



FY 2020 – 2023

STRATEGIC PLAN

October, 2020



City of Blaine



City of Blaine

10801 Town Square Drive NE

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September 25, 2020

Mayor and City Councilmembers:

I am pleased to present a City of Blaine FY 2020-2023 Strategic Plan. In June 2019 consultant Craig Rapp presented a Strategic Plan and Summary Report document (see transmittal letter in appendix III). Since that time, the previous city manager retired and a new city manager was hired. As your new city manager, I began working with staff and elected officials to finalize the consultant's report into a final document for your approval.

At a retreat in November 2019, council provided final comments on the plan document, including the strategic priorities. Discussions then focused on refining the proposed vision, mission, and values. Progress on finalizing those important pieces was slowed by the COVID-19 pandemic. Finally, in September we were able to finalize the mission statement and values, and agree that work on a vision statement will be part of the strategic plan implementation process.

Upon formal adoption of the plan, staff will develop an implementation plan and tracking process. In addition, a communications plan related to the mission and values will be prepared. While still draft form, staff has endeavored to consider the strategic priorities when developing budget proposals and developing city projects and programs. Work on a draft implementation plan has also begun.

I would like to recognize the leadership team for their continued engagement in the development and refinement of this plan. Special thanks to Lisa Derr for her assistance and support, and especially in ensuring the ongoing changes and edits have been captured in this important document.

Sincerely,

Michelle A. Wolfe
City Manager

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EXECUTIVE SUMMARY

From March through May 2019, the Blaine City Council and senior leadership team engaged in a strategic planning process. The process resulted in a strategic plan covering FY 2020-2023.

The plan consists of six strategic priorities—the issues of greatest importance to the city over the next three years. Associated with each priority is a set of desired outcomes, key outcome indicators, and performance targets, describing expected results and how the results will be measured. The plan also includes strategic initiatives that will be undertaken to achieve the targeted outcomes.

The planning effort began with an examination of the operating environment via a SWOT analysis and a staff review of current conditions. On April 8 and 16, 2019, the Blaine City Council and senior leadership team held strategic planning sessions. They developed a set of priorities, key outcomes and performance targets, and began working on the organization's vision statement.

Based upon those priorities, the city's senior staff met May 7, 2019 to identify a set of strategic initiatives and begin the process of developing detailed action steps. The strategic priorities, key outcome indicators, and strategic initiatives are summarized below and on the following page.



strategy

The Plan

Six Strategic Priorities

- 1 EFFECTIVE COMMUNICATION
- 2 FINANCIAL SUSTAINABILITY
- 3 GROWTH MANAGEMENT
- 4 ORGANIZATIONAL HEALTH
- 5 TH 65 IMPROVEMENT
- 6 WELL-MAINTAINED INFRASTRUCTURE

STRATEGIC PLAN SUMMARY 2020-2023

City of Blaine

Strategic Priority	Desired Outcome	Key Outcome Indicator	Target	Strategic Initiatives
Effective Communication	Improved internal communications	- Staff survey results	- Improve TBD% from baseline	a) Develop internal communications strategy b) Create communication index c) Develop a strategic communication model d) Develop a council/staff communication model
	Meet information needs of community	- Community engagement metrics	- Increased + results/tonality	
	High functioning council-staff relationship	- Communication index	- => 7 on a 1-10 scale	
Financial Sustainability	Financial stability across all funds	- Y/E fund balances/reserves	5-year Capital Improvement Plan by 12/2019	a) Expand Fund Balance policy b) Revise Financial Management Policy c) Identify and evaluate alternative funding sources
	Stable (structural balance) for all funds	- Revenues-expenditure results	- Comprehensive Financial Plan	
	Well managed capital resources	- Capital revenues	- Maintain AAA rating	
Growth Management	Successful redevelopment of 105 th Corridor	- Lot inventory	- 2 new corridor projects along frontage by 2022	a) Implement 105 th Ave. Corridor Strategy b) Implement NE Area Plan c) Assist Developer to Complete Lexington Meadows Plan d) Develop Economic Development Market Strategy e) Create a Three-Year Implementation Plan-Northtown
	Maintain current growth	- Guided and zoned lots	- Build out NE area at 200 units/year	
	Successful 35W/Lex Corridor	- Available land-each area; conversion rate	- CSM Build out by 6/2022 - Wellington: 3 bldgs. completed by 2022 - N. side 109 th platted by 2022	
	Northtown redevelopment advancing	-Northtown plan milestones	- Complete private utilities by 2019 - Three outlots by 2022 - New Transit station by 2020 - Herberger's replaced by 2022	
Organizational Health	Well trained work force	- Performance evaluation results	- =>80% meet expectations	a) Develop a performance review model b) Develop a feedback & follow up model that targets all stakeholders c) Develop an employee engagement plan d) Implement new compensation and classification plan
	Governance decision-making process that works	- Survey results: council, committees, businesses and residents	- =>75% positive response	
	Highly engaged workforce	- Employee survey results	- 85% of employees feel engaged	
TH 65 Improvement	Corridor project direction	- PEL study schedule	- PEL completion by 4/2020	a) Actively pursue progress w/all partners on: -PEL Study Implementation -Corridor Options Plan Development -Project Funding Matrix -W. Frontage Road Alignment Options -Construction Coordination b) Develop lobbying strategy
	Project funding alignment	- Secured bonding	- Funding sources align with completion of study	
	Clarity regarding internal relievers	- Planning milestones: ROW acquisition	- West side of 99 th -109 th alignment in place, study completed- 1/2020	
Well-Maintained Infrastructure	High quality street surfaces	- Pavement condition rating (PCI)	- PCI > 70: arterials by TBD - PCI > 55: neighborhood streets by TBD	a) Revised pavement mgmt. plan b) Comprehensive CIP c) Develop system inspection & maintenance strategies d) Conduct Bldg. automation technology assessment e) Establish benchmarks f) Complete city hall renovation project
	Reliable utility systems	- Watermain break rate - Sewer back-ups	- < 10 breaks/100M pipe - < 5 year	
	Well maintained buildings & facilities (including parks & trails)	- Inspection results	- Meet industry benchmarks	

OUR VISION

The Blaine City Council will continue work with staff on a vision statement as this strategic plan is implemented.

OUR MISSION

Deliver exceptional public services with the highest degree of professionalism and accountability.



This mission will be accomplished through these core values...

