

CHAPTER X - ECONOMIC DEVELOPMENT

This chapter provides a comprehensive inventory of Scott County's economic and employment base. It reveals trends in jobs and industries found in Scott County; describing the evolving economic base that has shifted from a primarily agricultural to a more suburban community in the past 20 years. To ensure that Scott County continues to provide a variety of economic development opportunities over the next 25 years, this chapter concludes with goals and policies for economic development in the county.

EMPLOYMENT BASE

There were a total of about 35,000 jobs in Scott County in 2000, of which more than 75 percent were located in Shakopee, Savage and Prior Lake. Most of these jobs were in the government, services, construction and manufacturing sectors of the economy. Since 2000, Scott County's economy performed comparatively well during the recent recession and recovery. By 2004, the county added almost 5,400 jobs (16 percent growth). In contrast, the Twin Cities metro area lost nearly 45,000 jobs during this time period. From 2000 to 2004, the largest job increases in the county



occurred in the public administration, educational services, and construction sectors. Losses occurred in the manufacturing, accommodation, food services, and management sectors.

By and large, Scott County's economic development cycle has followed a pattern commonly found in rapidly growing, suburban areas. Large-scale industrial development that requires expansive amounts of space (i.e. distribution centers, warehouses, manufacturing plants, etc.) typically moves into a suburban area first when land is relatively inexpensive and transportation systems are in place to efficiently move goods to and from the facilities into the marketplace. Next, residential development moves into the area to again take advantage of relatively inexpensive land and convenient access. Retail development follows residential development as the number of new households dictates the demand on a range of retail services. Finally, office and more high-tech or specialized industrial uses move into the area as employers seek locations that are convenient to a growing local labor pool.

In Scott County, this cycle was accelerated with the opening of the TH 169 Bloomington Ferry Bridge in 1995. The city of Shakopee, with its abundant supply of undeveloped land with convenient access to U.S. Highway 169, absorbed most of the initial wave of large-scale industrial development as compared to the other cities. All of the cities have experienced the waves of residential growth, and by the mid-2000s most of these cities have seen moderate

growth in retail development to serve these new households. The fourth wave of office and more specialized industrial development has only occurred sporadically in a few of the cities and has yet to gain a significant foothold in Scott County.

**Figure X-1
Major Employers in Each of Scott County's Cities, 2006**

Employer	Products/Services	Employee Count 2006
Shakopee		
ADC Telecommunication, Inc	Electrical & Electric Goods Merchant Wholesalers	+/- 1,400
Valleyfair Amusement Park	Amusement Park & Arcades	+/- 1,200
Seagate Technology	Computer & Peripheral Equipment Manufacturing	+/- 1,100
Scott County	Executive, Legislative, & Other Gen. Govt.	+/- 495
Super Walmart	Miscellaneous Durable Goods Merchant Wholesalers	+/- 300
K Mart Distribution Center	Department Stores	+/- 425
St. Francis Regional Medical Ctr.	General Medical & Surgical Hospitals	+/- 360
Shakopee School District #720	Elementary & Secondary Schools	+/- 390
Shakopee Valley Printing	Newspaper, Periodical, Book, & Directory Publishers	+/- 415
Certain Teed Corp.	Petroleum & Coal Product Manufacturing	+/- 300
Anchor Glass Container Corp.	Glass & Glass Product Manufacturing	+/- 285
Toro Co.	Machinery, Equipment, & Supplies Merchant Wholesalers	+/- 275
Northstar Auto Auction	Used Merchandise Stores	+/- 220
Conklin Co.	Miscellaneous Durable Goods Merchant	+/- 105
Fremont Industries Inc.	Soap, Cleaning Compound & Toilet Prep. Mfg.	+/- 105
Chemrex	Resin, Synth. Rubber & Art. Synth. Fibers & Fil. Mfg.	+/- 100
Subtotal		+/- 7,480
Savage		
Super Target	Miscellaneous Durable Goods Merchant Wholesalers	+/- 330
Continental Machines Inc.	Other General Purpose Machinery Manufacturing	+/- 250
Fabcon Inc.	Cement & Concrete Product Manufacturing	+/- 250
Cub Foods	Grocer & Related Product Wholesalers	+/- 150
Silgan Container Corp.	Boiler, Tank & Shipping Container Manufacturer	+/- 150
Waste Management Inc.	Waste Collection	+/- 150
Cargill Inc.	Miscellaneous Nondurable Goods Merchant Wholesalers	+/- 140
Rainbow Foods	Grocery & Related Product Wholesalers	+/- 130
BF Nelson Corp.	Converted Paper Product Manufacturing	+/- 100
Continental Hydraulics Div.	Other General Purpose Machinery Manufacturing	+/- 100
Master Electric Co. Inc.	Building Equipment Contractors	+/- 100
Subtotal		+/- 1,850
Prior Lake		
Little Six Inc.	Casino	+/- 3,600*
Prior Lake Ind School Dist #719	Elementary & Secondary Schools	+/- 550
County Market	Grocery Stores	+/- 155
City of Prior Lake	Executive, Legislative, & Other Gen. Govt. Support	+/- 65
Prior Lake State Bank	Depository Credit Intermediation	+/- 40
Subtotal		+/- 4,410
New Prague		
Chart Industries	Machine Shops	+/- 300
New Prague Public Schools	Elementary & Secondary Schools	+/- 375
Queen of Peace Hospital	General Medical & Surgical Hospitals	+/- 285
Mala Strana Health Care Center	Nursing Care Facilities	+/- 135
Coborn's Supercenter	Grocery Stores	+/- 100
Scott Equipment	Machinery, Equipment, & Supplies Merchant Wholesalers	+/- 70
Con Agra	Grain & Oilseed Milling	+/- 70
Subtotal		+/- 1,330

*The 2006 figure for Little Six Inc. was estimated by Maxfield Research Inc.

Source: July 2006 Commercial/Industrial Land Supply Analysis for Scott County, Minnesota, Claritas Inc., Maxfield Research Inc.

