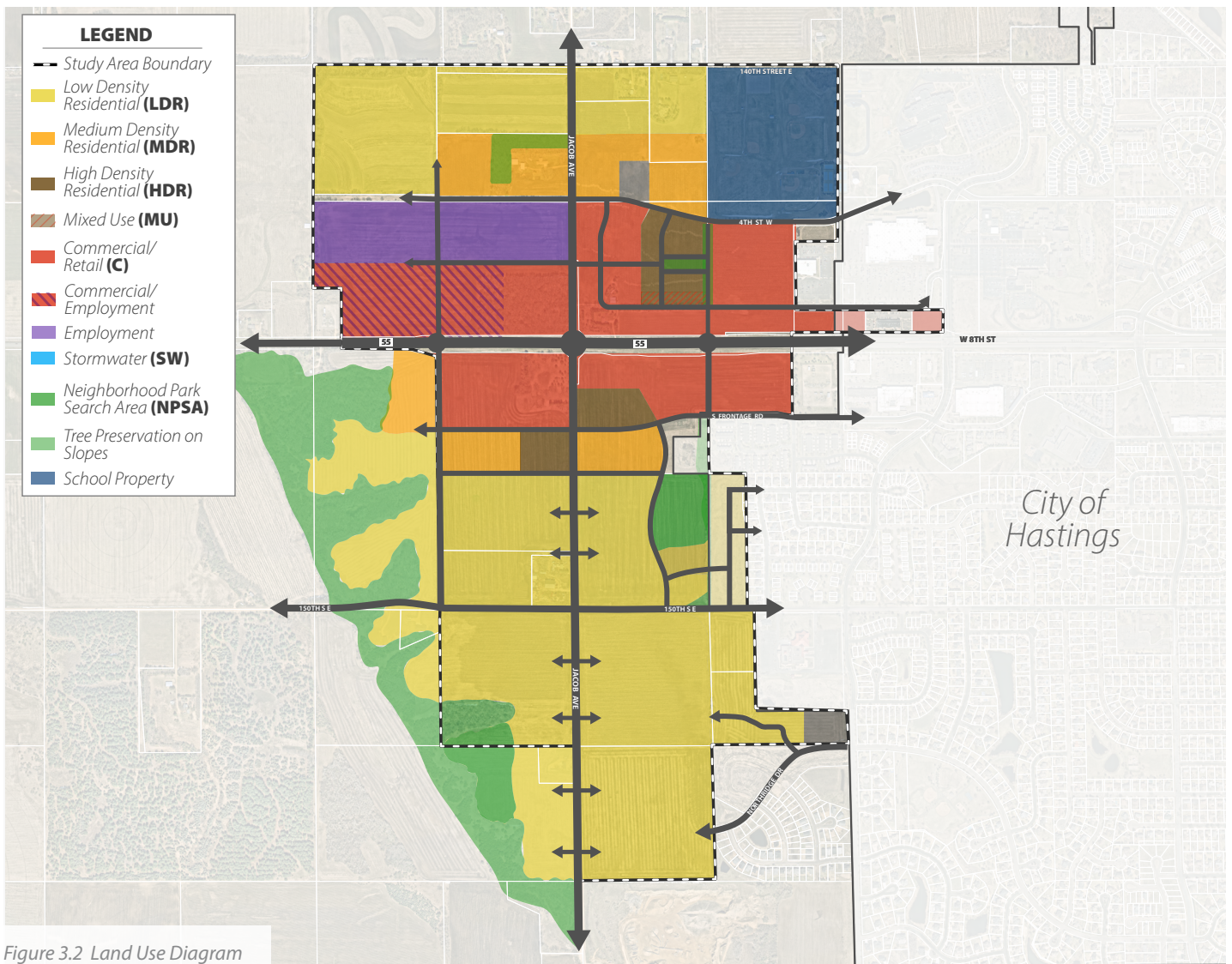
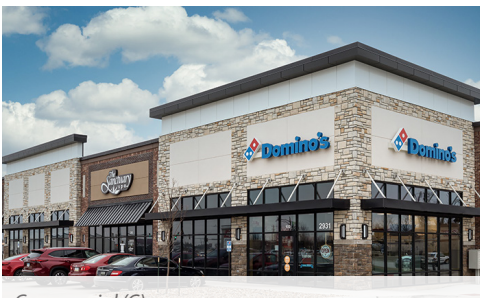


Figure 3.2 Land Use Diagram

Precedent Images

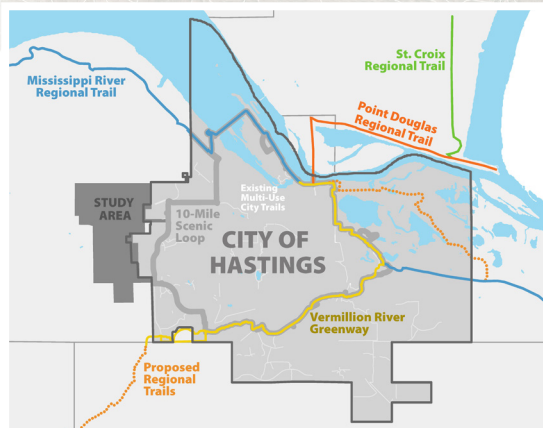
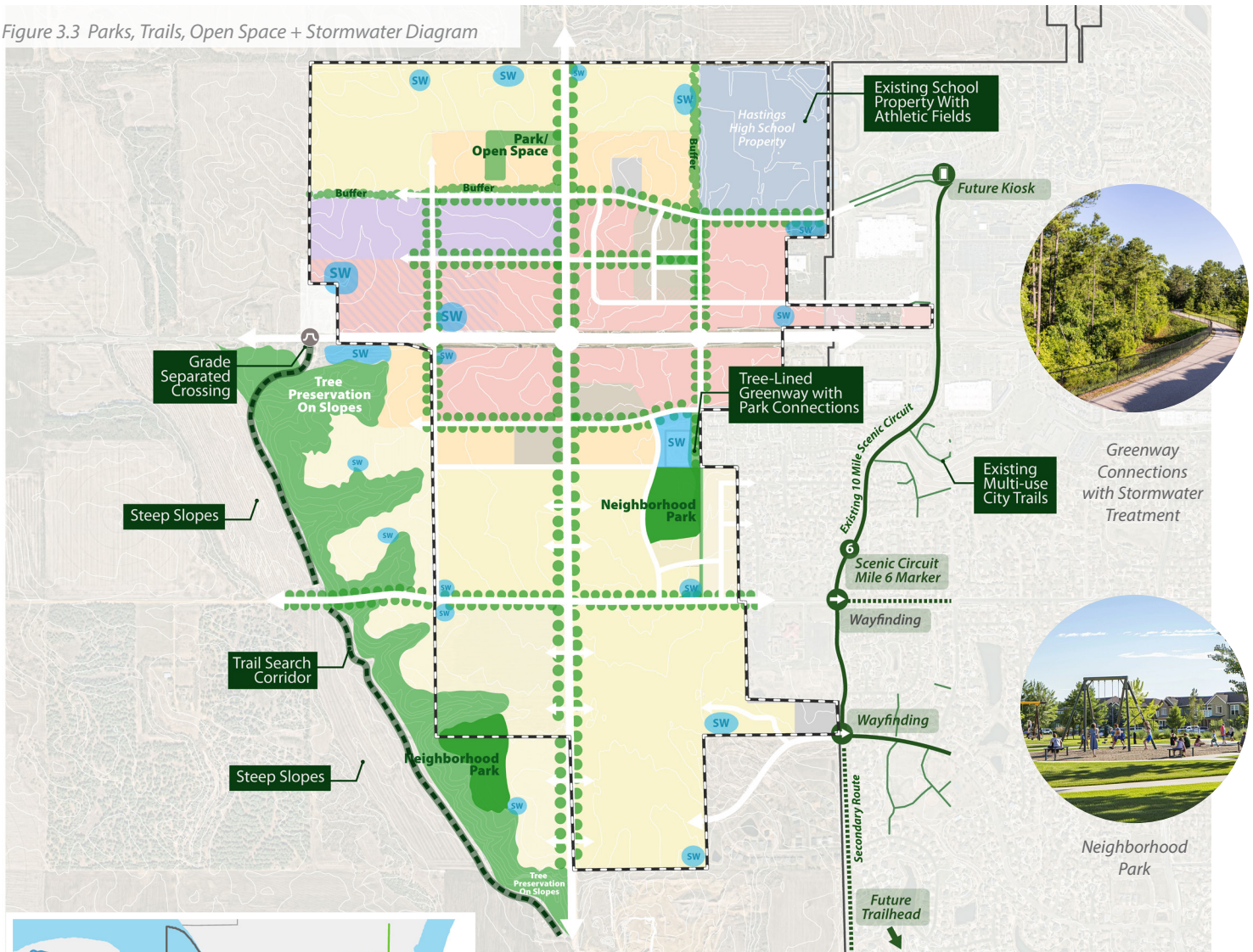


PROPOSED LAND USES

As the market scan indicated, the predominate land use in the growth area at nearly 50% is low-density residential. Single family homes are typical within the low-density residential category of land use and are shown both north and south of Highway 55. Along the Highway 55 corridor commercial uses are identified to take advantage of the traffic and visibility from the major roadway. High density residential and medium density residential surround the commercial areas. The plan also identifies two areas for neighborhood parks south of Highway 55.

Two unique opportunities are identified in the land use plan. The first is a mixed-use area in the northeast quadrant of the Highway 55 and Jacob Avenue intersection. Here vertical and or horizontally mixed residential and commercial uses would exist in a tighter, more urban, and walkable development pattern. Secondly, an area of employment is identified in the northwest quadrant of the Highway 55 and Jacob Avenue intersection. Here, there is an opportunity to develop more of a tech/flex development for employment more of a critical mass of jobs with a higher jobs per square foot. This area is a gateway to the community and the plan envisions more of a higher quality architecture for the buildings in this area. The plan also suggests that areas in the quadrant may have the ability to flex between commercial and employment uses based on market conditions.