Transparency and Openness

Creativity and Innovation

Fairness and Impartiality

Respect and Efficiency

STRATEGIC PLANNING PROCESS

Strategic planning is a process that helps leaders examine the current state of the organization, determine a desired future state, establish priorities, and define a set of actions to achieve specific outcomes. The process followed by the EDA was designed to answer four key questions: (1) Where are we now? (2) Where are we going? (3) How will we get there? (4) What will we do? The process is divided into a development phase and an implementation phase. The full process is depicted below.

- 1 Where are we now?
- 2 Where are we going?
- 3 How will we get there?
- 4 What will we do?

DEVELOPMENT

IMPLEMENTATION

Where we are

Where we're going

How we'll get there

What we'll do

- Scan the environment
-
- Conduct internal and external analysis (SWOT)
-
- Develop Strategic Profile
-
- Identify Strategic Challenges

- Define our Mission
-
- Articulate Core Values
-
- Set a Vision
-
- Establish Goals
-
- Identify Key Intended Outcomes

- Develop Initiatives
-
- Define Performance Measures
-
- Set Targets and Thresholds
-
- Cascade throughout organization

- Create Detailed Action Plans
-
- Establish Accountability: Who, What, When
-
- Identify Success Indicators
-
- Provide Resources

Initiating the Process – Setting Expectations, Reviewing Current Situation

The strategic planning process began with a meeting with the Blaine City Council and senior staff on March 14, 2019. The purpose of the session was to discuss roles and responsibilities and the best practices in governance. This was followed by a session on April 1, 2019 where the staff presented an environmental scan—summarizing conditions in the operating environment. Included was an overview of the city’s financial situation, the condition of infrastructure, growth and development projects and trends, and a summary public safety and human resource issues.

Setting Direction: Mission, Vision, Value Proposition and Organizational Culture

On April 8 and 15, 2019, the Blaine City Council and senior staff, held meetings to develop the strategic plan. As they addressed the question of “Where are we now?”

The group was challenged to define the current organizational culture and its value proposition— understanding that an organization’s culture, and the value proposition it puts forth provide the foundation for the way in which services are delivered and strategic direction is set.

The three value propositions and core cultures are summarized as follows.

FOUR CORE CULTURES

Control Culture

(example: Military - command and control)

Strengths: Systematic, clear

Weaknesses: Inflexible, compliance over innovation

Competence Culture

(ex: Research Lab – best and brightest)

Strengths: Results oriented, efficient

Weaknesses: Values, human element can be ignored

Collaboration Culture

(example: Family-teams)

Strengths: Manages diversity well, versatile

Weaknesses: Group think, short-term oriented

Cultivation Culture

(example: Non-profit/religious group- mission/values)

Strengths: Socially responsible, consensus oriented

Weaknesses: Lacks focus, judgmental

THREE VALUE PROPOSITIONS

Operational Excellence

(ex: Wal-Mart, Southwest Airlines)

- They adjust to us (command and control)

Product/Service Leadership

(ex: Apple, Google)

- They ‘ooh and ‘ah’ over our products/services (competence)

Customer Intimacy

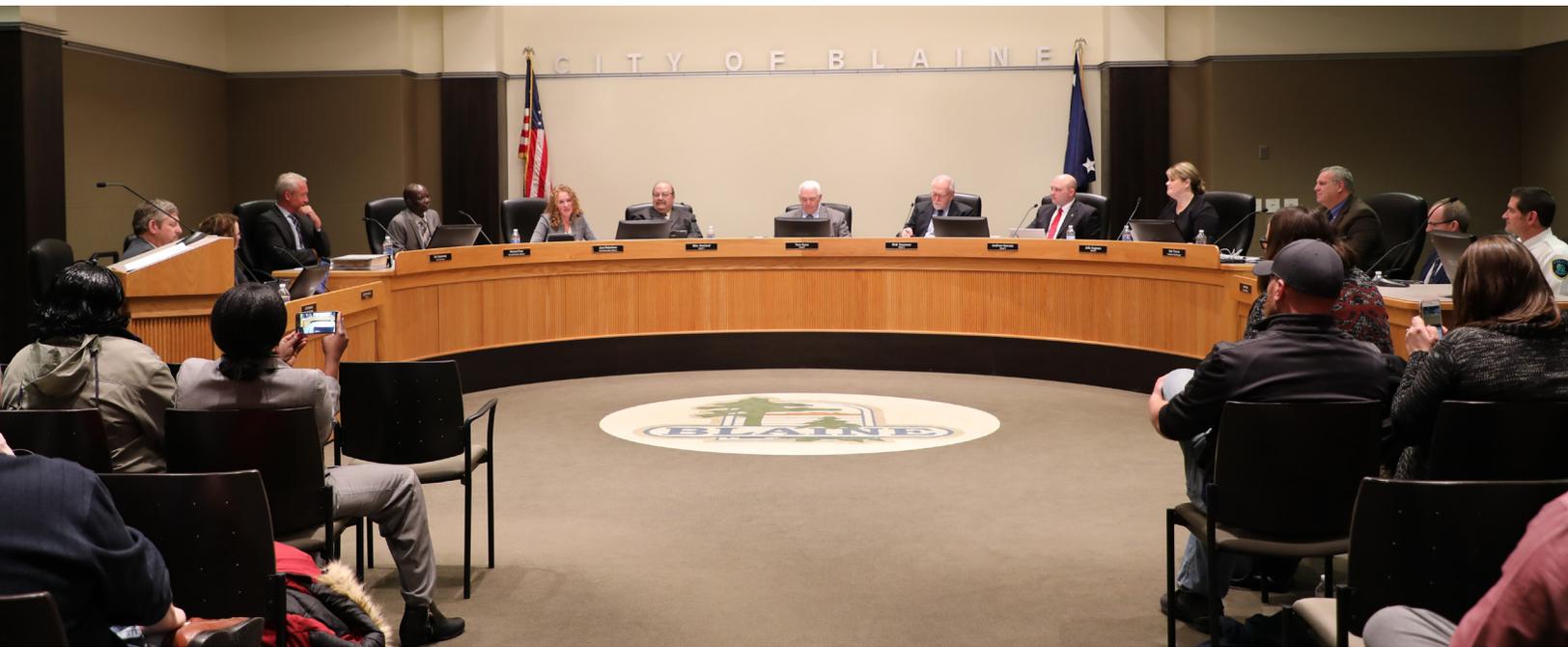
(ex: Nordstrom, Ritz-Carlton)

- We get to know them and solve their problems/satisfy their needs (collaborative)



The group engaged in an extended discussion regarding the value proposition and its relationship to the culture. While the questionnaire results reflected an agreement between council and staff, there were a variety of different perceptions regarding the value proposition.