**Figure X-1 – Cont.
Major Employers in Each of Scott County’s Cities, 2006**

Employer	Products/Services	Employee Count 2006
Belle Plaine		
Belle Plaine Lutheran Home	Nursing Care Facilities	+/- 275
Belle Plaine Public Schools – ISD #716	Elementary & Secondary Schools	+/- 90
Emma Krumbiee’s Family Restaurant	Full-Service Restaurants	+/- 85
State Bank of Belle Plaine	Depository Credit Intermediation	+/- 20
Belle Plaine Co-op	Warehousing & Storage	+/- 20
Siemon Implement	Machinery, Equipment, & Supplies Merchant Wholesalers	+/- 20
Subtotal		+/- 510
Jordan		
SM Hentges & Sons Inc.	Highway, Street & Bridge Construction	+/- 185
Jordan Public School District #717	Elementary & Secondary Schools	+/- 175
Valley Plumbing Inc.	Building Equipment Contractors	+/- 125
MN Valley Electric Co-op	Electric Power Generation, Transmission & Dist.	+/- 105
Wolf Motors Ford	Automobile Dealers	+/- 80
Engel Diversified Industries	Machine Shop; Turned Prod.; & Screw, Nut & Bolt Mfg	+/- 50
U.S. Transformer	Electrical Equipment Manufacturing	+/- 25
Subtotal		+/- 745
Elko New Market**		
Eagle View Elementary School	Elementary School	+/- 65
Friedge’s Drywall	Drywall Construction	+/- 50
Twin Cities Greetings	Greeting Cards	+/- 15
Boulder Point Golf Course	Golf Course	+/- 10
New Market Bank	Depository	+/- 10
Subtotal		+/- 150

** Elko New Market information provided by the City of Elko New Market, April 2007

Source: July 2006 Commercial/Industrial Land Supply Analysis for Scott County, Minnesota, Claritas Inc., Maxfield Research Inc.

In addition to these common waves of economic development, Scott County has established some niches in the Twin Cities region. It is home to several year-round and seasonal entertainment destinations that create spin-off jobs in the retail and tourism industry. Finally, much of the southern portion of the county is still in agricultural use with large farming operations and small specialty agricultural uses (i.e. apple orchards, wineries, dairies, and nurseries) providing jobs and capital into the local economy. Figure X-1 lists the major employers in each city in Scott County based on the *July 2006 Commercial/Industrial Land Supply Analysis for Scott County, Minnesota*.

Figure X-2 shows the number of establishments, or businesses, in 2000 and 2004. Most of the 518 new establishments added during this time frame conducted business in the construction, retail trade, and professional/scientific and technical services industries.

Based on the growing number of businesses and corresponding employment trends, certain industries stand out as having a greater impact on Scott County’s economy. These “distinguishing industries” include construction, technology, entertainment services, and retail trade. A number of factors may play into why these distinguishing industries are located in Scott County, such as supplemental business proximities, natural features, transportation routes, quality of life indicators, and current growth patterns. Construction and retail trade businesses have increased greatly due to the significant residential development growth patterns Scott County has seen in the past decade. Entertainment establishments have capitalized on proximity as tourists take advantage of Scott County’s entertainment choices. Manufacturers,

such as Seagate, utilize major transportation routes for its low cost shipping needs. But technology and other service related businesses have also begun to select office locations based on quality of life factors for their employees and families as communication and information technology continues to reduce the importance of geographical locations and transportation access on the global economy.

Figure X-2
Establishments by Industry, Scott County Annual Average, 2000 and 2004

	2000		2004		2000-2004	
	Establishments		Establishments		Change	
	No.	Pct.	No.	Pct.	No.	Pct.
Agriculture, Forestry, Fishing and Hunting	27	1.2%	23	0.8%	-4	-14.8%
Mining	9	0.4%	9	0.3%	0	0.0%
Utilities	3	0.1%	4	0.1%	1	19.2%
Construction	395	17.2%	521	18.5%	126	31.9%
Manufacturing	168	7.3%	172	6.1%	4	2.4%
Wholesale Trade	170	7.4%	203	7.2%	33	19.4%
Retail Trade	243	10.6%	287	10.2%	44	17.9%
Transportation and Warehousing	91	4.0%	108	3.9%	17	19.2%
Information	18	0.8%	21	0.7%	3	19.2%
Finance and Insurance	112	4.9%	143	5.1%	31	27.7%
Real Estate and Rental and Leasing	97	4.2%	113	4.7%	36	37.1%
Professional, Scientific, and Technical Services	219	9.5%	266	9.5%	47	21.5%
Management of Companies and Enterprises	9	0.4%	10	0.4%	1	11.1%
Waste Management and Remediation Services	139	6.1%	163	5.8%	24	17.4%
Educational Services	15	0.7%	53	1.9%	38	252.8%
Health Care and Social Assistance	120	5.2%	150	5.3%	30	24.8%
Arts, Entertainment, and Recreation	41	1.8%	57	2.0%	16	38.3%
Accommodation and Food Services	145	6.3%	163	5.8%	18	12.5%
Other Services (except Public Administration)	202	8.8%	231	8.2%	29	14.4%
Public Administration	72	3.1%	96	3.4%	24	33.3%
Total	2,295	100.0%	2,813	100.0%	518	18.4%

Source: July 2006 Commercial/Industrial Land Supply Analysis for Scott County, Minnesota, Claritas Inc., Maxfield Research Inc.

As reported in Chapter III, Scott County had the highest 2005 median household income (\$77,585) in the seven-county metropolitan area. This could indicate a significant number of owner/manager occupations as compared to other metro counties. However, Scott County had the second lowest wage level for workers (\$37,272) during this timeframe. While Scott County residents have high incomes on average, they tend to work outside the county where major employers and Fortune 500 companies remain located within the core counties of Hennepin and Ramsey. Figure X-3 lists the highest paying industries within Scott County as of 2006.

Figure X-3
Highest Paying Industries, 2006

Industry	Average Annual Wage	Number of Jobs
Professional and Tech Services	\$82,108	1,924
Management of Companies	\$59,956	75
Mining	\$56,940	94
Manufacturing	\$54,496	4,802
Wholesale Trade	\$53,352	2,034

Source: DEED, Labor Market Information Office, Quarterly Census of Employment and Wages

A. Commercial/Industrial

Most of the intensive, large-scale commercial and industrial development in Scott County has occurred in the cities. This did not happen by accident, but rather follows the plans, availability of services, principles and priorities set by the County, townships and cities. Some cities have experienced more commercial and industrial development than others, depending on land availability, transportation access, and local priorities. As a general planning practice, the County has discouraged intensive,



large-scale commercial and industrial development in the rural areas and instead promotes this type of development in the cities where a range of urban services (water, sewer, police, and fire) is available. However, the County and townships have guided low-intensive commercial and industrial uses into certain portions of the unincorporated areas—predominately along major transportation corridors (U.S. Highway 169, I-35) and at major highway intersections (State Highways 13 and 282). The County has also promoted farm-supported businesses in the agricultural areas and limited home-based business opportunities in the rural residential areas.