Figure 3.3 Parks, Trails, Open Space + Stormwater Diagram



While the study area doesn't have a regional, state, or greenway trail in direct proximity, the City of Hastings has a number of them within and surrounding its boundaries that pose a unique opportunity for future connections. The City's 10-mile Scenic Loop (established in the City of Hastings' People Movement Plan) is close to the project site, and links up with many of these other trail systems.

PROPOSED PARK/TRAIL/OPEN SPACE + STORMWATER IMPROVEMENTS

The network of parks trails and opens spaces for the growth area are highlighted above. Two neighborhood parks are planned south of Highway 55 to support the surrounding development. Additionally, a small neighborhood green is envisioned to provide opens space needs for the mixed-use area in the NW quadrant of Highway 55 and Jacob Avenue. The collector roadway network throughout the development provides the network of trails to connect people to parks and other destinations, as well as tie back to the Scenic Circuit trail loop throughout Hastings. On the far western edge of the growth area steeper topography exists along a broad valley. The plan envisions preservation of natural resources and vegetation along the steep slopes, integrating a multi-use trail along the lower sections of the preserve and connecting this trail to neighborhood parks and underneath of Highway 55 with a grade separated trail crossing of the busy roadway.

Stormwater treatment approach responds to the existing topography on the site and seeks to balance development phasing with an incremental approach to stormwater ponds. The plan shows approximate locations for stormwater treatment based on property ownership, planned roadways, and anticipated land uses.

PROPOSED TRANSPORTATION

Highway 55

Highway 55 is a state highway with jurisdictional control by MNDOT. The plan anticipates a full movement access intersection at Highway 55 and Jacob Avenue as well as $\frac{3}{4}$ access intersections approximately $\frac{1}{4}$ mile east and west of Jacob Avenue. These $\frac{3}{4}$ access points allow for controlled left turns into commercial development but prohibit left turn movements out of the development areas for safety reasons. The $\frac{3}{4}$ access movements are desired, but are pending MNDOT approval. Additionally, the plan anticipates the extension of the 4-lane section of Highway 55 near General Seiben Drive to extend further west as development occurs in this area over time.

Jacob Avenue

Jacob Avenue plays an important role both local and regional transportation patterns. Regionally, this north/south corridor connects Highway 55 to County Road 46 to the south, and overtime will help alleviate traffic on General Sieben Drive. The section above illustrates how this roadway would be designed to accommodate the traffic volumes, provide left turn lanes and landscape medians, and include multi-use trails and sidewalks for cyclists and pedestrians.

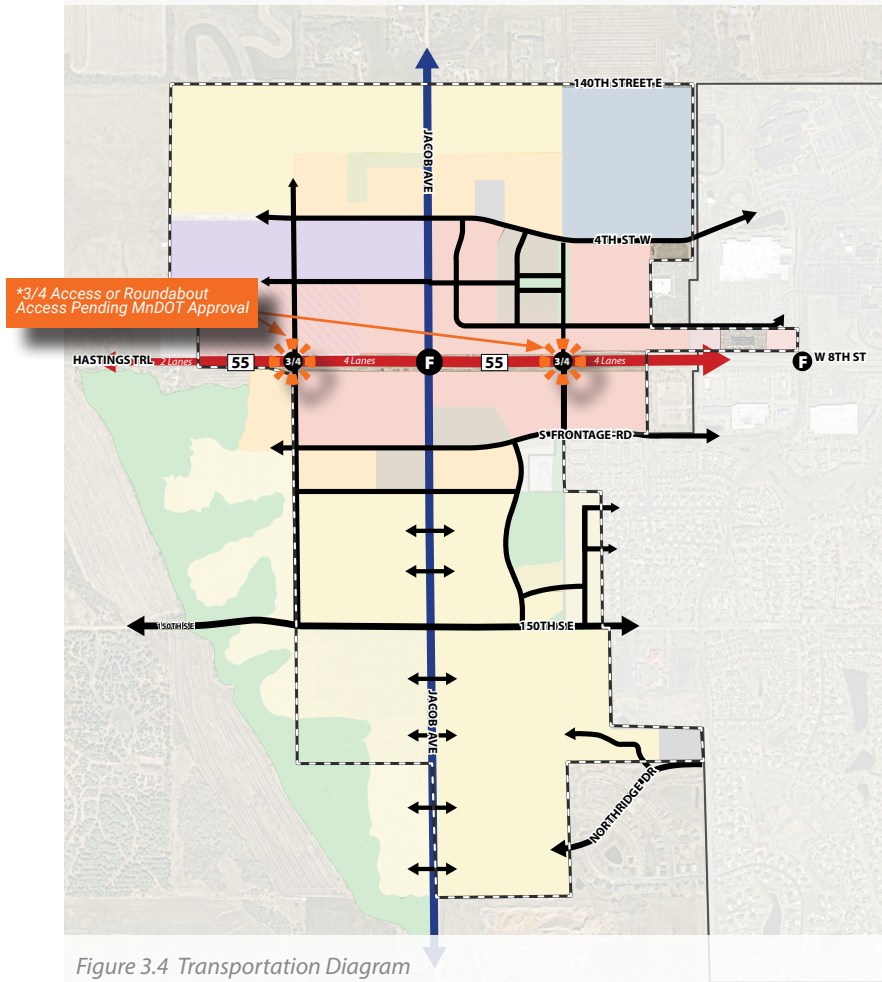


Figure 3.4 Transportation Diagram

The extension of 1st Street W. (north of the High School), 4th Street W. (south of the High School), the South Frontage Road (behind Cub Foods), 15th Street, and Northridge Drive at the very south of the growth area provide additional east/west connections and create the framework collector roadways for the growth area. Each of these roadways would have sidewalks and multi-use trails to support multi-modal activity. Additional north/south collector sized roadways are planned to connect the $\frac{3}{4}$ intersections of Highway 55 through the commercial development area and to connect to other east/west collector roadways to create multiple circulation routes for traffic.

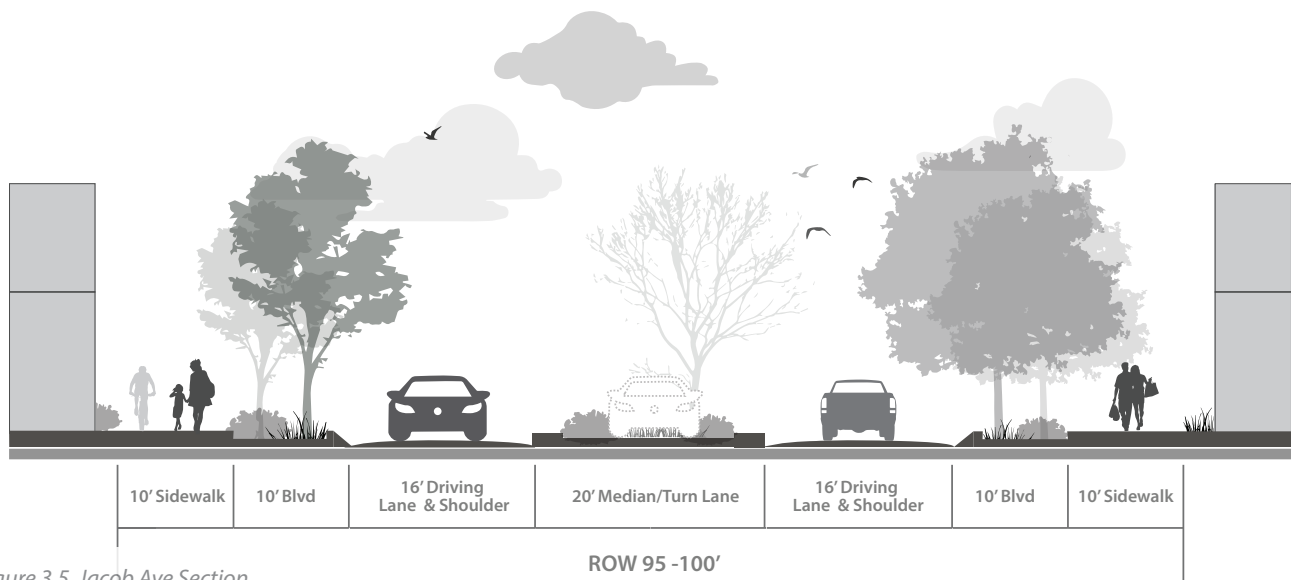


Figure 3.5 Jacob Ave Section

SANITARY SEWER IMPROVEMENTS

IMMEDIATE AVAILABILITY

- The area identified for immediate development, as shown on the previous map, can connect to the existing sanitary sewer system in one of three areas.
 - Proposed connection 1 would be at the 4th Street Connection (1), at the east side of the proposed study area limits. Proposed development will need to consider downstream capacity as part of that planning effort. The proposed sanitary sewer could be extended to serve the majority of the area east of Jacob Avenue between Highway 55 and 4th St W. The intent of this connection point is to show that it is possible serve a smaller scale development area separated from the remainder of the sewershed area by the existing ridge immediately to the west.
 - Proposed connection 2 would be a connection at either South Frontage Road (2A) or 13th St W (2B), at the east side of the proposed study area limits. No current modeling information is available for the downstream sanitary system in this area. The proposed sanitary sewer could be extended to temporarily serve a small area east of Jacob Avenue between 150th St. E and 14th St. W, pending modeling analysis. At some point during area development and trunk sewer construction, flows would be bulkheaded and rerouted south with the trunk sewer to eliminate prolonged impacts to the 13th street sewer caused by initial development. It should be noted that this sewer is privately owned and maintained and that the comprehensive plan did not anticipate extending sewer from this area.
 - Proposed connection 3 would be a connection at 14th St W (3A), 15th St W (3B), or a combination of both, at the east side of the proposed study area limits. Based on existing system analysis done by WSB for the Augustine property, the downstream system has 300 REU capacity remaining downstream. The proposed sanitary sewer could be extended to serve the area east of Jacob Avenue between 150th St E and 14th St W.
- The sanitary system developed during this phase would serve as the basis for the following phase of development.