It was generally believed that customer intimacy reflects much of the current approach, and **operational excellence** has been important and will continue to be important for operational stability, therefore it should be the primary value proposition, with **customer intimacy** as a secondary focus.



STRATEGIC PLANNING PROCESS

ASSESS CURRENT ENVIRONMENT

- Environmental Scan-April 1
- Strategy retreat -April 8
- Culture, Value Proposition
- Scan the Environment
- SWOT Analysis
- Draft Vision, Mission, Values

SET PRIORITIES, TARGETS

- Strategy retreat- April 15
- Operating Environment - Internal SWOT
- Challenges, Priorities
- Outcomes, Targets

IMPLEMENT THE PLAN

- Mgmt. Review - May 7
- Initiatives Development
- Action Plans
- Vision, Mission Refined
- Council Review, Approve

The group then directed their attention to their mission, vision and values statements. They agreed that the mission, vision and values statements needed updating and/or creation. They examined the current statements, spent time reflecting on their purpose and their long-term aspirations for the community. They compared their mission and vision statements to statements from other communities. A brainstorming process ensued, resulting in the identification of key concepts the group favored for both the vision and mission. These were then used by the consultant over the succeeding weeks to create draft statements. The group then discussed the concept of organizational values, and reviewed a list of values to determine which among them reflected the group's beliefs. A group discussion occurred, with a list of potential values identified. The consultant used the list and the group discussion to prepare a draft set of values for consideration. The organization's mission and value statements are listed below.



MISSION STATEMENT

Deliver exceptional public services with the highest degree of professionalism and accountability.





VALUES

TRANSPARENCY AND OPENNESS

CREATIVITY AND INNOVATION

FAIRNESS AND IMPARTIALITY

RESPECT AND EFFICIENCY

STRATEGIC PLANNING PROCESS

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Reviewing the Environment, Setting Strategic Priorities

Following the culture, value and mission discussion, the leadership team continued the process of assessing the operating environment. This was done via a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis: a process that examines the organization's internal strengths and weaknesses, as well as the opportunities and threats in the external environment. To facilitate this, a SWOT questionnaire was distributed to the City Council and senior staff in advance of the planning session. The SWOT process revealed the most frequently mentioned characteristics in each area.

STRENGTHS

- People
- Growth (Residential/commercial)
- Infrastructure
- Parks/Trails
- Knowledge: Council/staff
- Leadership
- Financial strength

WEAKNESSES

- Lack of vision/strategic plan
- Need for staff development/training
- Keeping up with infrastructure demand
- Internal communication/collaboration
- Inconsistent/unclear City Council direction
- Reactive communication and community engagement

SWOT Analysis

- Vibrant community
 - collaboration
 - characteristics of city
 - redevelopment
- Growth
- Infrastructure
- Organizational health

OPPORTUNITIES

- Perception/communication
- Hwy 65
- Staffing
- Staff/council relationship
- Economic turndown
- Roads/transportation
- Redevelopment
- State action

THREATS



Delivering exceptional public services

The group compared **strengths** with **opportunities** and **weaknesses** with **threats**, to determine which opportunities would maximize strengths, and which weaknesses would be exacerbated by the threats. Below are the results of this analysis.

STRENGTHS LEVERAGING OPPORTUNITIES

(Make good things happen)

- Growth
- Vibrant Community
- Infrastructure
- Organizational health
- Collaboration

WEAKNESSES EXACERBATED BY THREATS

(Keep bad things from happening)

- Staffing
- Communication (Internal-Staff-CC / External-Community)
- Infrastructure (TH 65/Transportation/Utilities)
- TH 65

Following this exercise, the group examined the results, and then engaged in additional brainstorming to identify a broad set of issues and challenges facing the community.

STRATEGIC ISSUES/CHALLENGES

- Staffing – attraction
- Infrastructure
- Amenities
- Communication-collaboration
- Growth
- TH 65
- Financing infrastructure
- Physical barriers to “one community”
- Financial sustainability

Based upon the challenges and issues identified, the group engaged in a facilitated discussion regarding the most important issues and priorities. The following priorities emerged as the most important over the next three years.

STRATEGIC PRIORITIES

EFFECTIVE COMMUNICATION

ORGANIZATIONAL HEALTH

FINANCIAL SUSTAINABILITY

TH 65 IMPROVEMENT

GROWTH MANAGEMENT

WELL-MAINTAINED INFRASTRUCTURE

Defining the Priorities

To clarify the meaning of each priority, the group identified key concepts which were used to create guidance, and ultimately, definitions.



Key Outcomes, Indicators, and Targets by Priority

With definitions in place, the group determined the most important outcomes to be achieved for each priority, defined Key Outcome Indicators (KOI's), and developed Performance Targets. KOI's define progress toward desired outcomes. Performance Targets define successful outcomes, expressed in measurable terms.

The alignment created between priorities, outcomes and targets is important, not only for clarity, but also for maintaining a disciplined focus on the desired results.

Effective Communication

- a. **Outcome:** Improved internal communications
KOI: Staff survey results
Target: Improve TBD% from baseline
- b. **Outcome:** Meet information needs of community
KOI: Community engagement metrics
Target: Increased + results/tonality
- c. **Outcome:** High functioning Council-Staff relationship
KOI: Communication index
Target: \geq 7 on a 1-10 scale

Financial Sustainability

- a. **Outcome:** Financial stability across all funds
KOI: Y/E fund balances/reserves
Target: 5-year Capital Improvement Plan by 12/2019
- b. **Outcome:** Stable (structural balance) for all funds
KOI: Revenues-expenditure results
Target: Comprehensive Financial Plan
- c. **Outcome:** Well managed capital resources
KOI: Capital revenues
Target: Achieve AAA rating