One way to track changes in economic activity is by looking at the number of commercial and industrial building permits issued for new construction over a time period. Figure X-4 shows estimated permitting activity by city from 2001 to 2005. Again, new commercial and industrial development in recent years has been concentrated in Shakopee, Prior Lake, and Savage.

Figure X-4
Estimated Commercial/Industrial Permits Issued, 2001 to 2005

City	Total Permits Issued	Average Number of Permits Issued per Year
Belle Plaine	19	4
Elko	25	5
Jordan	17	3
New Market	1	< 1
New Prague	12	3
Prior Lake	75	15
Savage	59	12
Shakopee	147	29

Source: July 2006 Commercial/Industrial Land Supply Analysis for Scott County, Minnesota, Claritas Inc., Maxfield Research Inc.

Another way to track changes in a community's employment base is by looking at sales, receipts and shipment data for various businesses operating within that community. Figure X-5 shows sales and receipts for select industry groups within Scott County for 1997 and 2002. The largest values were seen in the wholesale trade and manufacturing industries. (While manufacturing sales dipped in 2002, total sales in this industry group remained well above the values of other industries.) Retail trade had the largest increase between 1997 and 2002. The health care and

social assistance industry also experienced an increase in sales during this time period. Growth in the retail trade, health care, and social assistance industries can be linked to the expanding population base. It is important to note that not all economic sales and receipts for businesses in Scott County were included in Figure X-5 as certain economic information was not disclosed due to privacy issues.

Description	1997	2002	Difference
Mining	N/A	N/A	N/A
Utilities	N/A	N/A	N/A
Construction	N/A	N/A	N/A
Manufacturing	989,491	968,576	-20,915
Wholesale trade	1,917,836	2,043,105	125,269
Retail trade	419,327	736,437	317,110
Transportation and warehousing	N/A	N/A	N/A
Information	N/A	N/A	N/A
Finance and insurance	N/A	N/A	N/A
Real estate and rental and leasing	23,233	46,246	23,013
Professional, scientific, and technical services	40,218	83,617	43,399
Management of companies and enterprises	N/A	N/A	N/A
Administrative and support and waste management and remediation service	56,145	109,081	52,936
Educational services	870	3,330	2,460
Health care and social assistance	53,858	203,186	149,328
Arts, entertainment and recreation	300,082	146,548	-153,534
Accommodation and food services	56,976	237,723	180,747
Other services (except public administration)	89,938	89,938	38,852

N/A – Information not available or not published at county level

Source: US Census, 1997 and 2002 Economic Census

Submarket	Acres		
	2005-2010	2010-2015	2005-2015
Belle Plaine	28	67	95
Elko	7	14	22
New Market	3	1	4
Jordan	-1	32	31
New Prague	6	25	31
Prior Lake	165	134	299
Savage	35	70	105
Shakopee	229	568	797
Townships	616	1,856	2,472
Scott County	1,089	2,766	3,855

Source: July 2006 Commercial/Industrial Land Supply Analysis for Scott County, Minnesota, Claritas Inc., Maxfield Research Inc.

Overall, Scott County has approximately 3,400 acres of commercially-zoned land and 7,000 acres of industrially-zoned land as of June 2006. Approximately 44 percent of the commercially-zoned land is vacant, with Prior Lake having the most vacant commercial land. About one-third of the industrially-zoned land is vacant, with Jordan having the largest amount of industrial land awaiting development. Figure X-6 describes the demand summary for commercial and industrial land through 2015, based on the Maxfield study in 2006. Due to Shakopee's relative location to the surrounding metropolitan population and transportation routes, it is expected to see the most commercial and industrial growth, with nearly 800 acres of projected demand by 2015. The townships have a projected demand of nearly 2,500 acres by 2015. However, this number may decrease as annexation of commercial and industrial land occurs and the rate of construction slows from the late 1990s/early 2000s development boom.

B. Agricultural

Even with all of the residential growth occurring in the rural portions of Scott County, agriculture remains a vital component of the local economy. Many landowners continue to utilize land for agricultural purposes. Agricultural uses are promoted in nearly all of the land use categories described and mapped in Chapter V (Land Use & Growth Management). A number of agriculturally related businesses, such as dairies, nurseries, wineries, and orchards are found in the township areas. The western townships, particularly Blakeley, Belle Plaine, St. Lawrence, Helena, and Sand Creek, contain the majority of larger-scale farming operations. This is in part due to these townships' long standing history of agriculture and farming activities. The remaining townships also contain a number of farming operations, but have seen a loss of farmland as land values increased and farmers decided to sell their land for other uses.

Farmland and Crop Production

Figure X-7 provides the most up-to-date farming-related statistics for Scott County from the U.S. Department of Agriculture (USDA). Both the number of farms and amount of land used in farming increased from 1997 to 2002. According to 2002 Census of Agriculture data, there were approximately 300 large farms (100+ acres) spread out across 111,200 acres. The average farm size in the county decreased over the past decade, from 157 acres in 1992 to 130 acres in 2002. The primary crops were corn, soybeans, and hay, while cattle and hogs were the top livestock inventoried. Other important commodities included fruit orchards, nursery stock, and sod. Together, agricultural businesses generated \$53.5 million for the county's economy in 2002.

Categories	1997	2002	Percent Change
Number of farms	896	1,004	12%
Land in farms	120,442 acres	130,889 acres	9%
Average size of farms	134 acres	130 acres	-3%
Market value of production	\$46,097,000	\$53,510,000	16%
Market value of prod. (average per farm)	\$51,447	\$53,297	4%
Government payments	\$1,128,000	\$1,635,000	45%
Government payments (average per farm receiving payments)	\$3,687	\$5,342	45%

Source: 2002 Census of Agriculture, United States Department of Agriculture (USDA)

Figure X-8 shows the crops statistics for Scott County from the USDA. The most popular harvested crop is corn at 34,500 acres, closely followed by soybeans at 33,100 and hay at 30,500 acres.

