



2023 – 2026

STRATEGIC PLAN

JANUARY 2023





RAPP CONSULTING GROUP

January 26, 2023

RE: 2023-2026 Strategic Plan – City of Prior Lake

Dear Mayor Briggs,

On behalf of the Rapp Consulting Group team, I am pleased to present the 2023-2026 Strategic Plan and Summary Report to the City of Prior Lake. The plan reflects the organization's priorities, commitment to measurable results and the delivery of quality services.

It has been a pleasure assisting the City of Prior Lake with this important project. The City Council displayed clear thinking, dedication, and focused effort.

We particularly wish to thank City Manager Jason Wedel and Assistant City Manager Lori Olson for their help and support during the process.

Yours truly,

Craig R. Rapp
President

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EXECUTIVE SUMMARY

From April 2022 through September 2022, the City of Prior Lake engaged in a strategic planning process. The process yielded a strategic plan covering 2023-2026.

The plan consists of five **strategic priorities** — the issues of greatest importance to the City of Prior Lake 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, consisting of an environmental scan, a community survey, a set of focus groups, City Council interviews, and a SWOT (strength, weakness, opportunity, threat) analysis.

On August 24, 2022, the City’s leadership team held a full day strategic planning session. They developed a set of priorities, key outcomes, performance targets, and confirmed a vision for the community along with discussing organizational mission and values.

Based upon those priorities, the City’s management team met on September 27, 2022, to identify a set of strategic initiatives and develop detailed action plans. The strategic priorities, key outcome indicators, performance targets and strategic initiatives are summarized here and on the following page.



The Plan

Five Strategic Priorities

- 1 FINANCIAL SUSTAINABILITY
- 2 WELL MANAGED GROWTH
- 3 STABLE & SUSTAINABLE INFRASTRUCTURE
- 4 PUBLIC SAFETY
- 5 HIGH QUALITY PARKS & TRAILS

STRATEGIC PLAN SUMMARY 2023–2026

City of Prior Lake

Strategic Priority	Desired Outcome	Key Outcome Indicator	Target	Strategic Initiatives
Financial Sustainability <i>A financially responsible community</i>	Financial stability in all funds	- Change in bond rating - Fund balance change	- Improve bond rating to AAA by 2027 - Meet fund balance targets by 12/2026	a) Develop strategy to increase bond rating b) Develop infrastructure funding scenarios c) Establish financial plan that reflects infrastructure needs d) Update Comprehensive Financial Management Plan (CFMP)
	Adequate resources to fund Capital Improvement Program (CIP)	- Pavement Management Plan (PMP) and utility fund balances	- Adequate funding to meet Overall Condition Index (OCI) target	
	Financial policies guide decision making	- Budget objectives met	- Budget objectives met annually	
Well Managed Growth <i>Growth that meets community needs</i>	Downtown vitality	- Sq. ft of new downtown commercial space developed - # new units downtown residential	- 20,000 SF of new downtown commercial by 2026 - 80+ new residential units downtown by 2027	a) Identify strategic property acquisition downtown b) Lobby to ensure development costs are not transferred to taxpayers c) Develop strategy for orderly annexation agreement (OAA) renewal d) Develop strategy for utility extension in OAA e) Develop education strategy for C/I properties
	Fiscally responsible residential growth	- Development fee cost ratio	- \$0 in development costs transferred to existing taxpayers	
	Adequate supply of commercial/industrial (C/I) land	- Change in C/I guided acreage	- No net loss of C/I guided land 2023-2026	
Stable & Sustainable Infrastructure <i>Systems that support reliable service delivery</i>	Quality street conditions	- OCI achieved	- Maintain average OCI 70 - Achieve minimum OCI 50 on collector streets by 2033	a) Complete assessment of utility maintenance needs including cost and risk implications b) Update inspection and maintenance strategy for infrastructure c) Formalize public property maintenance plan d) Implement plan for Maintenance Center upgrade
	Complete understanding of infrastructure	- Capital needs adopted plan	- Comprehensive needs analysis completed by 2024	
	Adequate Public Works facility	- Ribbon cutting	- Maintenance Center expansion completed by 2033	
Public Safety <i>A safe community</i>	Full-time Fire Department established	- % staffing targets met - % facility complete	- Full-time Fire Department fully operational by 7/1/2023	a) Develop recruitment strategy for full-time firefighters b) Update operating guidelines / policies and procedures c) Complete Fire Station 1 buildout d) Initiate comprehensive inventory of buildings e) Create Inspection Program f) Develop pre-plans for commercial buildings g) Develop comprehensive training program
	Safe and stable buildings	- # of buildings tracked - Amount of data loaded	- Life safety preplan fully implemented by 12/31/2025	
	A well-trained Police Department	- % of Police staff meeting professional development training goals	- 100% of Police staff meet revised training goals by 7/2025	
High Quality Parks & Trails <i>A community that values the natural environment</i>	Clear direction of future of parks and trails	- # of plans developed - # of plans adopted - Parks and trails final decisions	- Adoption of Park and Trails Master Plan by December 2023 - Adoption of Lakefront Park Master Plan by January 2023	a) Develop Council materials for adoption of plans b) Develop community engagement plan c) Develop parks and trails funding strategy d) Create funding plan
	Community support for parks and trails funding	- Resources available for parks and trails - Supportive feedback received	- Identify funding scenarios for parks and trails by 2024 - Achieve community consensus on parks and trails funding by 2024	