Growth Management

- a. **Outcome:** Successful redevelopment of 105th Corridor
KOI: Lot inventory
Target: 2 new corridor projects along frontage by 2022
- b. **Outcome:** Maintain current growth
KOI: Guided and zoned lots
Target: Build out NE area at 200 units/year
- c. **Outcome:** Successful 35W/Lex Corridor
KOI: Available land-each area; conversion rate
Target: CSM Build out by 6/2022
- d. **Outcome:** Northtown redevelopment advancing
KOI: Northtown plan milestones
Target: Complete private utilities by 2019; Three outlots by 2022; New Transit station by 2020; Herberger's replaced by 2022

Organizational Health

- a. **Outcome:** Well trained work force
KOI: Performance evaluation results
Target: =/> 80% meet expectations
- b. **Outcome:** Governance decision-making process that works
KOI: Survey results: Council, Committee, businesses and citizens
Target: =/> 75% positive response
- c. **Outcome:** Highly engaged workforce
KOI: Employee survey results
Target: 85% of employees feel engaged

TH 65 Improvement

- a. **Outcome:** Corridor project direction
KOI: PEL study schedule
Target: PEL completion by 4/2020
- b. **Outcome:** Project funding alignment
KOI: Secured bonding
Target: Funding sources align with completion of study
- c. **Outcome:** Clarity regarding internal relievers
KOI: Planning milestones: ROW acquisition
Target: West side of 99th-109th alignment in place, study completed- 1/2020

Well-Maintained Infrastructure

- a. **Outcome:** High quality street surfaces
KOI: Pavement condition rating (PCI)
Target: PCI > 70: arterials by ____; PCI > 55: neighborhood streets by ____
- b. **Outcome:** Reliable utility systems
KOI: Watermain break rate; Sewer back-ups
Target: < 10 breaks/100M pipe; < 5 year
- c. **Outcome:** Well maintained buildings and facilities
KOI: Inspection results
Target: Meet industry benchmarks

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Implementing the Vision – Developing Strategic Initiatives and Action Plans

To successfully address the strategic priorities and achieve the intended outcomes expressed in the performance targets, it is necessary to have a focused set of actions, including detailed implementation steps to guide organizational effort.

The City of Blaine will accomplish this through a set of strategic initiatives. Strategic initiatives are broadly described, but narrowly focused activities that are aligned with the priorities, and targeted to the achievement of outcomes expressed in the Targets. On May 7, senior staff met to identify strategic initiatives. Detailed action plans will be developed for each initiative.

Effective Communication

- Develop internal communications strategy
- Create communication index
- Develop a strategic communication model
- Develop a council/staff communication model

Financial Sustainability

- Expand Fund Balance policy
- Revise Financial Management Policy

Growth Management

- Implement 105th Avenue Corridor Strategy
- Implement NE Area Plan
- Assist Developer to Complete Lexington Meadows Plan
- Develop Economic Development Market Strategy
- Create a Three-Year Implementation Plan- Northtown

Organizational Health

- Develop a performance review model
- Develop a feedback & follow up model that targets all stakeholders
- Develop an employee engagement plan

TH 65 Improvement

- Implement PEL Study
- Corridor Options Plan
- Project Funding Matrix
- W. Frontage Road Alignment
- Construction Coordination

Well-Maintained Infrastructure

- Revised pavement mgmt. plan
- Comprehensive CIP
- Develop system inspection & maintenance strategies
- Conduct Bldg. automation technology assessment
- Establish benchmarks



Strategic Planning Participants

The strategic plan was developed with the hard work and dedication of many individuals. The city council led the way, taking time out their schedules to commit to long-term thinking. They defined a direction and a set of outcomes that are important to the citizens, businesses and stakeholders with whom they partner and serve.

The city's senior staff supported the city council and offered challenges to conventional thinking.

City Council (2019/2020)

Tom Ryan, *Mayor*

Andy Garvais, *Councilmember*

Wes Hovland, *Councilmember*

Jess Robertson, *Councilmember*

Julie Jeppson, *Councilmember*

Dick Swanson, *Councilmember*

Richard Paul, *Councilmember*

Senior Staff

Clark Arneson, *City Manager (through July 2019)*

Michelle Wolfe, *City Manager (beginning in September 2019)*

Joe Huss, *Finance Director*

Bryan Schafer, *Community Development Director (through July 2019)*

Erik Thorvig, *Economic Development Coordinator/Community Development Director*

Brian Podany, *Safety Services Manager/Police Chief*

Jon Haukaas, *Director of Public Works*

Bob Therres, *Public Services Manager/Assistant City Manager*

Charlie Smith, *Fire Chief*

Sheri Chesness, *Acting Human Resources Director/Deputy HR Director*

Cassandra Tabor, *Human Resources Director (beginning in January 2020)*

Ben Hayle, *Communications Coordinator/Manager*

Dan Schluender, *City Engineer*

Cathy Sorensen, *City Clerk*

Lisa Derr, *Administrative Technician*

APPENDIX I

SWOT Results

Strengths

- Fiscal responsibility and financial health
- Collaborative, competent and disciplined staff
- Friendly, team oriented staff
- Young infrastructure
- Investing in the future
- Willing to spend for current and future needs
- The team knows where the City is going and where it needs to be
- Experienced leadership. Some of the best in their respective industries
- Culture willing to change
- Effective and efficient operations
- Longevity of staff a
- Staff knowledge of projects
- Up and coming city that is gaining a lot of positive attention
- Ability to be instrumental in changing the perception of Anoka County
- Financially very stable
- fiscally responsible and ratings/grades by other entities confirm that
- Low taxes
- high quality of services
- Innovative fire department
- staff willing to work thru issues
- strong financial foundation
- consistency in leadership regarding general support for development
- residential/economic growth
- experienced staff
- strong financials
- Strong financial position
- Skilled and knowledgeable leadership team
- Well rounded City Council
- Operating on a lean budget
- Operating with lean amount staff
- All of the above
- Experienced staff
- Balanced community (types of housing/business)
- Strong tax base/capacity
- Strongest/Healthiest Community in County
- Providing Quality Services