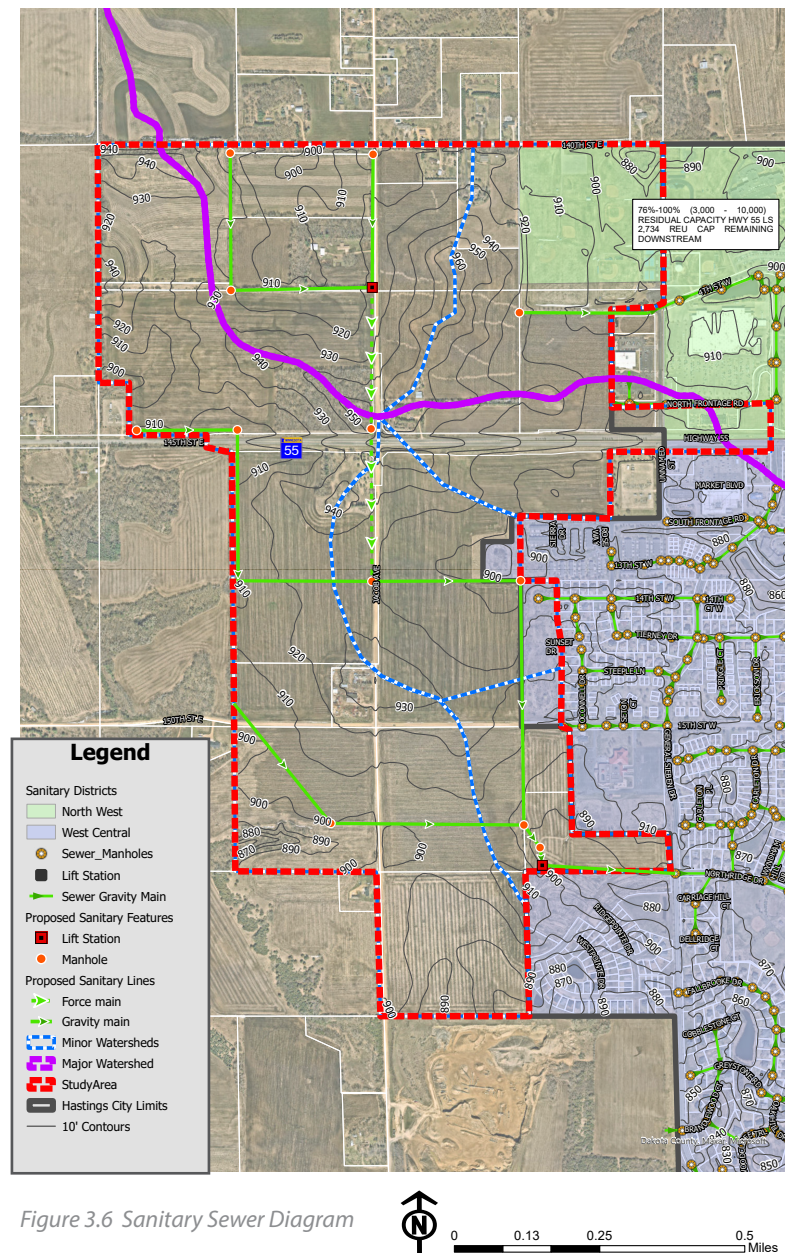


Figure 3.6 Sanitary Sewer Diagram

NEXT PHASE

- After review of existing contours and connectivity to the current sanitary system, this area is proposed to be served with a gravity sewer system. The majority of this area is separated from the downstream area by higher elevation topography. This downstream end of the system would be served by a lift station at a location similar to what is shown in the map where wastewater would be pumped to the next downstream manhole in the sanitary sewer system.

LONG-TERM PHASE

- The long-term phase development, as it relates to sanitary sewer, would need to be completed between the upgraded General Sieben lift station north to the first phase sanitary sewer system where flow could be switched based on planning and depth of this phase of the trunk sanitary sewer. A secondary trunk sanitary sewer would extend west and north from the upgraded General Sieben lift station (4) in order to capture flows from the remaining areas to be serviced. As noted in the 2020 Comprehensive Sanitary Sewer Plan, additional analysis is required to determine available downstream interceptor capacity needs along with any upsizing needs.

