



South St. Paul

WORKSESSION AGENDA
SSP City Hall
125 3rd Avenue North
Training room

Monday, April 10, 2023
7:00 pm

AGENDA:

1. ARPA funds
2. Goal Setting Follow-Up
3. Council Comments & Questions



COUNCIL WORKSESSION REPORT

DATE: April 10, 2023

DEPARTMENT: Finance

PREPARED BY: Clara Hilger

ADMINISTRATOR: RG

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AGENDA ITEM: Use of ARPA (American Rescue Plan Act) funds

DESIRED MEETING OUTCOMES:

Discuss and provide direction on the use of the American Rescue Plan Act (ARPA) funds that City received.

OVERVIEW:

In 2021 and 2022, the City received \$2,192,202 in ARPA funds through the State of Minnesota. Based on the original list of allowable uses, the City decided to allocate the funds for the replacement of utility infrastructure.

In early 2022, new guidance allowed the City to claim these funds as lost revenue (during the pandemic), effectively allowing the City to allocate these funds to whatever city business expenditures we wanted.

Because these are federal funds, the City must report them on the Schedule of Expenditures of Federal Awards, a schedule that is prepared as part of the Single Audit of Federal Funds completed during the annual financial audit. This means that we must report how we spent these funds.

We had originally intended to use these funds to purchase the property at 316 Malden St and reimburse ourselves if bonds were issued to construct a new Public Works Facility or if the property were sold for redevelopment. However, if federal funds are used to purchase either equipment or property, we are required to track it and return any proceeds of the sale of the equipment or property to the federal department, in this case the US Treasury.

Alternatively, we can use these funds for “normal” city business expenditures. One of the examples that was provided was to use the funds to pay for public safety expenditures in the General Fund. After consideration and discussion, we would like to exercise this option and use the funds to pay the City’s portion of the 2023 operations costs for South Metro Fire.

The result of this option will be about \$2.2 million of unspent funds in the General Fund in 2023. With the March quarterly report and budget adjustments, we would like to request your approval to move this amount to the Capital Programs Fund to cover the purchase of 316 Malden St, which should be completed in 2023.

When the disposition of 316 Malden St is decided (PW facility or sold for redevelopment), the funds will be reimbursed to the Capital Programs Fund. At that time, we will return to you for a decision on how to use the funds. At that time, we will review the options and present them to you for consideration.

Staff believes that this is the best way to satisfy the reporting requirements for the federal funds and use these funds most effectively within the City.

SOURCE OF FUNDS:

Federal revenues received in 2021 and 2022.



COUNCIL WORKSESSION REPORT

DATE: April 10, 2023

ADMINISTRATOR: 

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AGENDA ITEM: Goal Setting Follow-Up

DESIRED OUTCOMES:

- Review outcomes of March Goal Setting Session; confirm and synchronize Council and Staff Goals, as necessary/desirable
- Discuss next steps

DISCUSSION:

The Waldron Company has prepared a report on the March goal setting session, summarizing the evening's discussion and the identified priorities of Council and senior staff. As the report indicates, several priorities are essentially evolutions of previous years' top priorities/goals. This indicates continued focus around the work that the City Council and Staff direct our policies and actions. Using the Waldron Company's report as a springboard, Staff would like to confirm and synchronize the priorities at Monday's worksession, so that Staff and Council are in alignment on the strategies and actions that we'll be taking to pursue these goals and priorities.

ATTACHMENTS:

Waldron Company Report



CITY OF SOUTH SAINT PAUL **GENERAL STRATEGIC PLANNING PROCESS**



Prepared For: City of South Saint Paul
March 2023



CITY OF SOUTH SAINT PAUL
GENERAL STRATEGIC PLANNING PROCESS
March 2023

Preface

The Waldron Company was hired to conduct a general strategic planning effort for the City of South Saint Paul. The consultant, Craig Waldron, had the opportunity to have preliminary discussions, via a number of emails and telephone conversations, with City Administrator Ryan Garcia to gain a more comprehensive understanding of the community setting, potential goals, concerning trends, etc. Waldron notes that the City has clearly made significant progress in spite of the difficulties encountered with COVID-19 limitations and a 60-70 percent turnover in top level staff.