- Professional Staff
- Blaine's greatest strength is in its people elected officials, staff, and residents
- We have long serving elected and appointed staff who possess a long and knowledgeable history of the City which will be difficult to replace
- We also have newer staff and elected officials who bring a fresh new perspective and challenge the same old ways
- We also have growing diversity in residents who bring new perspective as well
- Strong Financial Condition (almost AAA)
- experienced committed staff
- experienced elected /staff leadership
- the city is positioned for dynamic future
- infrastructure investment underway
- 20 minutes from either downtown and 35 W Hwy 10 and Hwy 65
- Experienced, dedicated workforce who truly care about their positions and the City
- High staff loyalty
- Staff knowledge and expertise
- Good facility/equipment
- Job specific training opportunities
- Executive leadership who support and promote strategic development
- The organization created a culture of high performance both in elected and staff leadership
- Relatively Young Community, still has room to grow as a community and an organization
- Stable Council, not personal agenda driven, supportive of staff
- Stable Leadership of organization
- Effective Staff, gets things done with lean staffs
- departments work well together
- Financially Sound
- good tax base
- low taxes compared to peers
- Good facilities and equipment
- Experienced elected/staff leadership, dedicated to the city and their jobs (some of this is changing with some turnover)
- Strong conservative budgets
- Coming long range vision for the city
- dedicated staff
- supportive council with balanced experience
- innovative programs
- cooperative interdepartmental atmosphere

- competitive compensation packages
- growing social engagement via social media, etc
- distribution of funding/investments
- emphasis on training/adequate equipment
- investment in outdoor resources/preservation
- plans for infrastructure updates, including pavement management program
- community engagement (not just public safety but all)
- Strong, stable financial outlook
- Experienced, knowledgeable, and strong leadership at department head level
- General sense of camaraderie and good working relationship among upper level staff
- Experienced dedicated staff
- Great teamwork
- Good financial position
- Growing community
- New energy at the Council level
- Council support for infrastructure improvements
- Developing asset management plans
- Good recent hires for high level positions (public works director, police chief, city engineer, communications, fire chief)
- Council committed to tax base growth and business development
- Professionalism of city staff when working with outside entities
- Ability to retain quality employees
- Staff and council are committed to improving themselves and the overall relationship to benefit the city
- Recent strides in communication via newsletter, web, social media, etc. Very professional appearance
- Staff and council with lots of institutional knowledge
- Staff generally likes each other
- Good financial position
- Respected by peer cities
- Majority of community is positive about the city

Weaknesses

- Overcoming the old Blaine stereotype
- Understanding and accepting the current changes occurring within the city and its future
- Service delivery keeping pace with growing service demands
- Loss of experience and leadership due to retirement
- Personal agendas negatively affecting doing what's right for the City. Service before self.
- Ensuring all operations are effective, not just efficient"
- "Former council pushing off projects that can no longer be ignored and are costly
- Doesn't seem to have a firm grasp and stay committed to current comp plan
- Employee morale and weak leadership, but getting better
- Inability to communicate appropriately with residents, getting better still have work to do
- City, county and state roads increased traffic and distracted driving making city/ neighborhood roads more and more dangerous
- "internal communication lacking at times
- council/staff roles not clearly understood
- lack of clear message from Council causes sometimes results in chasing issues/changing course and deflecting leadership focus away from higher priorities
- infrastructure needs (local roads/HWY65)
- communication
- engaging residents"
- "Responsive reactions to residents not enough proactive"
- Upcoming challenges of having a new city manager
- No employee wellness plan, team building activities or opportunities for personal/ professional development
- Loss in tax value- If we stop working together as a city council"
- Lack of Vision
- Lack of long-term planning to influence vision
- Weak structure to integrate feedback from commissions, staff, council, manager and residents
- Lack of common vision
- Outdated processes
- Versatility to an ever-changing resident base
- local street infrastructure
- Hwy 65

- Blaine's greatest weakness results from the desire to keep costs, which is great, but not responding to the fact that we are indeed a large city. While important to curb costs items are needed that are unique to a larger city such as Blaine. We also need to focus more on our changing diversity to respond to unique needs different than in the past.
- increased code enforcement
- internal advancement opportunities for staff
- lack of legislative program and regional presence
- no community center
- Lean staff levels
- Recruitment difficulties for specialized positions.
- Need for updated and centralized HR policies.
- Managing change of turnover of long term management staff to ensure smooth transition.
- Lack of communication cross functionality between departments.
- Employee recognition.
- Supervisor training.
- Increased workers compensation claims.
- Effort to bring in agility to strengthen the financial position and condition of facility
- Additional staff needed in some areas such as HR and Building Maintenance
- Be more active in making use of technology and programs for City functions to provide better service delivery
- Need to be more proactive in long range goals/projects
- Council and Staff could do a better job of focusing on big picture "
- Lack of regular long-range visionary planning.
- Better communication within and outside the city.
- Lack of training for new councilmembers on Governing and current issues over the last few years."
- "workers compensation claims/employment related issues (public safety)
- city hall facilities (but optimistic future with improvements for growth)
- continued increased need for professional/positive social engagement
- challenges for sbmfd integration of personnel/operations, in conjunction with other communities (this is external as well)
- community / event management and staffing
- need for increased emphasis on crime analysis in driving down crime rates
- run lean on IT, HR, and Facilities Maintenance Staff (Currently)
- "Not always, but In a number of cases
- Lack of an overall, guiding, mission driven plan
- Weaker leadership/management skills in some mid to lower level positions

- Task driven, silo mentality
- Short-term focus on decision making that strives for momentary appeasement without consideration of longer-term consequences of decisions
- Lack of Strategic Plan
- Behind on infrastructure maintenance
- High residential ratio compared to jobs-should expand employment base
- TH65 Transportation issues.
- Image of being a blue collar community limits desire of high end companies to come here”
- Physical infrastructure (roads, utilities) that need updating.
- Technology and space needs at city hall (currently in the process of addressing both).
- Perception of the community to outsiders.
- Criticism from residents and managing the criticism.”
- Departments still seem to silo off from each other
- Staff do not collaborate as much as they could
- Lack of innovation and new ideas

Opportunities

- Growing city
- increasing tax base
- Collaborative with surrounding communities
- Ability to continue to attract large employers to community
- Geographical location, good transportation infrastructure
- Close to downtown
- Visionary development
- Vibrant community
- Airport with room for growth
- Largest city in Anoka County and growing
- Intentionally plan for future develop rather than reacting to it
- Start the conversation of redevelopment
- Continue branding the city
- Athletic facilities for indoor courts
- Support NSC on projects they are doing
- Presence with legislators and at the table with other metro decision makers
- forging more productive relationship with NSC
- capitalizing on remaining land along 35W corridor
- large scale economic development
- using large events (I.e.: 3M tournaments) to draw attention to City
- Land for development
- High median income
- Close proximity to major highways
- Close proximity to Twin Cities
- Increasing diversity
- Redevelopment opportunities
- Quality new commercial and industrial growth
- Complete the restoration park and trails
- To get highway 65 up and running well
- ability to recruit businesses/market the city
- ability to restructure flow of information to better utilize commissions
- leverage partnerships (PGA, NSC, Businesses with HQ in Blaine)
- TH 65 upgrades
- Continued development
- Blaine has room for new development while providing great opportunities for redevelopment;