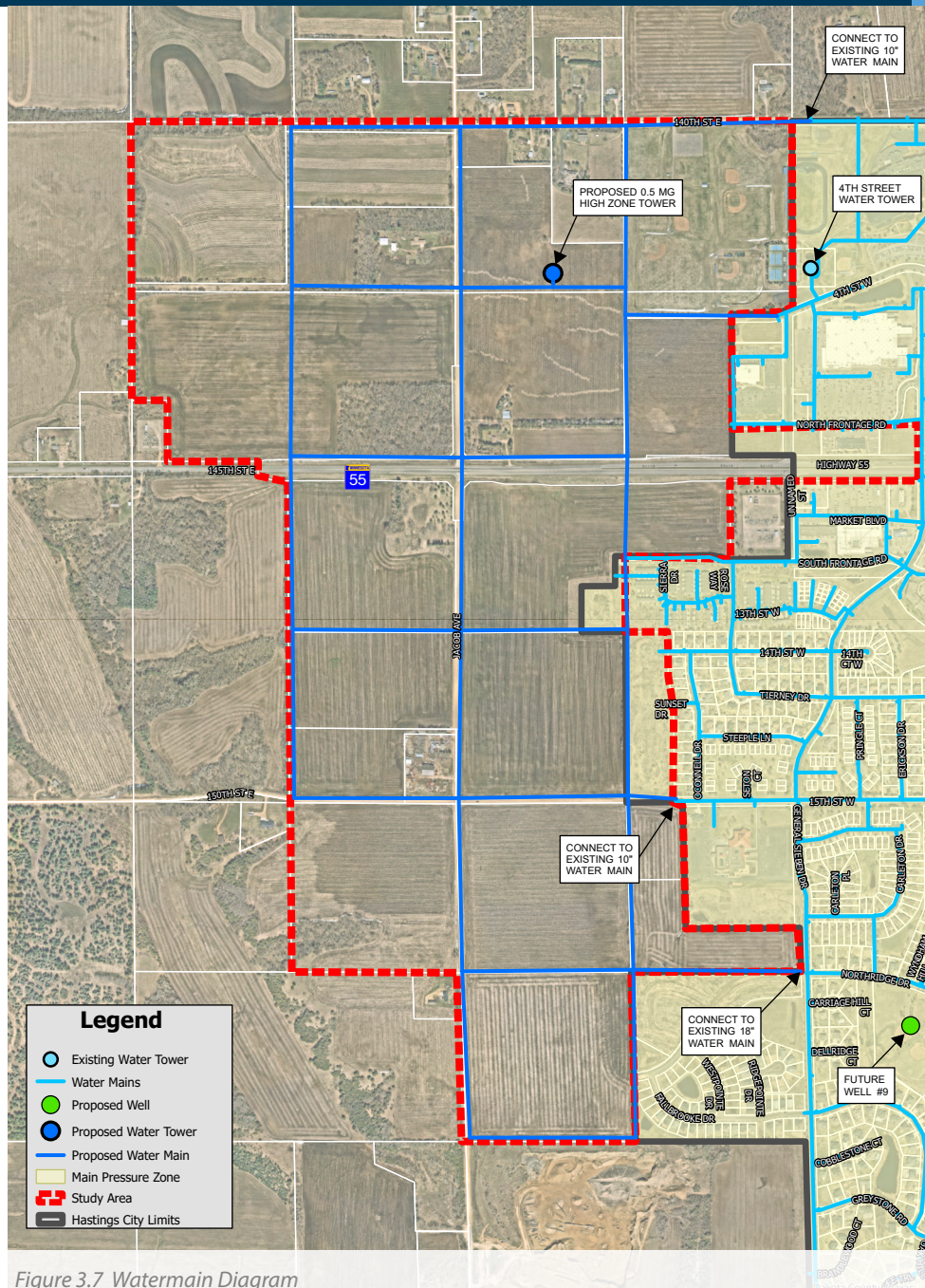


Figure 3.7 Watermain Diagram

WATERMAIN

IMMEDIATE AVAILABILITY

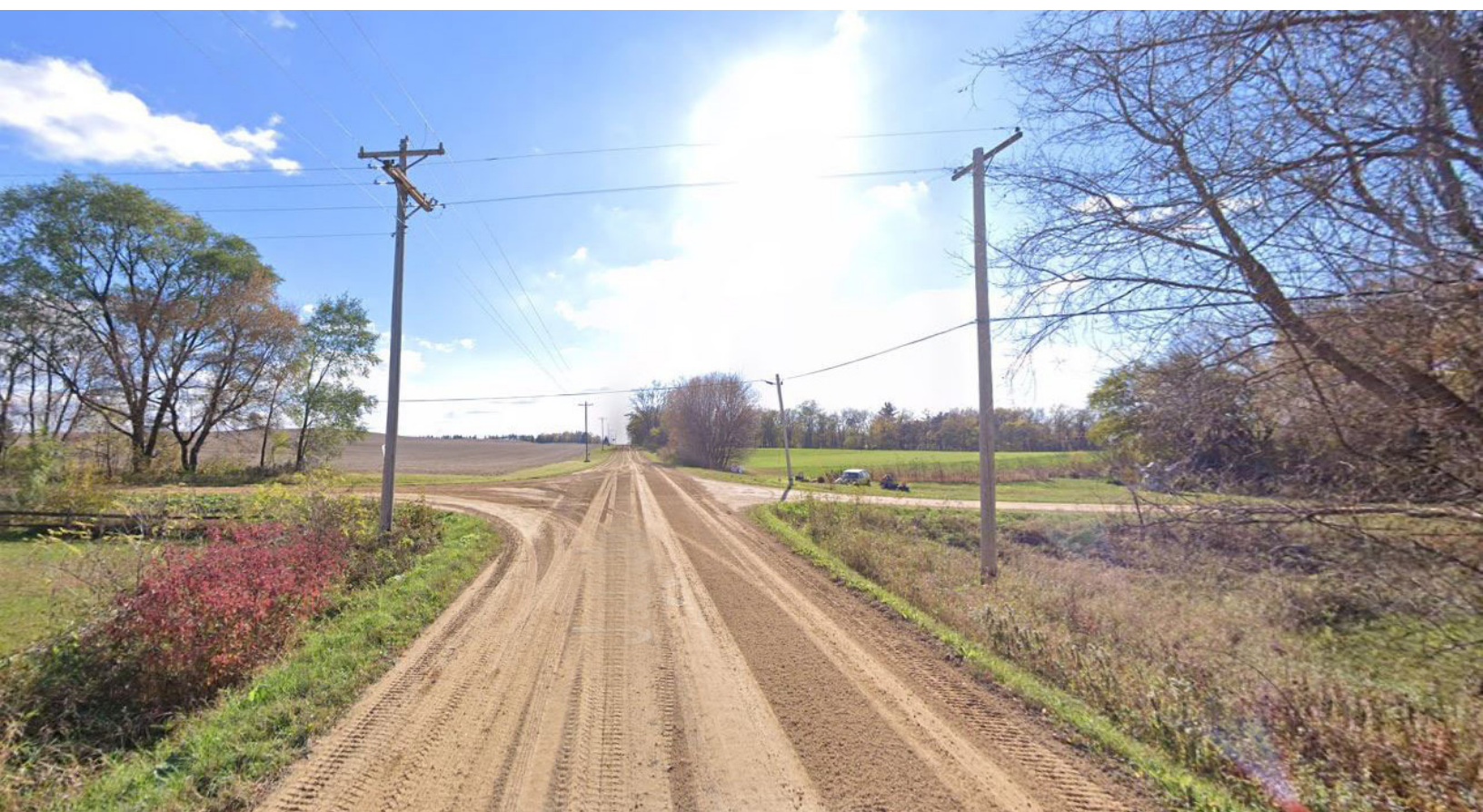
- As shown in the figure, it is recommended that the initial water main loops are constructed as shown. It is recommended that either a 0.5 MG High Zone Tower and a High Zone Booster Station precedes construction of any water main in the first phase of development. While a small portion of development may occur in the northeast quadrant of the highway 55/Jacob Ave. intersection presently, the addition of the water tower will unlock further development by supplying the necessary water pressure and fire flows. A proposed 10-inch connection is shown near the 4th St W water tower as well as at 15th St W.

NEXT PHASE

- Next Phase water main loops would be constructed during the next phase of development and include northern loops and 10" connection as shown in the figure.

LONG-TERM PHASE

- Long-term water main construction would coincide with sanitary trunk sewer construction in the remaining development areas as noted in the figure.



IMPLEMENTATION

KEYS TO IMPLEMENTATION

Successfully realizing the vision for this growth area plan involves several key factors, regardless of any of the property development timeline or form it will likely span many years to decades. This plan will likely need updates or decision making should adjust to changes in market conditions, consumer preferences, land ownership, and broader community goals. However, it is crucial to outline the vision from short-term opportunities that could compromise the long-term goals.

With the planning outlined in this growth area plan, consistent policy implementation of previous planning efforts, and commitment to the vision, future development will naturally reach successes. This section provides an overview of the roles, actions, and investments required to achieve the full build-out of the growth area.



PATIENCE

Transformation of the Highway 55 + Jacob Avenue Growth Area Plan will not be implemented overnight. The time-frame for implementation reflects its evolutionary nature, looking forward over a period of years. The desired change often requires the patience to wait for the right things to happen, rather than making changes simply to be seen as doing something.



COMMITMENT

Commitment to the growth area and patience go hand-in-hand. This study does more than simply seek to attract new development to shovel ready sites in the City of Hastings, it provides a road map to enhance the entire growth area. Commitment to the Growth Area Plan means the willingness to actively promote public and private investments that align with the objectives of the study. It also requires the willingness by decision makers to deter developments which do not meet the objectives of the Growth Area Plan. Not all of these decisions will be easy or will they occur exactly as analyzed in this document.



FINANCIAL REALITY

Implementing the Growth Area Plan requires careful investment of public funds, but the private side of the financial equation must not be overlooked. New development and existing businesses will pay for their portion of the improvements called for in the plan. The Growth Area Plan seeks to balance the investment in public initiatives with the creation of a financial environment that sustains successful businesses and strong neighborhoods.



STRATEGIC INVESTMENTS

If financial support for the plan was unlimited, the need for strategic decisions would be less important. With limited funds, every expenditure is crucial. It is not possible to immediately undertake all of the initiatives described in the Growth Area Plan. Needs and opportunities not contemplated in the plan may arise in the future. Every investment must be evaluated for its impact on enhancing the overall growth area.



COORDINATION EFFORTS

While the City initiated this plan and its primary goal is to ensure this plan is properly implemented it should not be the sole responsibility of the City. There are many other authorities and resources that will need to be involved to undertake the actions prescribed in the plan. Achieving this will require ongoing collaboration of both public and private stakeholders including:



CITY OF HASTINGS

The ultimate responsibility for implementing the recommendations of Growth Area Plan rests with the City of Hastings. The Planning Commission and City Council will provide direction on staff resources, review proposed development projects, and approve public investments. Responsibility for managing on-going development in the growth area will primarily fall on the Planning, Engineering, and Parks and Recreation Departments.



BUSINESS AND PROPERTY OWNERS

While the City influences the physical setting, the HWY 55 + Jacob Ave Growth Area Plan will become a place for commercial, employment, and mixed residential uses. Property owners interested in development will determine the type of retail, employment, and residential developments that meet the land use guidance provided in the growth area plan. Property owners will decide how to approach development of their property and carry forward their proposal to the City of Hastings.



PLANNING COMMISSION AND CITY COUNCIL

The Planning Commission has the lead responsibility for evaluating the application of land use controls needed to implement the growth area plan. The Planning Commission advises the City Council on issues involving the establishment of and compliance with the Comprehensive Plan and the zoning, subdivision, shoreland, tree preservation, and sign ordinances. The Planning Commission also reviews residential, commercial, and industrial development proposals and makes recommendations to the City Council according to the goals and objectives of the Comprehensive Plan.

The City Council sets the foundation for implementing the growth area plan consistent with the overall mission of the City. While other bodies play key roles in the implementation process, important development powers reside with the City Council. Among the powers that may be needed to undertake public initiatives in the growth area are:

- Allocate money in the annual budget to capital improvements.
- Approve the establishment of potential tax increment financing (TIF) districts.
- Levy of special assessments for public improvements.
- Issuance of general obligation bonds to finance development and improvement projects.



COMMUNITY-AT-LARGE

The community of Hastings must stay involved as development continues over time. The community must work together with decision-makers and provide the necessary input on any new development proposals. The community should provide comment on whether the proposed project meets the vision set forth in the growth area plans while respecting existing land owners' desires. Ultimately, the community must:

- Provide a singular focus for the plan. The knowledge gained from the planning process will allow members of the community to comment on development proposals efficiently and effectively.
- Continue public involvement. Continue to attend public meetings, or provide comments and suggestions to proposals as they come forward.

PHASING

The ultimate phasing of development in this area will be dependent on a variety of factors based on the specific geographic location that development is projected to happen in the near term and a number of infrastructure improvements that will need to be made in this area to allow development to occur. Individual projects will have their own lateral infrastructure improvements such as local roads, water, sanitary sewer and storm sewer systems.

IMMEDIATE AVAILABILITY

- Commercial/Mixed Use area north of Hwy. 55
- Some Commercial and up to approximately 300 units of residential south of Hwy. 55

NEXT PHASE

- Sanitary sewer upgrade is needed along with extension of trunk sewer to the north from the southern boundary of the St. Elizabeth Ann Seton Catholic Church site as well as a lift station to General Sieben Drive. This will open up a larger portion of the southern half of the growth area

LONG-TERM PHASE

- Sanitary sewer lift station and force main on the north side of Hwy. 55 will be needed to pump back to the previous phase
- Additional Water Tower needed with development in this area