OUR VISION

Prior Lake is a vibrant and welcoming life-long community offering a high quality of life and small-town feel.



Reviewing the Environment, Setting Strategic Priorities

An important part of the strategic planning process is a review of the current operating environment and an evaluation of the challenges confronting the community. This was accomplished via a SWOT analysis—a process that examines the organization’s internal strengths and weaknesses, as well as the opportunities and threats in the external environment. The results are displayed below.

STRENGTHS

- Good fiscal management
- Good fiscal responsibility
- Good staff – collaborates well together
- Natural amenities – parks/lake
- High functioning Council

WEAKNESSES

- Parks & Trails - number of parks and funding needs
- Tax base diversity
- Low C&I tax base
- Historically low infrastructure funding
- Evolution of best practices

SWOT Analysis

- Commercial development downtown
- Collaboration/partnerships
- Growth/Annexation/Infrastructure
- Financial Sustainability
- Parks- update/improve

OPPORTUNITIES

- Financial
- Park funding & staffing needs
- Full-time Fire Department
- Inflation
- Maintenance infrastructure
- Legislative – local control
- Revenue sources
- Who pays for growth
- Met Council
- Unfunded mandates

THREATS

STAKEHOLDER FEEDBACK

The strategic planning process included a stakeholder outreach and feedback process. This was done to collect information on community needs and expectations on a variety of issues, as well as organizational issues that impact service delivery. This provided useful information to the City Council, helping them make informed choices. Stakeholder outreach included:

- A community-wide survey conducted by the National Research Center at POLCO
- A series of focus groups, representing a cross section of the community
- A survey of internal stakeholders, including employees and Board-Commission members

National Community Survey Results

A community survey was conducted May 16th through early July of 2022. The survey questions explored quality of city services, quality of life in Prior Lake, opportunities for improvement, and priorities for the future. Because the survey is used across the nation, resident satisfaction was measured through benchmark questions and then compared responses to other similar communities.

KEY TAKEAWAYS

- **Prior Lake residents enjoy a positive quality of life.** About 9 in 10 respondents favorably reviewed the overall quality of life in the city and the city as a place to live. A similarly high proportion were likely to recommend living in Prior Lake to others (93%) and planned to remain in the city for the next five years (90%). In addition, 8 in 10 residents positively rated the overall image or reputation of Prior Lake and the city as a place to raise children.
- **Prior Lake's economy is a strong community feature.** Results relating to the economy in Prior Lake tended to be positive, with 82% of residents rating the overall economic health of Prior Lake as excellent or good. About half of residents favorably evaluated Prior Lake as a place to work, and three-quarters gave high marks to Prior Lake as a place to visit. About 70% of the community offered positive ratings for the city's overall quality of business and service establishments, while about half of residents were pleased with both the variety of business and service establishments and the vibrancy of the downtown/commercial area.
- **Most residents feel a strong sense of safety in the city.** Safety is a priority and a strength for Prior Lake, with most residents rating this facet as both of high importance and high quality. About 84% of respondents gave favorable reviews to the overall feeling

of safety in the city. Virtually all residents (97%) said they felt very or somewhat safe in both Prior Lake's downtown/commercial area and in their neighborhoods during the day. Similarly, most residents reported feeling safe from natural disasters (92%), violent crime (90%), and property crime (76%). The City's safety services also received high marks from respondents. About 9 in 10 gave positive reviews of fire services, police services, ambulance or emergency medical services, and fire prevention and education