- high end businesses want to be here with its easy freeway access, full services, strong tax base.
- economic development opportunities due to the community growth and major events.
- 3M Open
- establish Blaine as a regional leader in the north metro
- abundant land
- a completed Hwy 65 and 35 W MNpass lane
- Capitalize on the Blaine Wetland Sanctuary and 2 wetland banks
- developing a regional fire/police training facility
- variety of housing types and age of housing stock
- targeted redevelopment specifically Northtown area
- Consideration of alternative ideas to make Blaine desirable, or Employer of Choice, over other employers.
- Organization growing fast due to abundant land for development and collaboration with other entities
- Relatively new community-still room for growth
- Lean organization -Can be adjusted positively for better service delivery
- City is continuing to grow both residentially and commercially
- Has developed a reputation for youth sports activities
- Is positioned for growth.
- Measures in place to insure good, positive growth
- Set regular visionary planning sessions.
- Unlocking new ways of staff and resident engagement with new technologies
- Growth pattern gives the city the ability to grow into a regional leader
- Major events give the city national exposure

Threats

- Ability to keep up with rapid growth
- Competing priorities
- Focus on all areas of community
- Partners with low/no growth communities which have limited financial means and or lack desire to fiscally support growing fire district
- The growth will end.
- Maintaining/replacing infrastructure
- Redevelopment
- Build out complete in the next 10 years
- Staff turnover
- Continuing to promote as a high quality city, but if infrastructure doesn't support that claim, businesses won't want to come here.
- Staff and council agreeing to pursue similar projects. For example, staff worked with a business who ended up spending \$10,000s on plans only to be denied by council.
- Residents who are angry with the way the city is going. Therefore, elections may be affected resulting in continued turnover among council
- Consistency with a knowledgeable council since two of the longest standing members on council, totaling over 60 years of experience, will be leaving in 2 years.
- gap in private investment between new developing areas and older areas
- challenge of maintaining older infrastructure
- understanding transition from fast developing city to a slower growth model
- HWY65
- mindset that this is the way we have always done things
- Limited public transportation options
- Traffic congestion
- Rapid growth challenges
- Areas in need of redevelopment
- Skilled workforce wanting to work in the suburbs
- We stop working together as a council including attendance
- Not having a clear vision as a city
- Economic conditions can effect our revenues
- Northtown mall redevelopment
- Traffic Congestion
- Lack of resident understanding of what the city services are provided.
- Need for increased communication/education for residents on decisions to help explain reasons, processes, foster understanding
- loss of key staff due to retirement/ resignations and a shrinking labor pool.

- our budget model is based on MV growth a recession would cause budget/levy challenges
- lack of long term funding in the next decade for Hwy.65
- Budget constraints imposed by legislature and how it affects the compensation system including union/nonunion police leadership.
- All the above
- Need to be more active in redevelopment as older sections of community age.
- Outside Economy slowing down
- State law changes, ie.. unfunded mandates and levy limits, that would limit city's ability to address other needs
- Crime.
- Unfunded mandates.
- Recognizing needs vs wants for the City.
- intergenerational staffing and the challenges that come with various generations
- infrastructure related travel (Highway 65)
- constant perception / issues pertaining to 'old' Blaine vs. 'new' Blaine
- challenges for sbmfd integration of personnel/operations, in conjunction with other communities (this is internal as well)
- unfunded/changing mandates (particularly State--i.e. training, etc.)
- growing political divide (not unique to Blaine), lack of unity
- public perception of both career field (law enforcement) and government workers in general
- staffing levels maintenance of and hiring
- technology needs and aging infrastructure needs includes all city resources--water system, etc.
- cybercrimes and law enforcement's ability to deal with them
- continued funding level in relationship growth (city revenue and expenditures). pride on doing more with less but that ability to do so eventually runs out
- challenge of multiple school districts in one municipality
- continued social media and social communication / information dissemination challenges
- Economic downturn leading to property value decline
- inconsistent Council direction
- Competition for employees, especially seasonal staff
- Potential recession impact on growth / development
- Cost of storm damage and cleanup
- TH65 Transportation issues.
- Impact of 35W Construction 20192021
- What happens once new development of NE is completed?

- Are we able to continue to provide service without the influx of development fees (rely on taxation only)
- Aging housing stock.
- No improvements to Highway 65 for many years.
- Northtown Mall and its future along with other retail areas.
- Continued divide among low/moderate and high income households.
- Potential always exists for an economic downturn
- Inability to fail

What are the three greatest challenges over the next three years?

- Growing services to meet future demand
- Continuing to attract employers
- Fiscally responsible growth
- staff recruitment and training
- Highway 65
- infrastructure
- maintaining/accommodating growth
- redevelopment
- Traffic congestion
- Attracting higher end businesses and restaurants
- Obtaining AAA financial rating
- Maintaining the infrastructure
- Continue to find good quality employees
- Providing a community where people can live, shop, and recreate in
- Knowledge retention; staff and council are turning over, we need to capture and develop our plans and visions now
- Attracting businesses that the residents want
- Maintaining our parks and trail system
- Replacing retiring senior staff
- Financing new Infrastructure Programs
- Dealing with the impacts of TH 65
- replacing long term staff members with invaluable history/knowledge of city
- Pavement Management Program (PMP)
- full funding of Hwy 65 improvements
- redevelopment in the Northtown area
- continued local street infrastructure funding
- Managing city growth and employee/service levels
- Attracting business and maintains equality infrastructure to create more jobs
- growing organization to be a City of choice for residents and employees for a City that will be 80,000 people in the near future
- Continuing to do succession planning as some top level managers are retiring in the next several years
- Maintaining quality infrastructure as City starts to age
- Maintaining quality infrastructure
- Redevelopment
- As we build out, long term financial sustainability