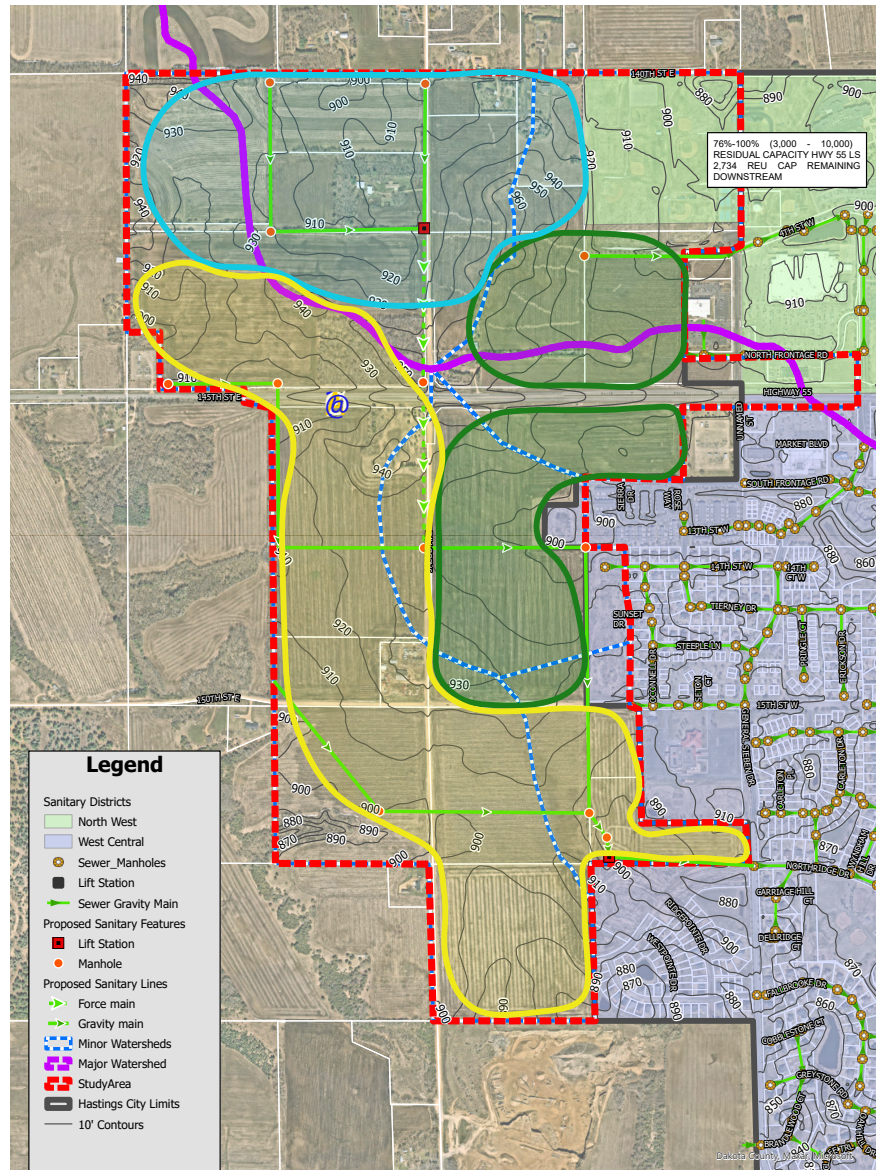


Figure 4.1 Phasing Diagram

APPENDIX

MARKET ANALYSIS PRESENTATION



Market Analysis for the HWY 55 + Jacob Ave Growth Area Plan

Prepared for HKGi and the City of Hastings
September 4, 2024



Key Findings and Recommendations

Key Findings and Recommendations from the Market Analysis

Key Findings

Residential

- Overall, the site would work well for residential development
- Absorption of single-family/townhomes has been steady, despite market swings, interest rate spikes, etc.
- Developers have brought several new rental projects to the market, but absorption has been strong

Restaurant and Retail

- Retail would work well at parcels immediately adjacent to the Highway 55 and Jacob Ave intersection
- Retail absorption has been slow in the PMA

Industrial

- Sites closer to County Road 46 outside of the Growth Area are better candidates for industrial

Recommendations

- Focus initial development on residential projects closer to but not immediately adjacent to the Highway 55 and Jacob Ave intersection
- Set aside parcels immediately adjacent to the intersection for retail development
- Look for opportunities to develop higher density residential uses nearer to existing and planned commercial areas
- Improve Jacob Ave to enhance connectivity through the site
- Plan for long-term buildout of area—20+ years
- Take opportunity to develop trail and park system through the area
- Expect near-term industrial demand to be satisfied by available industrial parcels in the existing business park
- Plan for long-term industrial development to occur outside of the Growth Area on parcels immediately adjacent to County Road 46

Demand Estimates for HWY 55 + Jacob Ave Growth Area



	Density	2025-2030	2030-2040
Single-Family Homes	3.0 units per acre	140 – 150 units 47.0 – 50.0 acres	170 – 180 units 57.0 – 60.0 acres
Townhomes and Twinhomes	12.0 units per acre	60 – 70 units 5.0 – 6.0 acres	75 – 85 units 6.3 – 7.0 acres
Apartments	25.0 units per acre	140 – 150 units 5.6 – 6.0 acres	170 – 180 units 6.8 – 7.2 acres
Restaurant and Retail	10,000 sq. ft. per acre	15,000 – 20,000 sq. ft. 1.5 – 2.0 acres	18,000 – 24,000 sq. ft. 1.8 – 2.4 acres

Market Analysis for HWY 55 + Jacob Ave Growth Plan

HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

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Market Analysis for HWY 55 + Jacob Ave Growth Area Plan

Purpose

- Provide market analytics to guide HWY 55 + Jacob Ave Growth Area Plan

Market Analysis

- Single-family homes
- Townhomes and twinhomes
- Multifamily apartment buildings
- Restaurant and retail space
- Industrial and office

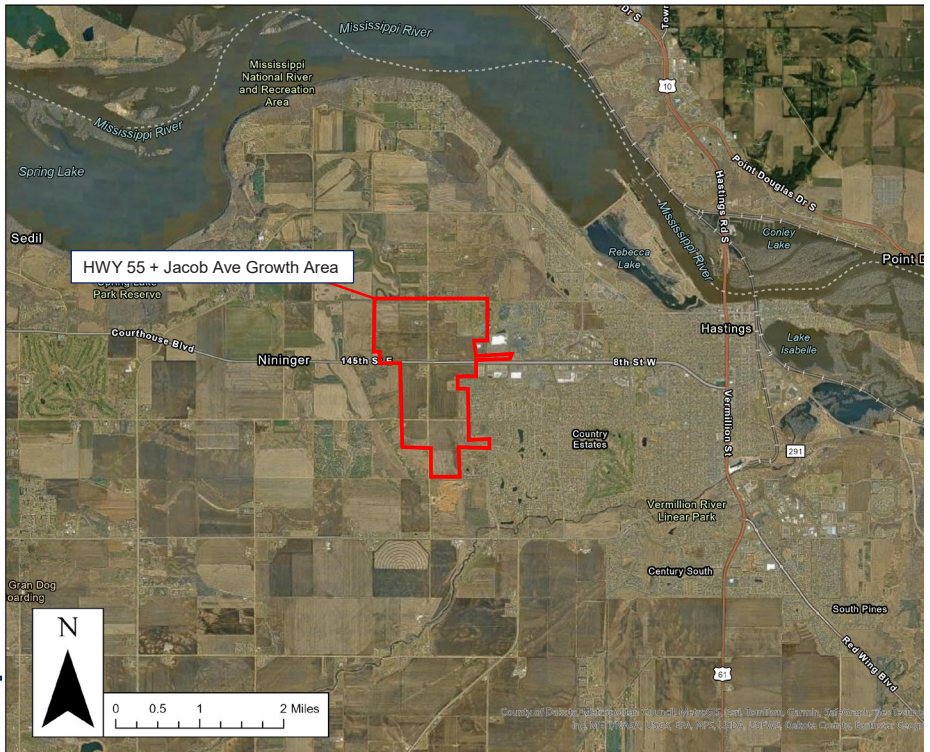


HWY 55 + Jacob Ave Growth Area Plan Market Analysis
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September 4, 2024

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HWY 55 + Jacob Ave Area Defined

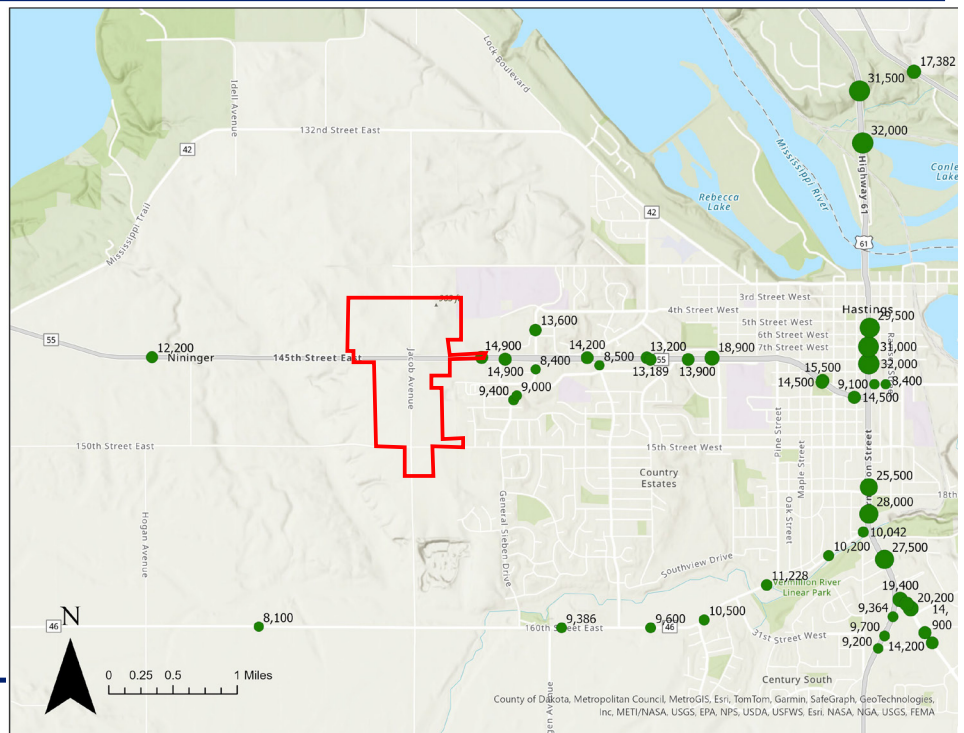
- The red boundary marks the study area on the edge of the city of Hastings



HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

Site Analysis: Traffic Counts in and near HWY 55 + Jacob Ave Area

- Highway 55, east of the HWY 55 + Jacob Ave Area:
 - 14,900 vehicles per day
- Highway 55, east of the HWY 55 + Jacob Ave Area:
 - 12,200 vehicles per day



HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

Site Analysis: HWY 55 + Jacob Ave Growth Area

Strengths

Large, vacant parcels create open opportunity for development

Highway 55 provides excellent connectivity to Minneapolis and southeastern suburbs

Existing (unpaved) connectivity to County Road 46 along Jacob Ave.