The consultant's process also involved discussions with the City Council and a number of staff members to collaboratively identify the City's top priorities.

The Waldron Company is very appreciative of the opportunity to work for the City of South Saint Paul on this very important endeavor.

Participants

James "Jimmy" Francis, Mayor
Pam Bakken, Council Member
Lori Hansen, Council Member
Joe Kaliszewski, Council Member
Todd Podgorski, Council Member
Tom Seaberg, Council Member
Matthew Thompson, Council Member

Ryan Garcia, City Administrator
Shelly Anderson, Assistant City Administrator/HR Director
Tiffany Greene, Housing Programs Manager

Kathy Halgren, Library Director
Ian Hardie, IT Director
Clara Hilger, Finance Director
Mark Juelfs, Fire Chief
Howard Steenberg, Public Works Director
Deanna Werner, City Clerk
Brian Wicke, Police Chief
Shannon Young, Parks and Recreation Director

The participants introduced themselves and briefly discussed their role within the City.

Review of Past Successes

Administrator Garcia reviewed the accomplishments that have been made thus far on the City's 2022 goals, which were quite significant!

The primary 2022 goals were as follows:

1. Develop a master plan for city buildings.
2. Continue to prioritize infrastructure needs.
3. Develop parks and recreation master plan.
4. Develop strategies to implement a housing master plan.
5. Continue Hardman Triangle redevelopment.
6. Undertake crime prevention, initiatives/proactive, policing, (using social media, Town Square, etc.).

Again, the progress made within these goals was significant; particularly, in light of the aforementioned staffing changes and COVID-19 ramifications.

The goals were listed on a worksheet and Waldron asked that they be “kept in mind” during the current strategic planning process.

Trends in Various Municipalities

Waldron outlined a number of trends that he has observed in working for other cities. They are as follows.

1. Cities are challenged to recruit and maintain quality staff.
2. Cities are taking a much more aggressive approach to economic development and are providing significant resources for that effort.
3. Cities are becoming much more involved with strategic planning and working to get on the same page in order to focus resources on their highest priorities. (South Saint Paul has a strong tradition in this respect).
4. In some instances, stress is surfacing between council members. Some members want to focus on the more non-traditional municipal issues whereas other council members prefer to focus strictly on the traditional role of Minnesota municipalities. In some instances, local elections have become partisan.
5. There is continual pressure from taxpayers on city councils to provide more and more services; however, the taxpayers do not want to pay for the services.
6. In relation to the above issue, cities are continuing to be challenged on connecting the services that taxpayers really like to the taxes and what it takes to fund those services..

7. Housing continues to be a challenge both in terms of affordability and existing housing stock maintenance.
8. Diversity, equity, and inclusion efforts are becoming more of a priority to cities.
9. Social media continues to be a challenge. Cities are now working aggressively to develop community strategies, and in many instances are developing staff positions where more of a focus can be placed on this endeavor.

Burning Issues

Waldron invited the participants to share any “burning issues” that they would like to discuss as part of the process as they were without the requirements and pressure of a formal council meeting. The consultant finds it critical to provide time to discuss these issues and concerns at the beginning of the process.

The issue that surfaced for discussion was the sober house issue. The participants would like to research whether there is a better process to consider/review these homes and their respective placement. It was pointed out that education regarding this issue is important as well as reviewing and understanding the circumstances for location and understanding that these homes are a basic right. It was also mentioned that even though the City can be supportive of the concept, there is a concern that the community does not get an overpopulation of these types of homes.

What is Good About South Saint Paul?

Waldron asked the participants to share the City’s positive attributes. They are as follows:

- Great staff and good bench strength.
- The continuity of the community. The City presents a small town atmosphere, which facilitates long time residency.