- Highway 65 improvements
- Public Communication/Perception
- idea that public resources are free, everyone says to cut but everyone wants problems addressed
- Addressing problems is not free, it costs money to do stuff public vs private sector
- Attracting/retaining quality employees throughout the organization
- Maintaining financial strength
- Planning for Blaine's next phase
- lower growth;
- shift from new development to redevelopment
- Lack of Strategic Plan
- Develop a cohesive team of new executive team members
- Existing: City Clerk, Finance Director
- Recent: Director of Public Safety, Director of Public Works, Communications
- Future: City Manager, Community Development Director, HR Director
- Staffing shortages especially seasonal
- Transitioning to new leadership (city manager)
- Funding improvements to Highway 65 and other city infrastructure
- Reinvesting in the older parts of Blaine to maintain quality neighborhoods and strong commercial nodes
- Major infrastructure upgrades that are out of the city's control
- Uniting the older and newer parts of the city
- Building community pride
- Getting all staff on the same page to move the city forward towards common goals

APPENDIX II

Environmental Scan



Growth Issues Both Current and Forecast

CITY OF BLAINE

PRESENTED BY: Community Development

Residential Growth (short term)



Residential growth should remain strong with 200-250 units per year thru 2025. This will continue to support development, permitting and park fees thru that period.

Attached townhome market is coming back in the TC with the recent law changes addressing warranty issues. This could play into future land use decisions.

Residential Growth (short term)



The City has 6-7 multi-family apartment sites based on the 2040 Comp Plan that will likely seek development approvals in the 2020-2025 timeframe.

Redevelopment sites in the K-Mart and Northtown areas are also high density targets for the market

Residential (future)



There will be a continued push to encourage affordable housing across all housing types. Some of the push may come from builders and developers to build less expensive homes (maybe smaller).

The housing cost issue is starting to create a competitive economic disadvantage for the region and is a growing concern recognized by the corporate community.

Residential (future)

Residential land inventory will be mostly utilized over the next 7-10 years. This will slow residential growth by the middle to end of the next decade 2026-2030.

The city will need to prepare for the transition to a more fully developed community with a corresponding reduction in development related fees.



Commercial/Redevelopment

Land for larger scale commercial and industrial development is somewhat limited and is concentrated along the 35W/Lexington corridor and along the west side of Highway 65 (99th to 105th).

Commercial/office opportunities will continue to seek Blaine sites over the next several years based on the level of housing development.

The City will need to be more actively involved in ***long-term*** redevelopment efforts in order to achieve economic development goals as the pace of other raw land opportunities diminishes over time.





2018 FINANCIAL RECAP 2019-2022 OUTLOOK

CITY OF BLAINE

PRESENTED BY: JOE HUSS

AT 12/31/2018: BLAINE IS IN EXCELLENT FINANCIAL CONDITION



- ▶ General Fund
 - ▶ \$2.5MM Positive Performance
 - ▶ \$2.5MM unrestricted reserves available for 2019 Capital & Equipment purchases
- ▶ Special Revenue Funds
 - ▶ Communications
 - ▶ \$27,655 added to reserves
 - ▶ \$321,000 in reserves; \$295,000 available for equipment improvements
 - ▶ Charitable Gambling
 - ▶ 8,300 added to reserves
 - ▶ \$107,000 in total reserves available at year-end

AT 12/31/2018: BLAINE IS IN EXCELLENT FINANCIAL CONDITION



- ▶ Capital Funds
 - ▶ Capital Equipment
 - ▶ \$158,000 in reserves at year-end
 - ▶ No debt required for 2019 purchases
 - ▶ Capital Improvement Fund
 - ▶ \$10.8MM balance
 - ▶ Up to \$5.4MM approved for Senior Facility
 - ▶ \$115,000 in interest available for general appropriation

AT 12/31/2018: BLAINE IS IN EXCELLENT FINANCIAL CONDITION



▶ Utility Funds

▶ Water Utility

- ▶ \$37MM in reserves at year-end (\$30MM from bonds)
- ▶ \$35MM in capital expansion/improvements 2019-20
 - ▶ New water treatment plant
 - ▶ Well rehab
 - ▶ SCADA & technology improvements
- ▶ Rates – among lowest in metro area
- ▶ Outlook - stable

▶ Sanitary Sewer Fund

- ▶ \$6MM balance
- ▶ Operating losses expected to end in 2019 w/ rate increases over last 4 years
- ▶ Stable outlook

AT 12/31/2018: BLAINE IS IN EXCELLENT FINANCIAL CONDITION



▶ Utility Funds

▶ Storm Water Utility

- ▶ \$1.4MM in reserves at year-end
- ▶ Rates – among lowest in metro area, but increases planned over next few years to stabilize the fund and address deferred maintenance
- ▶ Outlook - stable

▶ Refuse/Sanitation Utility

- ▶ \$160,000 balance
- ▶ Operating losses expected to end in 2019 w/ reduction in tipping fees
- ▶ Strategic discussion – extend contract to preserve rates?

AT 12/31/2018: BLAINE IS IN EXCELLENT FINANCIAL CONDITION

- ▶ EDA
 - ▶ \$4.6MM Balance
 - ▶ \$3.9MM reserved for development/redevelopment projects
 - ▶ Remainder for operations
 - ▶ Outlook - strong



5-10 YEAR OUTLOOK

- ▶ 5-Year outlooks prepared for all operating funds
- ▶ Looking to strengthen the process
 - ▶ Strategic planning
 - ▶ Financial management policies
 - ▶ Performance measures
- ▶ Comprehensive Capital Improvement Plan
 - ▶ 85-90% Complete
 - ▶ Tie to strategic planning process



GROWTH OUTLOOK

- ▶ 5-Year outlook at 12/31/2018
 - ▶ Conservative – 5% annual growth
 - ▶ Levy pressure
 - ▶ Maintaining rate
 - ▶ Expanding operating and debt levies
- ▶ Preliminary valuation from Anoka County
 - ▶ 9% growth for 2019/20
 - ▶ Additional \$1.2MM - \$1.3MM in levy capacity with stable tax rate in 2020
 - ▶ Structural balance in the General Fund through 2024
 - ▶ Potential for “Strategic” levy for Council priorities



CONCLUSION

- ▶ Blaine is in excellent financial condition
- ▶ Outlook is strong and stable
- ▶ Better able to fund Council priorities.