- **Residents appreciate Prior Lake's natural environment and recreational opportunities.** Ratings for survey items related to Prior Lake's natural environment tended to be positive and on par with or above national averages. About 92% of residents gave excellent or good reviews to the overall quality of natural environment in Prior Lake. About 7 in 10 offered positive evaluations of Prior Lake's open space, preservation of natural areas, and yard waste pick-up services, while roughly 8 in 10 residents favorably rated recycling. Prior Lake's cleanliness (90%) and air quality (93%) were both rated above the national average, as was the availability of paths and walking trails (87%). Water resources scored much higher than benchmark comparisons (88% excellent or good). About 9 in 10 residents were also pleased with the overall quality of parks and recreation opportunities and city parks, while about 8 in 10 residents in Prior Lake positively reviewed the city's recreation programs or classes, recreational opportunities, and fitness opportunities.



Focus Group Results

Focus groups were conducted on July 14th. Participants included residents from several groups including: the business community, civic organizations, and members of Prior Lake advisory boards.

The purpose of the focus groups was to support strategic decision-making, and were therefore limited in scope. The focus groups discussed what residents and business owners saw as strengths of the community along with opportunities for positive change.

KEY TAKEAWAYS

- Commercial development was a major theme throughout all three focus groups. Participants felt that there was not enough commercial opportunities for the community, and that there needs to be a better ratio of housing to restaurants, retail, and industrial or commercial uses. Some of the concern comes from the recognition that more taxes from commercial development offsets the need for taxes on Prior Lake residents.
- Much of the conversation within the focus groups focused on downtown, including the challenges for growth with the limited footprint. Walking or biking downtown is seen as a safety hazard crossing Highway 13 at the roundabout. Participants discussed the need for a comprehensive and well communicated vision for the downtown area.
- Public safety is overall seen as a positive for all groups, with one group noting that among city services, making sure “we are warm, safe and dry” is at the top of priorities. The move to a full-time fire department was seen as an important change for the community.
- Other strengths were the small town feel and connectedness of Prior Lake; city services including snow removal, park maintenance and city staff.
- Opportunities for improvement include connecting new residents into the community, having a pedestrian or bike crossing over Highway 13, and repurposing underutilized city parks.



Internal Survey Results

A survey of internal stakeholders was conducted in July 2022.

KEY TAKEAWAYS

- The majority of the respondents were staff (59%), followed by paid on-call firefighters (22%) and Advisory Board or Commission member (19%).
- 91% identified the quality of services in Prior Lake as Excellent or Good, and 95% identified the overall quality of life in Prior Lake as Excellent or Good.
- Respondents identified high and medium priorities for Prior Lake for the next three years. Responses included public safety (98%), infrastructure (94%), financial sustainability (89%), economic development (83%), managing community growth (77%), communication and outreach (76%), and parks and open space (75%).
- Respondents were very positive about working for the City of Prior Lake. Respondents strongly or somewhat agreed with the following statements:
 - I am likely to stay with Prior Lake for another year (83%)
 - I would apply to this position again (81%)
 - I would recommend working at Prior Lake to friends (79%)



STRATEGIC PRIORITY 1

Fiscal Sustainability



Outcome

Financial stability in all funds

Key outcome indicator

Change in bond rating; fund balance change

Target

Improve bond rating to AAA by 2027; meet fund balance targets by 12/2026

Outcome

Adequate resources to fund Capital Improvement Program (CIP)

Key outcome indicator

Pavement Management Plan (PMP) and utility fund balances

Target

Adequate funding to meet Overall Condition Index (OCI) target

Outcome

Financial policies guide decision making

Key outcome indicator

Budget objectives met

Target

Budget objectives met annually

STRATEGIC INITIATIVES

- a) Develop strategy to increase bond rating
- b) Develop infrastructure funding scenarios
- c) Establish financial plan that reflects infrastructure needs
- d) Update Comprehensive Financial Management Plan (CFMP)

STRATEGIC PRIORITY 2

Well Managed Growth



Outcome

Downtown vitality

Key outcome indicator

Sq. ft of new downtown commercial space; # of new units downtown residential

Target

20,000 SF of new downtown commercial space by 2026; 80+ new residential units downtown by 2027

Outcome

Fiscally responsible residential growth

Key outcome indicator

Development fee cost ratio

Target

\$0 in development costs transferred to existing taxpayers

Outcome

Adequate supply of Commercial / Industrial (C/I) land

Key outcome indicator

Change in C/I guided acreage

Target

No net loss of C/I guided land 2023-2026

STRATEGIC INITIATIVES

- a) Identify strategic property acquisition downtown
- b) Lobby to ensure development costs are not transferred to taxpayers
- c) Develop strategy for orderly annexation agreement (OAA) renewal
- c) Develop strategy for utility extension in OAA
- d) Develop education strategy for C/I properties