- Great water quality.
- Positive development with higher value multi-family facilities.
- Offers a nice variety of amenities particularly in terms of homes and businesses.
- Very good parks.
- The staff exhibits very positive relationships between one another.
- There is extensive community pride. The City has good schools and good public services.
- Good City Council.
- The City Council and staff get very involved in the community.
- The City Council and staff are very willing to work together.
- There is a real focus on making the City the best it can possibly be.
- There is a positive City/school relationship.

What is Not So Good About South Saint Paul?

Waldron asked the participants to share the City's not so positive attributes. They are as follows:

- Streets are disorganized.
- Need to maintain the City's housing stock.
- Drop in literacy level.

- Lack of a process on sober homes. Need to make sure the various entities are following the proper rules and regulations.
- The City is strapped for land.
- The City does not necessarily enhance or embrace its historical sites.
- Aging infrastructure and how to pay for improvements.
- Have deferred maintenance on a significant number of items.
- Need to be proactive on code enforcement, not reactive.
- Challenge in paying for infrastructure
- Older buildings that are challenging.
- A number of parks and facilities are outdated.
- Geographic location can be difficult as problems from adjacent communities bleed into South Saint Paul.
- Highest tax rate is a challenge.
- Inconsistent on code enforcement as staff only respond to complaints.
- Need an improved snow emergency policy.
- Lack of diverse, large businesses.
- The current perception of South Saint Paul is not accurate. The City has moved far beyond the past image of stockyards and slaughterhouses and has experienced significant, high-quality economic activity.

Priorities for the Next Year

In light of the discussions of the trends, past successes, and current views of the City - both the good and the bad - Waldron asked the participants to identify their most important priority for the upcoming year.

The priorities are as follows:

- Revisit the City's mission, vision, and values statement and coordinate that effort with the school district.
- Commence a review of the housing with services requests and develop appropriate guidelines.
- Public safety and police recruitment.
- Find creative/alternative funding sources.
- Bring effective services into the community and differentiate South Saint Paul from Saint Paul.
- Address the needs of city buildings (a new winter parking ordinance was also noted).
- Plan for CLC space replacement.
- Need a master plan for city buildings.
- Invest in city infrastructure.
- Need to find funds for City projects and needs.
- Have plans, processes, and guidelines in place to stop some people from attempting to bully the City into certain positions/decisions.

- Need to partner with the schools.
- Need a City building master plan and need to educate the population on the use of and need for taxes.
- Need to encourage the County to realize its responsibility of providing social services in South Saint Paul.
- Need to review/revise the City’s mission, vision, and values statement.
- Need to build the capacity of the new staff leadership team.

Ranking of Priorities

Waldron asked the participants to rank the top five priorities. It was decided that two sets of rankings would be utilized; the Council would first rank its top five and, subsequently, the department heads would do the same.

Top Five Priority Rankings: City Council

1. Revisit the mission, vision, and values statement and coordinate the effort with the school district.
2. Develop a city building master plan and educate the population on the need for taxes to address the plan. (This was a combination of two priorities that were blended based on their similarities).
3. Public safety and police recruiting.
4. (Tie) Commence a review of the housing with services requests and develop appropriate guidelines.
4. (Tie) Need to make sure the County realizes the responsibility for providing social services to South Saint Paul.

Top Five Priority Rankings: Staff

1. Develop a master plan for City infrastructure.
2. Find creative/alternative funding sources to support investment in public facilities and infrastructure.
3. Build the capacity of the new staff leadership team.
4. (Tie) Public safety and police recruiting.
4. (Tie) Revisit the City's mission, vision, and values statement.

Connecting New Priorities to Existing 2022 Goals

Discussion included how the new priorities would connect to the 2022 goals. After reviewing the goals and priorities emanating from this session, it would be the consultant's suggestion that they be added as the goals for next year as well as to include them with the 2022 goals that are still relevant and in progress. In a number of instances, new priorities are relevant to the 2022 goals with a slight variation in the language; for example, the 2022 goals of developing a master plan for city buildings and continuing to plan for infrastructure needs are reflective of what surfaced at this year's planning session. The 2022 crime prevention discussion goal is also somewhat related to the public safety police recruitment item that surfaced in this session. The consultant would caution that the City be careful not to create too many goals as this tends to negatively impact the ability to fully focus on the really critical items.