CAVEAT –

- ▶ Model assumes consistent growth.
- ▶ If a decline in property values, similar to 2011-14, occurs?
- ▶ Revised planning, reprioritization required





Human Resources Recruitment Forecast and Update

CITY OF BLAINE

PRESENTED BY: Sheri Chesness, Acting HR Director

Police Department

The police department has an authorized staffing level of 70 licensed police officers. Currently the City employs 67 licensed police officers. To reach our authorized staff level the City will need to:

- ▶ Promote two detective positions
- ▶ Hire three police officers
- ▶ Additionally, there will be at least one internal assignment process for the Northtown officer, and possible internal processes for other assignments depending upon the results of the detective promotional process
- ▶ Possible recruitment efforts for Community Services Officer (CSO) if any current CSO(s) are promoted to full-time police officer(s)
- ▶ Evidence supervisor (new position, non-sworn)



Other Departments

- ▶ Human Resources
- ▶ Public Service Worker - Streets (budgeted for October 2019)



Upcoming Retirement

- ▶ Planning and Community Development Director



Current Recruitment Efforts

- ▶ Project Engineer
- ▶ Permit Technician Manager (internal process, selection will lead to another vacancy/recruitment process)



Conditional Offers Given (in background process)

- ▶ PSW - Utilities
- ▶ CSO (x2)
- ▶ Building Inspection Intern (x2)



BLAINE PUBLIC WORKS

Providing High Caliber Municipal Services to Develop a Quality Community



Safety – Accountability – Communication
Trust - Respect





Public Works Concerns

- Infrastructure Projects
 - Still growing
- Maintenance Programs
 - Looking out 20+ years to plan needs
- Recruitment
 - Lack of trades people
 - Competition for technical staff



Streets

- **Completing Pavement Condition Survey**
- **10 Yr+/- Program of Intense Reconstruction**
- **30-50 Yr Sustainable Plan**
 - **Mix of pavement techniques**
 - **Maintain at a higher level has lower life cycle cost**



Parks

- **Capital Replacement - Playground Equipment**
 - Inspection & Condition Rating
 - Intensity of Use (high-medium-low)
- **Citizen Demand for Quality Maintenance**
 - Challenge getting seasonal staff
- **Citizen Demand for neighborhood options**
 - Balance of major complexes vs ‘pocket’ parks



Water

- Major Upgrades will be completed by 2022
 - WTP4, Wells, SCADA
- Tower Maintenance Program
- Trunk Extensions complete in next 5+ Years
- Develop long term maintenance plans
 - Schedule out major items for 20-50 years



Sewer

- Major Upgrades will be completed by 2022
 - LS Control Blds, SCADA
- CCTV Inspections, Lining for I&I
- Trunk Extensions complete in next 5+ Years
- Develop long term maintenance plans
 - Schedule out major items for 20-50 years



Stormwater

- **Lack of Drainage in older areas**
 - Improve with street programs
- **Increasingly Stringent Regulations**
 - Add treatment to old ‘straight pipe’
- **Focus on Regional Facilities**
 - Improve efficiency and cost-effectiveness



Staffing

- **Increased Competition for Staff**
 - Consultant levels of pay
 - Job variety
- **Seasonal Workforce**
 - Not getting applicants
 - Wage competition

BLAINE PUBLIC WORKS

Providing High Caliber Municipal Services to Develop a Quality Community



Safety – Accountability – Communication
Trust - Respect





SAFETY SERVICES

Current Conditions / Future

CITY OF BLAINE

PRESENTED BY: Brian Podany, Safety Services
Manager/Chief of Police

STAFFING



- ▶ Healthy Workforce
 - ▶ Physical, Mental, Emotional Wellness
- ▶ Police Department
 - ▶ Field Shortage/Changing Expectations of Society/Public Perception
 - ▶ 24 hr supervision on Patrol. 6 current Sgt's, will need 8
 - ▶ Power Shift
 - ▶ 5 Yr: Personnel:
 - ▶ 2020: FT Officer, October: Traffic Officer (DUI Grant), Investigations Rec. Tech (Analysis)
 - ▶ 2021: DOG Officer-Technical Specialist, Additional TFO for AHNVCTF
 - ▶ 2022: Patrol Officer (K9-3)
 - ▶ 2023: Sergeant, Detective
- ▶ Community Standards
 - ▶ Staffing
 - ▶ SBMFD Integration

CAPITAL

- ▶ Command Vehicle
- ▶ Fleet
- ▶ City Hall/Infrastructure
- ▶ Rebranding

Community / Stakeholder Issues

- ▶ Service Demands
 - ▶ CFS
 - ▶ Proactive Measures
 - ▶ Traffic Enforcement
 - ▶ Community Outreach
 - ▶ RPS/Event Staffing
- ▶ Changing Demographics
 - ▶ Economic
 - ▶ Cultural Diversity
 - ▶ Population Age
- ▶ Trends
 - ▶ Cybercrime/victimization
 - ▶ Technology
 - ▶ Traffic Increase



Intergovernmental

- ▶ State
 - ▶ Licensing
 - ▶ Funding
- ▶ Schools
 - ▶ 3 Districts
 - ▶ Services
 - ▶ Challenges
- ▶ JPA's
 - ▶ Mutual Aid
 - ▶ Working Relationships
 - ▶ Task Forces
 - ▶ Large Incidents





SBM Fire Department Current Conditions / Future

PRESENTED BY: Fire Chief Charlie Smith

Station 6

- ▶ Projected need 2024-2026



Staff Increases

- ▶ +5 full-time by the time Station 6 is in service
- ▶ +12 volunteers for Station 6



Continued Long Term Capital Investment

- ▶ Apparatus
- ▶ Equipment
- ▶ Infrastructure



Future Discussions

- ▶ Additional cities requesting to join – JPA/Fire District
- ▶ Public safety training area



APPENDIX III

Consultant Letter



RAPP CONSULTING GROUP

June 6, 2019

RE: FY 2020-2023 Strategic Plan – City of Blaine

Dear Mayor Ryan,

I am pleased to present this FY 2019-2022 Strategic Plan and Summary Report to the City of Blaine. The plan reflects the organization's commitment to strategic thinking, measurable results and the delivery of quality services.

Thank you for the opportunity to assist the City with this project. The City Council and staff are to be commended for your interest, dedication and collective effort.

I particularly wish to thank City Manager Clark Arneson and City Clerk Cathy Sorenson for their help and support during the process.

Yours truly,

Craig R. Rapp
President