Commodity	Harvested	Yield	Production
Hay all (dry)	15,000 acres	3.5 tons	53,000 tons
Hay other (dry)	3,700 acres	1.7 tons	6,300 tons
Hay alfalfa (dry)	11,800 acres	4.4 tons	51,900 tons
Soybeans	33,100 acres	50 bushels	1,655,000 bushels
Oats	1,400 acres	75 bushels	105,000 bushels
Corn for silage	3,100 acres	18 tons	55,800 tons
Corn for grain	34,500 acres	163 bushels	5,623,500 bushels

Source: United States Department of Agriculture (USDA) Agricultural Statistics Service

According to the USDA, in 2005 Scott County had a total of 21,000 head of cattle (both beef and milk cows). In 2005 the milk cows produced 18,100 pounds of milk per cow and had an annual production of 97,500 thousand pounds.

Organic Farming

Organic farming is a growing trend in agriculture production in Minnesota and across the nation. It uses natural-based farming practices that exclude the use of synthetic fertilizers and pesticides, livestock feed additives, and genetically modified organisms. As much as possible, organic farmers rely on crop rotation, organic manure management, crop residue, compost, and mechanical cultivation to maintain soil productivity and control pests. Organic farming practices are being used in the production of crops, meat, and dairy products and have been promoted as a way to provide a healthy, sustainable local food source.

According to the Minnesota Department of Agriculture, the amount of organic certified acreage in the state grew by 57 percent between 2000 and 2005. There were 525 certified organic farming operations with a total of 129,000 acres of production in Minnesota in 2006. At a more local level, Figure X-9 lists the number of certified organic farms in Scott County and neighboring counties, as of January 2008. It should be noted that there may be a number of organic or natural food farms in Scott County that have not received USDA certification or are in the process of transitioning to organic (a process that takes three years for crop production).

County	Number of Farms
Scott	7
Carver	3
Dakota	10
Hennepin	1
Le Sueur	8
Rice	12
Sibley	8
Total	49

Source: Minnesota Department of Agriculture, 2008

According to the Minnesota Department of Agriculture's 2006 status report of organic agriculture in the state, consumer demand for organic food has grown strong in recent years due to several factors, including changing consumer attitudes about food and health, concerns about food safety, increasing availability of organic products, improvements in taste and quality, more competitive pricing for consumers, and the ability of organic and natural companies to secure investment capital. Due to this growing consumer demand, organic farming is increasingly being seen as a way to promote rural economic development and support the local economy. A 2001 study by the Minneapolis-based Crossroads Resource Center entitled "Finding Food in Farm Country" found that the regional economy in southeastern Minnesota loses \$400 million to outside sources annually through traditional farming production practices. In addition, \$500 million leaves the economy through consumer purchases of non-local food products. That results in \$900 million annually that could remain in the local economy through the production and purchasing of a local food supply. While similar studies have not been completed for Scott County or other metropolitan counties, a number of other Midwestern regions have been studied showing comparable results.

In addition to guiding areas for larger scale agricultural uses, Chapter V (Land Use & Growth Management) also promotes "small-parcel farms for local food production" as an appropriate use in the Agricultural Preservation Area, Agricultural Transition Area, Urban Expansion Area, Urban Transition Area, and Rural Residential Reserve Area land use categories. This Plan Update promotes these smaller scale farming operations to help provide a local food source for nearby communities and to help enrich the local economy.