Implementation: Next Steps

Implementation of the Strategic Plan will be one of the biggest challenges facing the City. As the consultant pointed out during this process, the lack of implementation of strategic plans has been one of his biggest frustrations when many simply become expensive door stops or bookends.

Fortunately, strategic planning is in South Saint Paul's DNA. In the consultant's opinion, the City of South Saint Paul has a very positive environment and excellent working relationships to move a strategic plan forward. Based on the City's experience with strategic planning as well as the positive relationships between all involved, South Saint Paul will certainly be successful in its implementation efforts.

At this point, the City Administrator will review the priorities and, in collaboration with the City Council and Department Heads, develop action/work plans to achieve the priorities.

The plan discusses each task, identifies staff who are assigned responsibility, establishes timelines, and a success metric.

As cited by the consultant, 70 percent of strategic plans do not get implemented; however, the Waldron Company has spent extensive time reviewing methodologies that can reverse this trend and, as such, is very confident that the City of South Saint Paul's plan will move forward with a strong chance of success provided the following processes are utilized:

1. Focus on the Most Important, Biggest Priorities

By focusing on the most important, biggest priorities, the City will be able to move forward with what matters most. The City's implementation team needs to be very careful to not get bogged down in the intensity of the day-to-day activities otherwise known as the "whirlwind of local government." This is where a fine line exists in rolling over the ongoing 2022 goals and adding the priorities that surfaced in this session. Again, it is important to maintain focus, concentrate on the big items, and make sure the City Council and the staff are not spreading themselves too thin.

2. Act on what are known as Lead Measures (Small Milestones)

Lead measures are extremely important in that they help teams continually drive toward the success of goals; whereas, lag measures are used to determine whether long-term goals have actually been met.

Lead measures are predictive of achieving the goal while lag measures tell what was actually achieved at the end of the year. If all the lead measures are met, one will certainly meet the long-term lag objectives.

Waldron suggests that lead measures are thought of as milestones. They reflect sub tasks as well as who is responsible and in what timeframe. A metric on whether that milestone was completed is also critical.

3. Keep a Compelling Scorecard

People play differently when scoring is taking place. When they are the ones keeping score, they *really* become involved! Keeping score in terms of how well the work elements of the plan (the lead measures) are moving forward is absolutely critical. What gets measured tends to get done!

4. Create a Cadence of Accountability by Discussing Progress at Meetings

Allocate time within department head meetings for the team to hold each other responsible for moving forward with respect to the work plan, particularly the LEAD (milestones) measures. It is suggested that, on a regular basis, the team look at where it should be and what was accomplished. By doing so, they are able to develop an execution plan that they are moving forward in terms of implementing the overall strategic plan. It is very important to assign someone to track the lead measures and that the measures are entered on the scorecard.

5. Review Progress with the City Council

On at least a quarterly basis, the City Administrator should meet with the City Council to review the progress on the work of the plan/scorecard. A formal update on the plan and the priorities at the end of the year is also critical.

Consultant's Final Thoughts

1. It was very clear to the consultant that the City of South Saint Paul has a very functional, thoughtful City Council. The members are respectful to one another and appear very willing to listen to other's opinions. This perspective, as well as City Council's stability and civility, are very strong attributes.
2. In a related area, the staff is well qualified and more importantly, seems to work very well together as a team in a respectful nature. This is also very important to a successful city.
3. There is a very positive working relationship and significant respect between the City Council and the staff. The positive relationship was undeniably present throughout the planning process.
4. The City has made a commitment to strategic planning and the subsequent focus that it creates for the organization. Strategic planning has been part of the City's DNA, which is extremely positive. This experience facilitates plan implementation.
5. The consultant can sense a very high level of community pride and support from all sectors. South Saint Paul is able to maintain a "small town" positive feel while still being in the heart of the metropolitan area.