Low housing growth already on the edge of the development

Could be gateway district to Hastings

Close to strong retail node along Highway 55, and high school and Dakota County Government Center

Deeper development creates offered opportunities for residential

Weaknesses

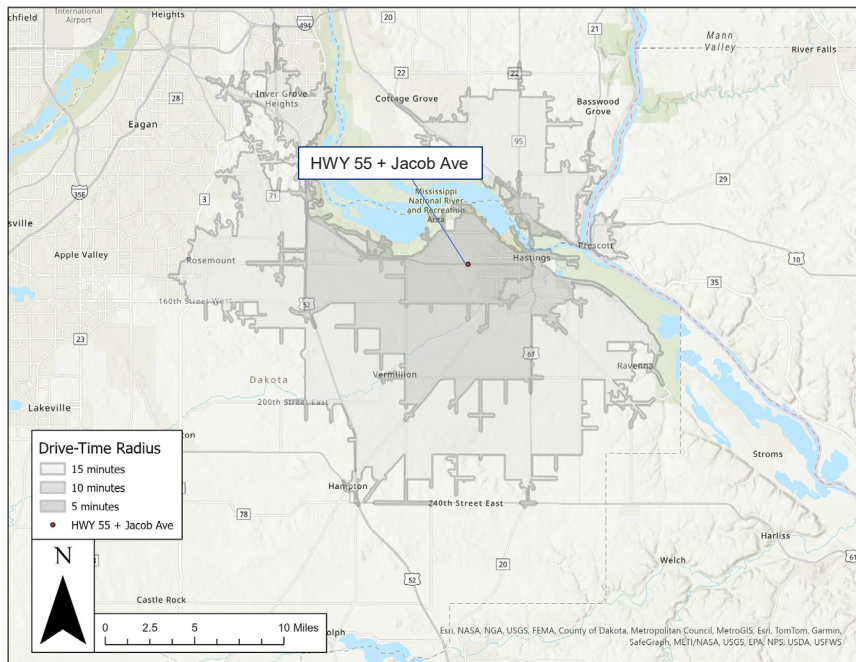
- Size means longer development timeline
- Jacob Avenue is currently unpaved—connectivity to County Road 46 is limited
- Deeper areas of development south and north of Highway 55 are not good for commercial
- Interchange at County Road 46 and Highway 52 is more intuitive than Highway 55 and Highway 52



HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

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Drive-Time Rings around HWY 55 + Jacob Ave Area



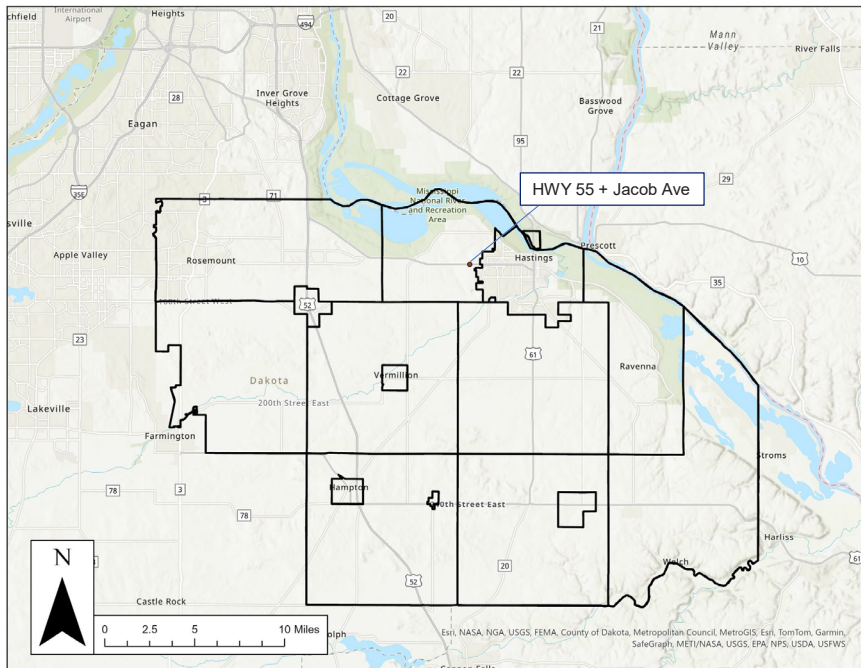
- Primary Market Area (PMA) is generally defined using a 15-minute drive time
- For residential demand, it is assumed that 10% of demand would come from outside of the PMA
- For retail demand, it is estimated that 20% of retail spend generated within the PMA is lost to retailers outside of the PMA (often called "leakage")

HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

Source: ESRI; LOCi Consulting LLC

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Primary Market Area (PMA) for the HWY 55 & Jacob Ave Growth Area



Cities and townships included:

- Hastings
- Nininger township
- Coates
- Douglas township
- Empire township
- Hampton
- Hampton township
- Marshan township
- Miesville
- New Trier
- Ravenna townsh
- Rosemount
- Vermillion
- Vermillion townsh
- Welch township

HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

Source: ESRI; Maxfield Research Inc.; LOCi Consulting LLC

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Demographics: Population and Population Growth

- The population of the PMA is about 64,000 in 2024
- The city of Hastings population is about 22,000
- The population growth rate of the PMA overall is higher than city of Hastings, the Metro Area, and the state

1 Population and Population Growth

	Census 2010	Census 2020	Estimate 2024	Forecast 2029	Annual Growth Rate	
					2010-2024	2024-2029
Trade Area	55,912	60,578	63,608	68,380	0.9%	1.5%
<i>Drive Time Ring Areas</i>						
5-Minute Drive Time	10,900	10,605	10,620	10,544	-0.2%	-0.1%
10-Minute Drive Time	23,668	23,685	24,030	24,821	0.1%	0.6%
15-Minute Drive Time	52,228	56,066	58,674	61,994	0.8%	1.1%
<i>Comparison Areas</i>						
City of Hastings	22,176	22,154	22,477	23,149	0.1%	0.6%
Dakota County	398,552	439,882	453,908	466,612	0.9%	0.6%
Twin Cities Metro Area	3,333,633	3,690,261	3,790,663	3,894,503	0.9%	0.5%
United States	308,745,538	331,449,281	338,440,954	344,873,411	0.7%	0.4%

* Twin Cities Metro Area is Minneapolis-St. Paul-Bloomington CBSA.

Source: US Census Bureau; ESRI; LOCi Consulting LLC

HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

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Demographics: Households and Household Growth

- The PMA has about 24,000 households in 2023
- The PMA is projected to add about 1,700 new households
- Based on the drive-time rings, higher growth is projected in areas of the PMA farther from the site

2 Households and Household Growth

	Census 2010	Census 2020	Estimate 2024	Forecast 2029	Annual Growth Rate	
					2010-2024	2024-2029
Trade Area	20,511	22,617	23,626	25,356	1.0%	1.4%
<i>Drive Time Ring Areas</i>						
5-Minute Drive Time	4,410	4,495	4,484	4,470	0.1%	-0.1%
10-Minute Drive Time	9,284	9,653	9,780	10,126	0.4%	0.7%
15-Minute Drive Time	19,945	21,706	22,519	23,747	0.9%	1.1%
<i>Comparison Areas</i>						
City of Hastings	8,737	9,129	9,260	9,584	0.4%	0.7%
Dakota County	152,060	168,008	173,920	179,637	1.0%	0.6%
Twin Cities Metro Area	1,293,601	1,434,315	1,479,626	1,530,379	1.0%	0.7%
United States	116,716,292	126,817,580	130,716,571	134,930,577	0.8%	0.6%

* Twin Cities Metro Area is Minneapolis-St. Paul-Bloomington CBSA..

Source: US Census Bureau; ESRI; LOCi Consulting LLC

Demographics: Long-Term Population, Household, and Employment Projections

- Metropolitan Council has preliminary estimates available for projected population, households, and employment, 2020 to 2050
- Growth is projected to slow somewhat between 2030-2040
- Demand forecasts account for this projected slow down

3 Long-Term Population, Household, and Employment Projections

	Census 2020	Census 2030	Estimate 2040	Forecast 2050	Projected Change		
					2020-2030	2030-2040	2040-2050
Population							
Primary Market Area	60,317	68,030	71,690	80,281	7,713	3,660	8,551
City of Hastings	22,154	23,567	24,655	26,523	1,413	1,088	1,865
Households							
Primary Market Area	22,517	25,893	27,904	31,382	3,376	2,011	3,478
City of Hastings	9,129	9,843	10,485	11,330	714	642	841
Employment							
Primary Market Area	16,791	21,385	23,945	28,472	4,594	2,560	4,527
City of Hastings	6,972	8,187	8,581	9,027	1,215	394	443

* Proposed Forecasts issued 8/12/2024.

Source: Metropolitan Council; LOCi Consulting LLC

Demographics: Consumer Expenditure

4 Consumer Spending in Retail Categories In the PMA

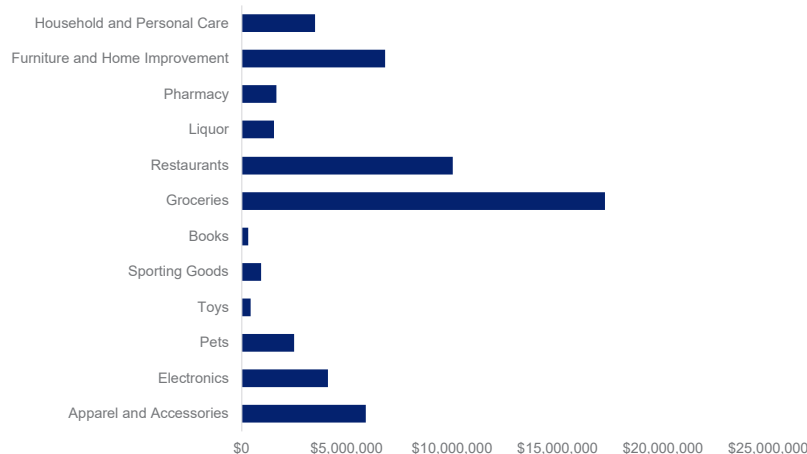
	Estimate 2024	Forecast 2029	Growth 2024-2029
Apparel and Accessories	\$69,222,656	\$75,136,782	\$5,914,126
Electronics	\$50,075,747	\$54,190,779	\$4,115,032
Pets	\$29,658,589	\$32,153,026	\$2,494,437
Toys	\$5,267,924	\$5,699,239	\$431,315
Sporting Goods	\$9,998,444	\$10,929,136	\$930,692
Books	\$3,979,168	\$4,300,033	\$320,865
Groceries	\$208,329,641	\$225,591,017	\$17,261,376
Restaurants	\$116,188,807	\$126,227,831	\$10,039,024
Liquor	\$18,714,001	\$20,275,280	\$1,561,279
Pharmacy	\$21,036,827	\$22,712,446	\$1,675,619
Furniture and Home Improvement	\$79,702,968	\$86,507,498	\$6,804,530
Household and Personal Care	\$42,109,235	\$45,616,318	\$3,507,083
Total	\$654,284,007	\$709,339,384	\$55,055,377

* Data is shown in 2024 Dollars, adjusted from ESRI projection. ESRI assumes 2.5% inflation.