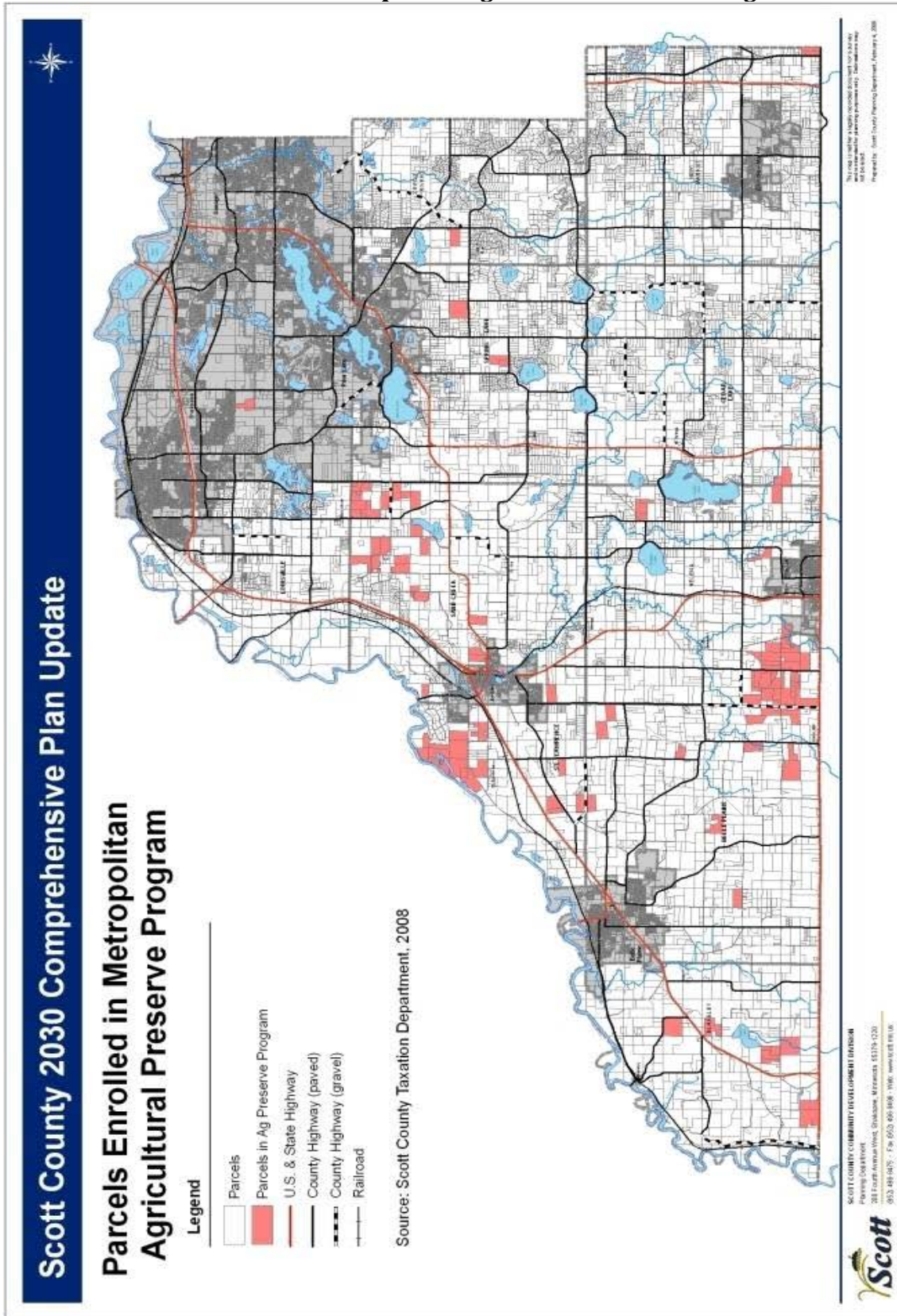
Agricultural Property Tax Programs

Land values in the County's unincorporated areas have increased significantly over the past decade due to regional growth pressure and housing development. This means many farmland owners have seen substantial increases in local property taxes. To help alleviate the impact of population growth, tax rate hikes, and associated property value increases, the state has established two tax break programs for farmland owners: the Metropolitan Agricultural Preserve Program and Green Acres. A brief description of each program is provided below.

In 1982, the state enacted the Metropolitan Agricultural Preserve Act. The Act is intended to: 1) preserve land for long-term agricultural use; 2) conserve soil and water resources; and 3) encourage the orderly development of rural and urban land uses. A landowner enters the program by placing a restrictive covenant on the land prohibiting development. In return, the landowner gets certain benefits, including a real estate tax benefit and an agricultural based tax value of the land. Participation in the program is voluntary; however the land must remain in the program for a minimum of eight years before the restrictive covenant can be rescinded. In 2008, roughly 6,900 acres were enrolled in the Metropolitan Agricultural Preserve Program in Scott County (see Figure X-10).

The Agricultural Property Tax law, commonly referred to as "Green Acres," was established by the Legislature in 1967 to help preserve farmland in areas experiencing increasing land values (due to nearby land development) by allowing qualified farmers to pay real estate taxes based upon the *agricultural* value of their land rather than the *potential* market value. Taxes are calculated on both values, but paid on the lower, agricultural value each year. The difference between the tax calculated on agricultural market value and the potential market value is deferred until the property is sold or no longer qualifies for the Green Acres program. When the property is sold or no longer qualifies, the deferred tax must be paid for a maximum of three years. In 2008, roughly 79,300 acres in Scott County were enrolled in Green Acres.

**Figure X-10
Parcels Enrolled in Metropolitan Agricultural Preserve Program**



In 2008, a Legislative Audit Commission reported its evaluation of the two agricultural protection programs offered by the state. Included in the report was a finding that both programs can help the shape and pace of development, but are not adequate to preserve farmland for the long-term.

Summary

Agriculture is expected to remain an important part of Scott County's economy and lifestyle into 2030 and beyond. The 2030 Vision recognizes the value farming has on shaping the county's character but also identifies the need to define the long-term future of agriculture as a strategic challenge. Changing economic factors may encourage farmers to continue or expand their current operations as the demand for corn-, soy-, and grass-based fuels and natural food choices become more profitable.

C. Destination Entertainment

Scott County is home to a number of unique entertainment establishments not found anywhere else in the Twin Cities metropolitan region. These destinations attract people from the Twin Cities, out-state Minnesota, and the Upper Midwest. These attractions generate revenue for the state's tourism industry and also help support local food, hospitality and service businesses. The collection of popular tourist attractions has helped make Scott County a major destination for entertainment. The following are some of the major entertainment destinations in Scott County.

- Valleyfair Family Amusement Park, Shakopee. Over 1,000,000 guests each year; provides employment for 71 persons year round and an additional 1,500 seasonal jobs.
- Canterbury Park, Shakopee. The Twin Cities only horse racing track and card club.
- Mystic Lake Casino, Shakopee Mdewakanton Sioux Community. Largest Indian-gaming facility in Minnesota and county's largest employer.
- Renaissance Festival, Louisville Township. Approximately 300,000 people attend the fair on weekends during its fifteen-day season in August and September.
- Elko Speedway, Elko New Market. Annual attendance over 120,000 people for 33 events.
- Raceway Park, Shakopee. Hosts 30 events with total attendance around 125,000.
- Murphy's Landing, Shakopee. Living history village of the 1800s provides enjoyment and education to more than 50,000 visitors a year.
- Scott County Fair, St. Lawrence Township. Held in late July each year with attendance ranging in the mid 20,000-30,000.

In addition to these attractions, a number of scenic and natural areas provide recreational amenities for residents and visitors alike. The Minnesota River Valley (with the National Wildlife Refuge and State Park) along with the county's rolling topography, numerous lakes, streams, and wetlands offer popular destinations in Scott County. Also, the county is home to a number of golf courses (Boulder Pointe, Cleary Lake, Creek's Bend, Heritage Links, Legends, Lone Pine, the Preserve, Ridges at Sand Creek, Stonebrooke, Valley View, and the Wilds) that accommodate skill levels from beginners to advanced players.

In 2002, economic sales and receipts for the two sectors of the economy related to tourism—1) arts, entertainment, recreation and 2) accommodation and food services categories—held the largest percentage of state values at 6.51 percent and 2.99 percent, respectively, for industry categories in Scott County. Even though arts, entertainment, and recreation decreased in sales between 1997 and 2002 (see Figure X-5), it still maintained a high proportion of total sales for the state as the tourism industry faltered statewide. This shows the importance of entertainment destinations within Scott County on the local and state economy.

COMMUTING PATTERNS

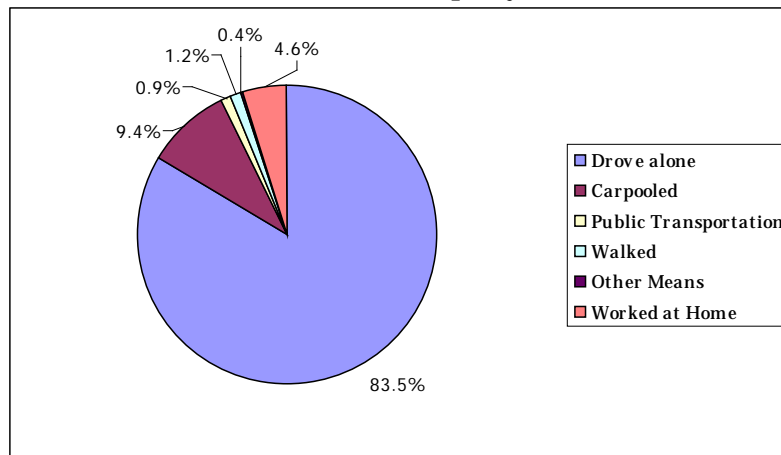
While the employment base has increased within Scott County over the past decade, the majority of residents still work outside the county. According to the 2000 U.S. Census, 35 percent of workers lived and worked within Scott County. This means 65 percent of the working population commute outside of the county on a daily basis, creating a major dependency on County and regional transportation systems. Nine percent commuted to the central cities of Minneapolis and St. Paul from Scott County.