STRATEGIC PRIORITY 3

Stable & Sustainable Infrastructure



Outcome

Quality street conditions

Key outcome indicator

OCI achieved

Target

Maintain average OCI 70; achieve minimum OCI 50 on collector streets by 2033

Outcome

Complete understanding of infrastructure

Key outcome indicator

Capital needs adopted plan

Target

Comprehensive needs analysis completed by 2024

Outcome

Adequate Public Works facility

Key outcome indicator

Ribbon cutting

Target

Maintenance Center expansion completed by 2033

STRATEGIC INITIATIVES

- a) Complete assessment of utility maintenance needs including cost and risk implications
- b) Update inspection and maintenance strategy for infrastructure
- c) Formalize public property maintenance plan
- d) Implement plan for Maintenance Center upgrade

STRATEGIC PRIORITY 4

Public Safety



Outcome

Full-time Fire Department established

Key outcome indicator

% staffing targets met; % facility complete

Target

Full-time Fire Department fully operational by 7/1/2023

Outcome

Safe and stable buildings

Key outcome indicator

of buildings tracked; amount of data loaded

Target

Life safety preplan fully implemented by 12/31/2025

Outcome

A well-trained Police Department

Key outcome indicator

% of Police staff meeting professional development training goals

Target

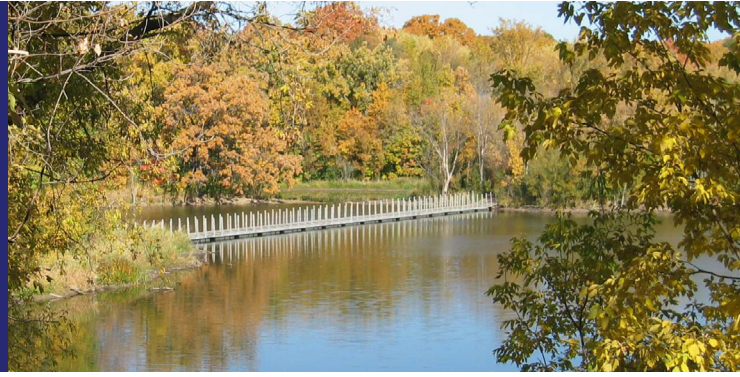
100% of all Police staff meet revised training goals by 7/2025

STRATEGIC INITIATIVES

- a) Develop recruitment strategy for full-time firefighters
- b) Update operating guidelines/policies and procedures
- c) Complete Fire Station 1 buildout
- d) Initiate comprehensive inventory of buildings
- e) Create inspection program
- f) Develop pre-plans for commercial buildings
- g) Develop comprehensive training program

STRATEGIC PRIORITY 5

High Quality Parks & Trails



Outcome

Clear direction of future of parks and trails

Key outcome indicator

of plans developed; # of plans adopted; parks and trails final decisions

Target

Adoption of Parks and Trails Master Plan by December 2023; adoption of Lakefront Park Master Plan by January 2023

Outcome

Community support for parks and trails funding

Key outcome indicator

Resources available for parks and trails; supportive feedback received

Target

Identify funding scenarios for parks and trails by 2024; achieve community consensus on park funding by 2024

STRATEGIC INITIATIVES

- a) Develop Council materials for adoption of plans
- b) Develop community engagement plan
- c) Develop parks and trails funding strategy
- d) Create funding plan

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 of their schedules to commit to long-term thinking. They defined a direction and a set of outcomes that are important to the community stakeholders with whom they partner and serve.

The City's senior staff supported the City Council and offered an operations perspective as well as challenges to conventional thinking.

City Council

Kirt Briggs, Mayor
Zach Braid, Councilmember
Kevin Burkart, Councilmember
Kimberly Churchill, Councilmember
Annette Thompson, Councilmember
Victor Lake, Councilmember Elect

Department Heads & Staff

Jason Wedel, City Manager
Lori Olson, Assistant City Manager
Andy Brotzler, Public Works Director/City Engineer
Liam Duggan, Police Commander
Cathy Erickson, Finance Director
Steve Frazer, Police Chief
Casey McCabe, Community Development Director
Rick Steinhaus, Fire Chief

Consultants

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