Source: US Census Bureau; ESRI; LOCi Consulting LLC

Demographics: Grocery and restaurants are projected to see the highest growth

5 Forecasted Growth in Consumer Spending in the PMA, 2024-2029



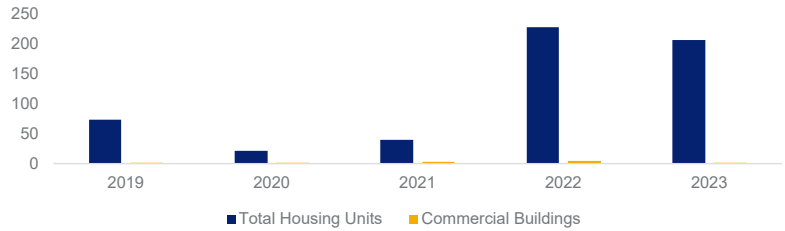
* Data is shown in 2024 Dollars, adjusted from ESRI projection. ESRI assumes 2.5% inflation.

Source: US Census Bureau; ESRI; LOCi Consulting LLC

Building Permits: Hastings is averaging 114 housing unit permits and three commercial building permits per year since 2019



6 Building Permit in the City of Hastings, 2019-2023



	2019	2020	2021	2022	2023
Total Housing Units	74	21	40	228	207
Single-Family Structures	14	21	39	33	23
Townhomes and Twinhomes	0	0	0	0	2
Multifamily Units	60	0	1	195	182
Commercial Buildings	1	2	3	5	2

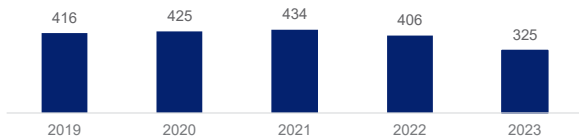
Source: Minnesota Department of Labor and Industry; LOCi Consulting LLC

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Prepared for HKGI and the City of Hastings
September 4, 2024

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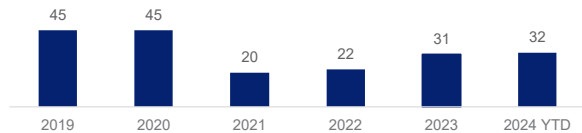
Residential Market: With rising interest rates, existing home sales have cooled slightly in Hastings, following national trends

7 Residential Real Estate Transactions in Hastings



Source: Multiple Listing Service; LOCi Consulting LLC

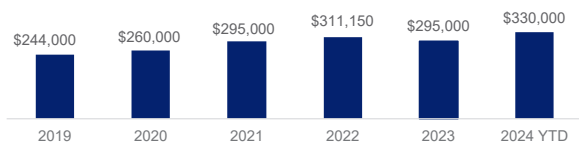
9 Average Days on the Market for Home Sales in Hastings



*2024 YTD is rolling 12-months from July 2024.

Source: Multiple Listing Service; LOCi Consulting LLC

8 Median Sales Price of Home Sales in Hastings



*2024 YTD is rolling 12-months from July 2024.

Source: Multiple Listing Service; LOCi Consulting LLC

HWY 55 + Jacob Ave Growth Area Plan Market Analysis
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Residential Market: Recently Marketing or Sold For-Sale Home Developments in the PMA

Development	Units	Square Footage	Price Points	Estimated Units per Acre
Heritage Ridge Single-Family & Detached Townhomes 2021	79 (50 sold)	1,296 – 3,354	\$391,900 - 584,900	3.0 (26.6-acre development)
Villas at Pleasant Detached Townhomes 2021	32 (25 Sold)	1,418 - 2,832	\$500,000+	3.2 (9.9-acre development)

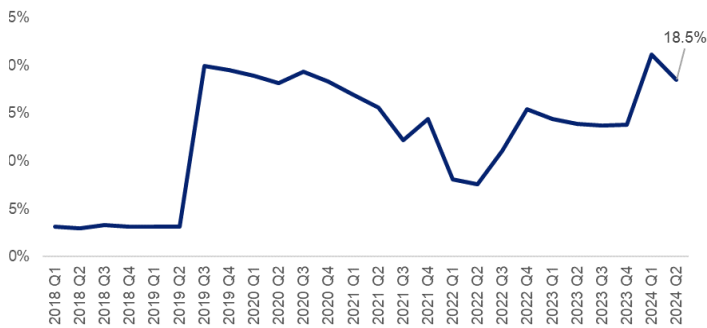
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September 4, 2024

Source: MLS, websites, interviews,
LOCi Consulting LLC

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Residential Market: New rental product developed in the market has pushed the vacancy rate up, but rents are still seeing growth

Vacancy Rates for Market-Rate Rental Housing in the PMA



is Q1 2018 to Q2 2024

Source: CoStar; LOCi Consulting LLC

11 Average Rent for Market-Rate Rental in the PMA



* Data is Q1 2018 to Q2 2024

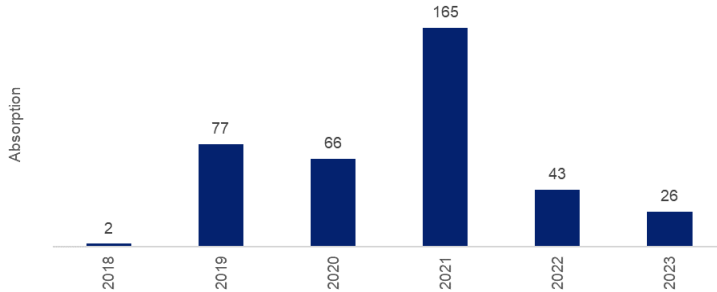
Source: CoStar; LOCi Consulting LLC

HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

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Residential Market: The PMA has seen an average rental unit absorption of about 60 units per year since 2018

12 Annual Absorption of Units for Market-Rate Rental in the PMA



* Data is Q1 2018 to Q2 2024

Source: CoStar; LOCi Consulting LLC



HWY 55 + Jacob Ave Growth Area Plan Market Analysis
Prepared for HKGI and the City of Hastings
September 4, 2024

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Residential Market: Recently Constructed Rental in the PMA—Since 2019

Development	Units	Vacancies	Square Footages	Rents	Estimated Units per Acre
Current 33 325 33rd St W 2024	216	16	530 - 1,195	\$1,230 - 2,248	20.0 (10.8-acre development)
Isabelle Flats Apartments 412 3rd St. E. 2024	89	25	555 - 1,114	\$1,177 - 2,035	27.8 (3.2-acre development)
Vermillion Shores II 950 31st St. W. 2020	60	0	750 - 1,157	\$995 - 1,495	10.9 (5.48-acre development)
Voyager Estates 2400 Voyageur Parkway 2019	88	4	973 - 1,285	\$946 - \$2,000	18.6 (4.74-acre development)

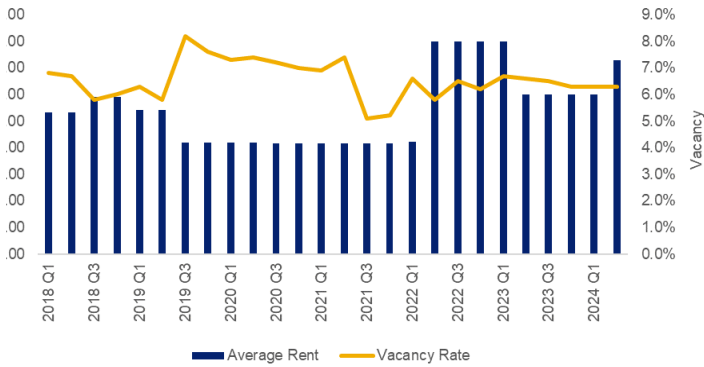
HWY 55 + Jacob Ave Growth Area Plan Market Analysis
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Source: Websites, interviews, Costar,
LOCi Consulting LLC

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Retail Market: Vacancy rates for retail are generally higher than the Metro Area (6.3% vs. 2.5%) and absorption over the last 10 years has been relatively flat

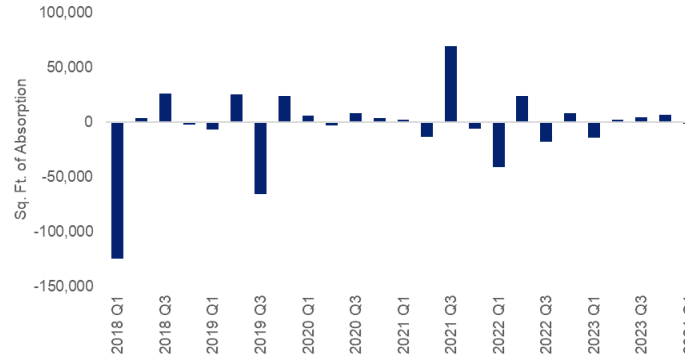
Average Lease and Vacancy Rates for Retail Space in the PMA



* Q1 2018 to Q2 2024. Rents are average for NNN leases.