In summer 2007, Scott County's first transit park-and-ride station opened to provide another option for commuters working in downtown Minneapolis. The Southbridge Crossing Transit Station, located on the city of Shakopee's east side on CSAH 18, provides surface parking for approximately 500 vehicles (there is capacity for parking area expansion). Express bus service to and from downtown Minneapolis is jointly operated by the city of Shakopee, city of Prior Lake, and Scott County Transit.

Figure X-11 shows the mode of transportation used per individual work trips in 2000. An overwhelming majority of workers (83.5 percent) drove alone. Carpooling was the second most common mode of transportation (9.4 percent). The percentage of individuals that worked at home (4.6 percent) resulted in the third highest value. Public transportation, walking, and other means (i.e. biking, motorcycles) resulted in a minimal portion of total trips, combining for only 2.5 percent of the total. This shows the number of transportation options is limited for county residents, as most people do not live within walking or biking distance from their workplace and the connectivity of public transportation is limited or non-existent in most areas. As a result, residents have a reliance on personal automobiles, which leads to the saturation of the County's roadway system and congestion during peak driving periods.

Figure X-11
Distribution of Work Trips by Mode, 2000



Source: US Census, 2000

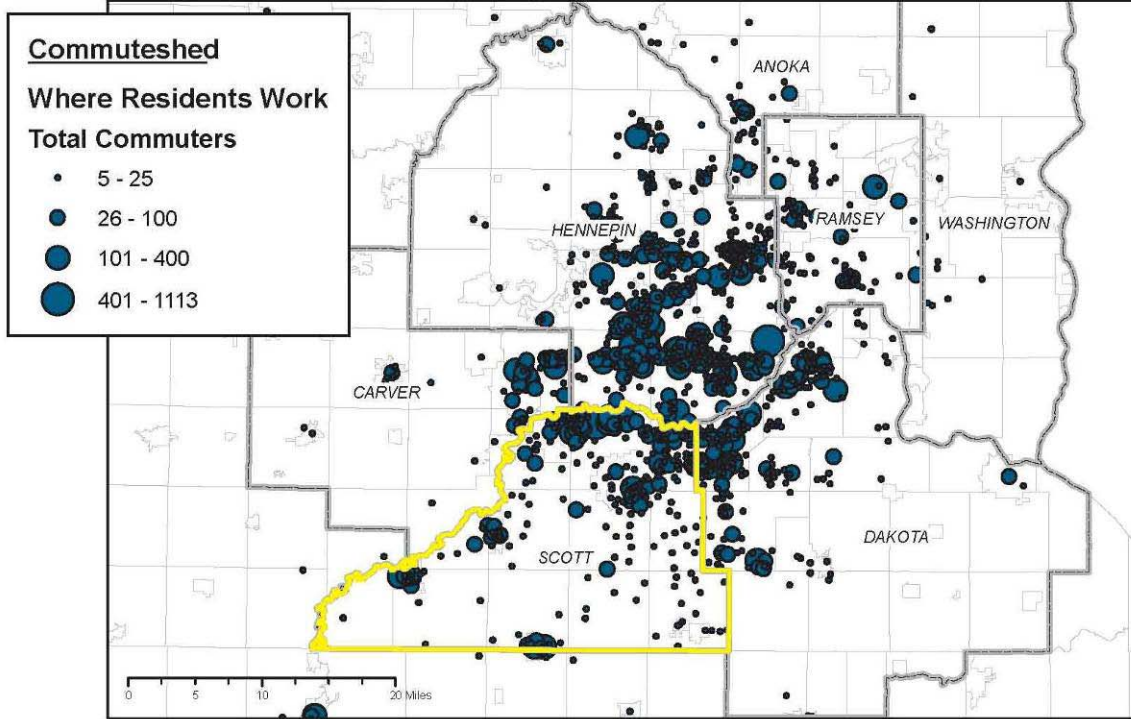
Another method to determine commuting patterns is to identify the starting and end points of work trips through commute sheds and labor sheds. A commute shed is the employment locations of workers who live within an identified area and a labor shed is the residence locations of workers who work within an identified area. By depicting the destinations of trips, centralized pockets or corridors of either workplaces or residential areas are identified on a map. The correlation between workplaces and residences may show a large separation between where people work and live. As a result of these commuting patterns, transportation systems between workplaces and residences may exceed capacity and require major infrastructure improvements.

Figure X-12 shows the commute shed patterns for Scott County residents and Figure X-13 shows the labor shed patterns for workers in Scott County. Residents and employers in Scott County clearly rely on regional transportation routes. A high proportion of county residents work in Hennepin and Dakota counties, particularly along the I-494 and I-35 corridors. Workplaces within the county tend to be concentrated along the MN Highway 13 corridor in Savage and the U.S. Highway 169, CSAH 69, and CSAH 101 corridors in Shakopee. The labor shed shows people that work in Scott County primarily live within the county; however, many workers are distributed throughout the region, especially western Dakota County.

Although Scott County experienced significant growth rates in population, housing, and employment in the 1990s, the average commute time increased slightly. The average travel time to work in 2000 was 24.3 minutes, up 1.4 minutes from 1990 resulting in the lowest increase in the metropolitan area and its surrounding commuter-shed counties. However, this low increase was likely due to the opening of the Bloomington Ferry Bridge in 1995, which allowed for shorter drive times between northern Scott County and the job centers in Minneapolis and its western suburbs. The *2006 Comprehensive Housing Needs Assessment for Scott County* report projects a greater percentage of people working in Scott County will also choose to live in the county as transportation costs and commuting times increase. As the cost of commuting rises (in time and monetary values), many people will decide to live closer to their jobs. This will result in an increased housing demand and may also lead to an increase in retail and job growth.

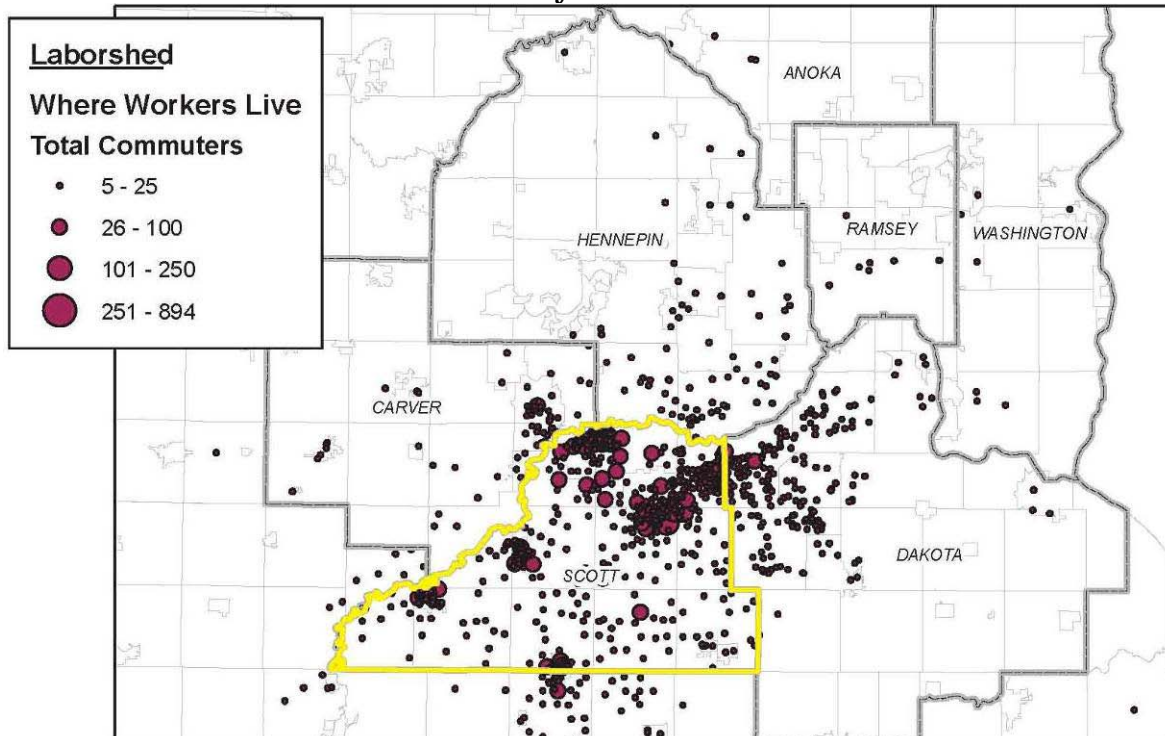
The 2030 Vision promotes a sea-change in commuter trends over the next two decades; envisioning a time when half of county residents work within Scott County.

**Figure X-12
Scott County Commute Shed Patterns**



Source: Longitudinal Employer-Household Dynamics. US Census, 2003. Created 04/05/06. J. Deegan, MN DEED

**Figure X-13
Scott County Labor Shed Patterns**



Source: Longitudinal Employer-Household Dynamics. US Census, 2003. Created 04/05/06. J. Deegan, MN DEED

COUNTY AND REGIONAL EMPLOYMENT FORECASTS

As reported earlier in this chapter, Scott County is expected to outpace the Twin Cities region as a whole in job growth over the next decade, adding about 8,200 new jobs between 2005 and 2015. The largest job growth in the county is expected in the retail trade, transportation, warehousing, accommodation, and food services sectors. In Scott County, most of the new jobs will continue to be concentrated primarily in the suburban cities of Shakopee, Savage, and Prior Lake. All three cities will combine for approximately 80 percent of new jobs by 2030. Shakopee alone is expected to gain approximately 9,000 new jobs. Regionwide, employment projections out to 2012 suggest that job growth will occur in the sales, business, finance, and health care sectors of the economy.

Recent growth trends for local industries may also identify future growth trends. From 2003-2005, business growth was seen for a number of industries in Scott County, including building materials and garden supplies (47 percent), building construction (18 percent), and food services and drinking places (24 percent). Growth in these industries is typically related to population expansion, which means the anticipated population forecasts will likely lead to additional growth in these and other industries, resulting in additional employment opportunities. More information on county and regional population and employment forecasts are reported in Chapter III.

LOCAL GOVERNMENT ROLE IN ECONOMIC DEVELOPMENT

Local governments across the nation have taken different philosophical approaches to fostering economic development. For Scott County, the overall approach to economic development is one based on efficiency, organization and preparedness. This approach is predicated on a belief that employers are attracted to communities that: a) invest in well-planned infrastructure and services; b) develop a logical, integrated, and consistent land use plan; c) provide first-class amenities and support services; and d) focus on the importance of customer service in attracting and guiding economic development. The following is a summary of these four key components as they relate to Scott County:

A. Invest in Well-Planned Infrastructure and Services

Scott County offers excellent access to the larger Twin Cities Metropolitan and Upper Midwest region for commercial, industrial and office development. Interstate 35, U.S. Highway 169, State Highways 13, 21, 282, and CSAHs 42 and 18 all serve as primary routes for Scott County businesses and residents. In the 1990s, two key improvements to U.S. Highway 169 expedited the mobility of people and commerce between Scott County and destinations throughout the Twin Cities: the TH 169 Shakopee Bypass completed in 1996 and the Bloomington Ferry Bridge in 1995. The majority of County road improvements have been focused on the northern part of the county. The planned conversion of CSAH 21 to a four-lane rural expressway between CSAH 42 and CSAH 18, and the two lanes planned to be added to CSAH 42 and CSAH 82 will help alleviate congestion in both Shakopee and Prior Lake. Scott County is scheduled to undergo almost \$670 million in highway construction between 2008 and 2023. (See Chapter VI for more information on the major projects and transportation-related initiatives planned over the next 2030 planning horizon.)