CoStar; LOCi Consulting LLC

15 Net 12-Month Absorption for Retail Space in the PMA

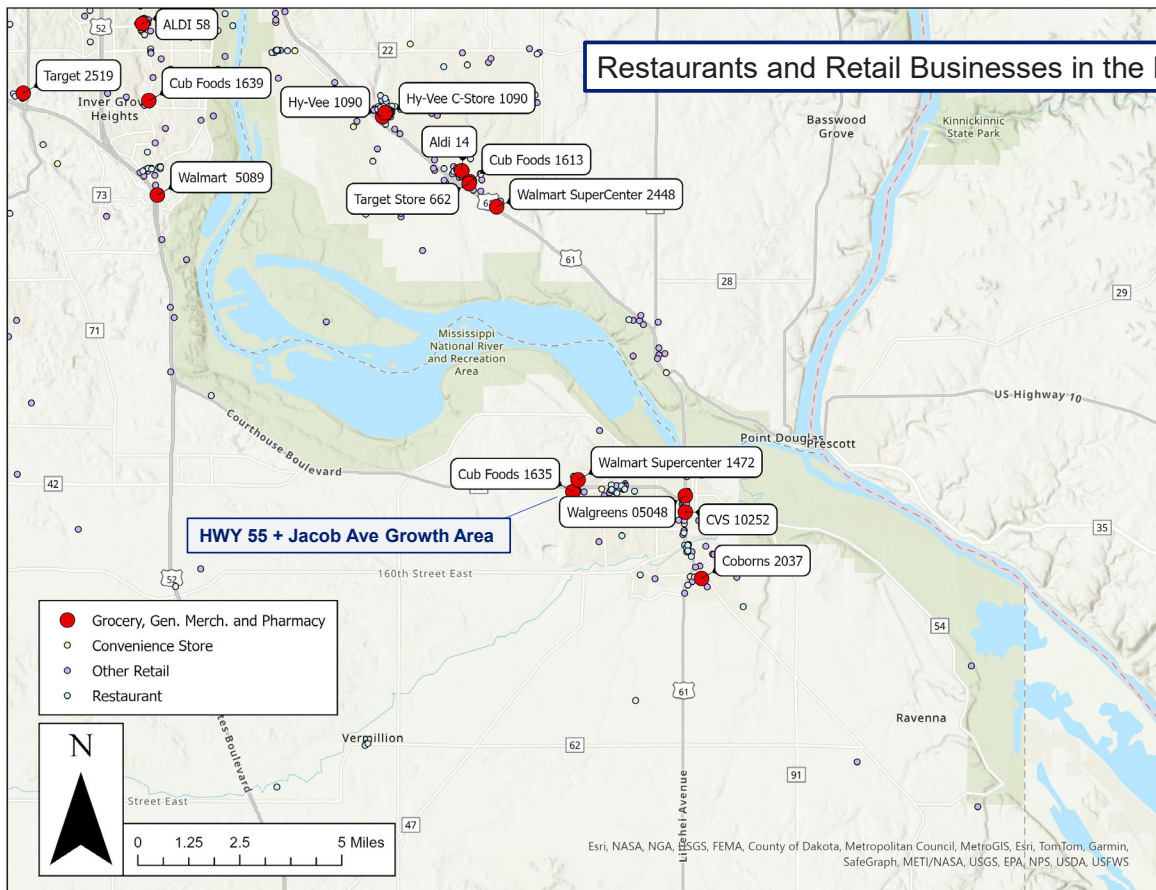


* Data is Q1 2018 to Q2 2024

Source: CoStar; LOCi Consulting LLC

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23



Retail Market: New Retail Constructed in Hastings since 2014

Development	Year Built	Square Footage	Acreage	Floor Area Ratio
1726 Vermillion St – Kentucky Fried Chicken	2023	2,500	0.67	0.09
1217 Vermillion St—Jersey Mike's	2022	2,000	0.31	0.15
1465 N Frontage Rd—Aspen Dental	2018	4,513	0.64	0.16
1316 S Frontage Rd—Auto Zone	2015	6,587	1.03	0.15
1630 Vermillion St—Kwik Trip	2015	7,846	0.95	0.19
1411 Vermillion St—CVS	2014	13,225	1.77	0.17

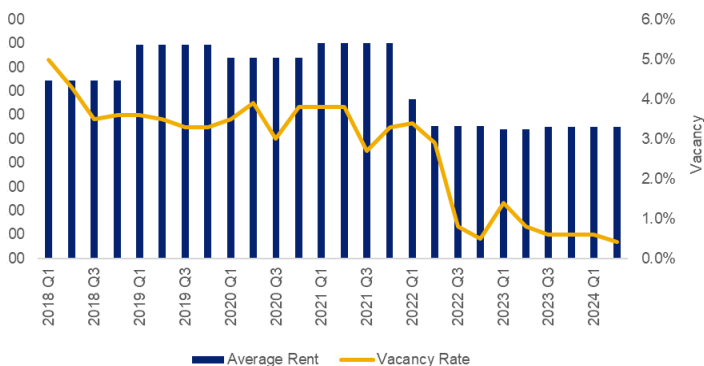
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Source: CoStar, Dakota County GIS,
websites, interviews, LOCi Consulting LLC

25

Industrial Market: Vacancy rates are very low in the PMA. Lower rents show increasing distribution uses. Absorption has averaged 18K sf per year (2014-

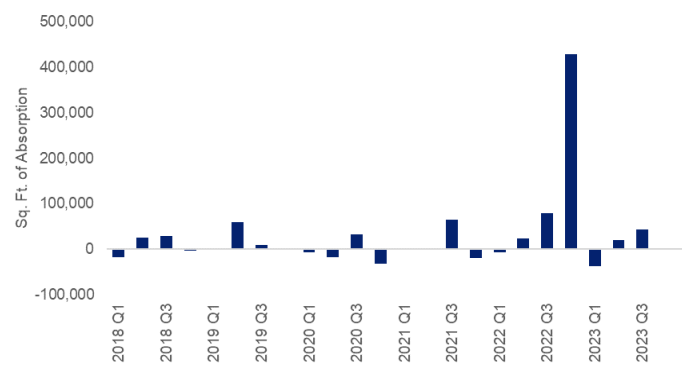
Average Lease and Vacancy Rates for Industrial Space in the PMA



* Q1 2018 to Q2 2024. Includes industrial and flex space. Average rents are NNN.

CoStar; LOCi Consulting LLC

17 Net 12-Month Absorption for Industrial Space in the PMA



* Data is Q1 2018 to Q2 2024. Includes industrial and flex space.

Source: CoStar; LOCi Consulting LLC

Development	Year Built	Square Footage	Acreage	Floor Area Ratio
3855 145th St E, Rosemount - FedEx	2024	548,000	97.05	0.13
12335 Margo Ave S, Hastings	2023	14,976	2.5	0.14
16555 Clayton Ave E, Rosemount	2023	36,728	20.39	0.04
3180 165TH St E, Rosemount	2023	28,800	10.02	0.07
523 31st St E, Hastings	2021	5,000	1.33	0.09

Appendix: Demand Estimates

A.1 For-Sale Housing Demand in the Growth Area, 2024 to 2029

Demand from Household Growth in the PMA		
Households in 2024		23,626
Households in 2029		25,356
Projected growth of the market		1,730
Estimated percentage that will choose new for-sale housing		82%
Units needed to meet demand from household growth in the PMA		1,426
Demand from For-Sale Housing Turnover in the PMA		
Estimated number of households that own in the PMA in 2024		19,479
Pct. that will seek new for-sale housing between 2024 and 2029		20%
Pct. that will choose new for-sale housing		10%
Units needed to meet demand from turnover in PMA		394
Demand from Outside the PMA		
Estimated demand from outside PMA		10%
Total Demand for For-Sale Housing in the PMA		2,022
Demand in the PMA by Housing Type ¹		
	Single-Family	Townhomes
	70%	30%
Units needed in the PMA	1,416	607
Capturable by Growth Area		
	10%	10%
Estimated demand in the Growth Area	142	61

1. Based on distribution of MLS listed new construction sold between 2020 and 2024.

Source: LOCi Consulting LLC

A.2 Rental Housing Demand in the Growth Area, 2024 to 2029

Demand from Household Growth in the PMA	
Households in 2024	23,626
Households in 2029	25,356
Projected growth of the market	1,730
Estimated percentage that will choose new rental housing	18%
Units needed to meet demand from household growth in the PMA	304
Demand from For-Sale Housing Turnover in the PMA	
Estimated number of households that rent in the PMA in 2024	10,718
Pct. that will seek new rental housing between 2024 and 2029	47%
Pct. that will choose new for-sale housing	20%
Units needed to meet demand from turnover in PMA	1,010
Demand from Outside the PMA	
Estimated demand from outside PMA	10%
Total Demand for For-Sale Housing in the PMA	1,460
Capturable by Growth Area	
	10%
Estimated demand in the Growth Area	146

Source: LOCi Consulting LLC

A.3 Retail Space Demand in the Growth Area, 2024-2029

Increase in Consumer Demand in 2023 Dollars, 2023 to 2028	\$55,055,377
Percent of Consumer Demand Spent at Brick and Mortar Retail	85%
Demand from Brick-and-Mortar Retail in PMA	\$46,797,000
Minus Leakage Sales to Outside of the PMA (Net of E-Commerce Sales)	20%
Equals Consumer Demand for Retail Sales in PMA	\$37,437,600
Divided by Average Sales per Square Foot	\$450 - \$550
Equals Demand for New Retail Space in PMA	68,000 - 83,000
Estimated Percentage Capturable by Downtown Hastings	20% - 25%
Equals Demand for New Retail Space in Downtown Hastings	13,600 - 20,750

Source: ESRI; LOCi Consulting LLC

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Data Resources and Study Limitations

The data in this preliminary market analysis are compiled from a variety of sources, including interviews with city officials, property managers, and real estate salespeople, along with secondary demographic, economic, and competitive resources. Sources are identified in the tables and figures.

LOCi Consulting believes that these sources are reliable. However, there is no way to authenticate this data and information. LOCi Consulting does not guarantee the data and assumes no liability for any errors in fact, analysis, or judgement. The data in this analysis includes the most recent information available at the time of this analysis.

The findings, conclusions, and recommendations in this demand analysis are based on the best judgements and analysis at the time of the study. LOCi Consulting makes no guarantees or assurances that the projections or conclusions will be realized as stated.



Thank you!

Services:

- Market studies
- Demographic analysis
- Customer segmentation
- Market identification
- Market sizing
- Competitive analysis
- Geographic Information Systems (GIS) and site selection
- Data analytics

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