Major investments are also being planned for the County's communication infrastructure. In order to connect to the metro-wide public safety communication system, Scott County has begun installation of radio equipment that communicates digitally under the 800 MHz frequency. This communication system is based on a network of radio towers, but will also have a 90-mile loop fiber optic backbone for increased reliability during power outages and major catastrophes. The fiber optic system will connect all of the seven cities, County libraries, and school districts together, providing an enormous capacity for communication, a highly reliable internet connection, and an opportunity to reduce or share communication costs for all public services. The high-speed, high capacity bandwidth being installed across the county has the potential to attract businesses and industries interested in partnering with the County and accessing the fiber backbone. (See Chapter IX for more information on the major communication projects planned for Scott County.)

The County has been proactive in assuring continued urban growth and the extension of urban infrastructure beyond the 2030 planning horizon. According to the Metropolitan Council, wastewater treatment capacity for the Blue Lake regional treatment plant serving northern and western Scott County will be exhausted by 2030. To plan for post-2030 growth, the County partnered with Met Council staff and engineering consultants during the 2030 planning process to identify a site for a new regional wastewater treatment plant in the Minnesota River Valley as well as a staging plan for serving Scott County communities. The joint study also identified a service area for the new plant and looked at interim development options in the rural areas for future conversion to public sewer when urban services become available. (See Chapters V and XI for more information on this important planning study.)

B. Develop a Logical, Integrated Land Use Plan

The primary approach of the County land use and growth management plan is to ensure that Scott County develops in an economically sustainable manner and that growth is matched with the County's ability to provide infrastructure and services. To the extent possible, the County's land use plan proposes that growth pay for the necessary infrastructure improvements such as roads, storm water management systems, water supply and wastewater treatment.

The County's land use plan proposes to guide most commercial, industrial and office development within the cities where urban services and infrastructure investments already exist. In locations where cities have identified future commercial areas outside their jurisdictions, the County's land use plan proposes to preserve the land at low densities until urban services can be more easily extended. The plan proposes limited areas for rural commercial and industrial uses. (See Chapter V for a complete description of the County's land use and growth management plan.) The County actively reviewed and discussed land use and transportation plans with each of the cities during the course of the 2030 planning process to ensure well-integrated growth management and economic development initiatives.

C. Provide First-Class Amenities and Support Services

As the County continues to grow and develop, the cities, townships, and tribal government have all focused on maintaining a high quality of life for its residents and employers. From local survey data, residents have consistently given the county's communities high marks for quality of life factors, such as excellent schools, safe neighborhoods, and natural environments.

During the late 1990s and 2000s, communities invested in a number of public facilities and services to accommodate residents' needs. These include schools, community and recreational facilities, civic centers, libraries, and local and regional parks and trails. In addition to the new facilities, public services have continued to expand with new technologies and in number of employees and types of services to address the needs of the growing population and businesses. The cities, townships, and County have adapted to the needs of the public and will continue to do so to ensure the best possible services are provided. As stated in the Scott County mission, the County will continue "to deliver quality public services to all citizens in an effective, professional and efficient manner."

D. Focus on the Importance of Customer Service

Quality customer service leaves a great impression for businesses seeking to expand or searching for a new location. By providing accurate and up-to-date information as well as courtesy with clear and honest answers, the businesses will be given the best information they need to make a highly important decision. This type of customer service is not only given to prospective businesses. Scott County provides this quality customer service to current employers and residents as well on a wide range of issues, from researching property records to addressing employer and social service needs. The customer service reflects the type of camaraderie and high quality of life that Scott County residents have established.

ECONOMIC DEVELOPMENT GOALS AND POLICIES

Goal #X-1 Prepare, adopt and implement an integrated land use plan that supports economic development.

- a. Promote large-scale commercial and industrial development projects to urban areas where a full range of utilities, services, transportation and other infrastructure are available.
- b. Plan for and reserve an adequate supply of accessible land for future commercial and industrial uses in planned urban growth areas, in concert with city plans, to meet projected demand.
- c. In planned rural areas, promote smaller-scale, less-intensive commercial and industrial development projects that satisfactorily accommodate storm water management, transportation and other supportive services.
- d. Minimize land use conflicts that would unduly impede commercial and industrial growth in areas planned for those uses.
- e. Allow home businesses and home extended businesses provided they are accessory to the residential use and do not impact nearby properties.

Reason: It is important to create an integrated land use plan that provides compatible uses, reduces potential conflicts, accommodates large and small business owners, and preserves land for future commercial and industrial uses in order to protect the rights of property owners, maintain a high quality of life, provide the opportunity for a diversified local economy, and reduce future infrastructure costs.

Goal #X-2 Attract, retain and expand businesses and industry to diversify the local tax base and promote local employment opportunities.

- a. Support collaborative actions with the seven cities to promote Scott County as a great place to locate large industries and job producing businesses.
- b. Partner with local chamber of commerce groups and area tourism organizations to develop a marketing plan and promotional presence for economic development opportunities in Scott County.
- c. Consider establishing a one-stop location for economic development information within Scott County that coordinates marketed commercial and industrial properties, potential business development opportunities, incentive programs, and employment base data for all seven cities and eleven townships.
- d. Partner with educational institutions to advance job skills and promote labor retention.
- e. Promote the county's natural amenities and safe communities to attract new industries.
- f. Work with local public and private utilities to improve telecommunications, sewer, water, and other local infrastructure in planned economic development centers and corridors.

Reason: By providing the foundation for a strong local economy, business retention will remain high and new businesses will continue to move to Scott County, generating additional employment opportunities and tax revenue.

Goal #X-3 Utilize Scott County Association for Leadership and Efficiency (SCALE) to discuss, plan for, and promote economic development opportunities on a countywide scale.

Reason: SCALE has become a highly effective organization that promotes communication, collaboration, and sharing of resources between local jurisdictions. SCALE initiatives have resulted in legislative positions for County transportation needs, more efficient and cost effective snow plow routes, and a regional training facility for public safety. These efforts could also be utilized for economic development through shared promotional/marketing endeavors.

Goal #X-4 Strengthen the Scott County Economic Development Coalition, consisting of city, township, and county representatives, to provide a catalyst for communication and collaboration on economic development efforts and work on a strategic plan.

Reason: The Economic Development Coalition consists of private business representatives, city administrators, managers, and other city staff that meet to discuss economic development opportunities. This group sponsors the annual "Great Scott" event. The Coalition has been less active in recent years. By reinvigorating this group, increased communication could occur between the private sector, cities, and County to help promote new business and job growth.