

**CITY OF SHOREVIEW  
AGENDA  
CITY COUNCIL WORKSHOP  
SEPTEMBER 24, 2012  
7:00 P.M.**

1. ROLL CALL
2. JOINT MEETING WITH ECONOMIC DEVELOPMENT  
AUTHORITY AND ECONOMIC DEVELOPMENT COMMISSION
3. REVIEW OF 2013-2017 CAPITAL IMPROVEMENT PROGRAM  
AND COMMUNITY BENCHMARKS
4. OTHER ISSUES
5. ADJOURNMENT

# Memorandum

**To:** Mayor and City Council  
Economic Development Authority  
Economic Development Commission

**From:** Tom Simonson  
Assistant City Manager and Community Development Director

**Date:** September 20, 2012

**Re:** Joint Meeting Discussion of EDA and EDC Roles and Work Plan Priorities

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## **Introduction**

During recent discussion of goals and work plan update, the Economic Development Commission (EDC) suggested a joint meeting with the Economic Development Authority (EDA) and City Council would be beneficial to discuss key economic development and business goals, and review the mission and roles of each group. The Council will be holding a workshop meeting on Monday, September 24<sup>th</sup>, and EDC and EDA members will be in attendance for a joint discussion.

## **Background**

The 9-member Economic Development Commission was established by the City back in 1988 to serve as an advisory group of residents and business representatives to put more focus on economic development as the community matured and growth slowed. Since that time, the EDC helped develop the City's tax increment financing program, strengthened relationships with the local business community, assisted efforts to attract new business and jobs, and created the Business Retention and Expansion Plan (BRE). The EDC also provides outreach to businesses through the Shoreview Business Exchange events, and BRE business visits. A copy of the EDC Mission Statement and establishing ordinance from the Municipal Code is included for review.

The Economic Development Authority was created by the City Council in 2008, as a new policy and tool for implementing economic development, business retention, and housing goals of the City. The 5-member board is considered advisory to the Council as a whole, but has statutory authority as both an Economic Development Authority and Housing and Redevelopment Authority. The EDA consists of 3 members of the City Council and two at-large community members (including one current member of the EDC). Since their inception, the EDA has developed strategic plans and implemented work plans for both housing and economic development. In the area of housing, the EDA has established the Shoreview Home Energy Improvement Loan program, established strategies on dealing with vacant/foreclosed homes

and blighted properties, and have provided tax increment financing to facilitate the Shoreview Senior Living mixed senior housing project, and Lakeview Terrace redevelopment for upscale market rental apartments. The EDA has also proactively assisted with recent economic development efforts to expand several key local companies such as PaR Systems and TSI, Incorporated and bring new retail services to the community through leveraging special funding resources. Attached with this report is a copy of the EDA Mission and Establishing By-Laws.

### Discussion

The Economic Development Commission believes it would be appropriate and beneficial to review the roles and mission of their commission, especially as it relates to the work of the Economic Development Authority. Since the creation of the EDA, there is some overlap of roles in promoting economic development and business growth. Furthermore, the EDC no longer serves in the advisory role of reviewing tax increment financing applications or commercial development plans.

The EDC wants to ensure they are providing a benefit to the City Council in their advisory capacity and serving an important purpose in fostering positive relationships with our business community. The EDC feels this discussion would be helpful as they look at updating their long-standing mission statement and developing a new work plan for the next several years. The joint meeting will also be a good opportunity for the Council to provide guidance to both the EDA and EDC in setting priorities in the area of economic development and business retention.

**Economic Development Commission.** In advance of the joint meeting discussion, the EDC prepared the following information for the Council outlining their accomplishments and what they see as their focus as an advisory commission, as follows:

EDC accomplishments –

- Access and pre-determine economic circumstances that would trigger the use of public funding assistance
- Established process for business retention visits
- Drafted a Business Retention policy for adoption by the City Council
- Researched methods of delivering services to the business community
- Implemented the adopted BRE plan for retaining businesses and fostering growth
- BRE program created focus on “landmark” and “emerging” key businesses
- Established BRE visit teams of Council, EDC, and City staff
- Conducted personal site visits to top businesses
- 21 BRE visits over the past 3 years
- City hosted special events and forums for local business including the Shoreview Business Exchange
- Business Inventory (maintained and updated annually)
- Assisted with developing framework for new Business & Economic Development Resources section on City website

EDC core mission –

- Relationship building
- Business retention
- Goodwill ambassadors representing City
- Communication link to business community
- Networking opportunities
- Education on City policies, goals, and values
- Services and resources provider to serve business

EDC objectives/work –

- BRE Program: Business Visits
- Business Exchange Events
  - 2 per year (social networking)
  - 1-2 workshop forum per year (business focused topic/speaker)
- Communications
  - Website upgrades
  - Business Resources Section
  - Business Matters Newsletter

**Economic Development Authority.** The Shoreview Economic Development Authority has maintained foundational goals and developed a work plan incorporating both housing and economic development strategic initiatives, outlined as follows:

EDA strategic objectives –

- Maintaining quality neighborhoods
- Preserving housing stock conditions
- Providing a variety of housing choices
- Retaining business and promoting expansion
- Supporting redevelopment of older commercial areas

EDA strategic objectives –

- Goal 1: To encourage quality development and redevelopment of commercial areas within the City of Shoreview.
- Goal 2: To support and fund programs to assist Shoreview residents in retaining and maintaining their homes in Targeted Areas.
- Goal 3: To educate both potential and current residents and businesses concerning Shoreview efforts to foster reinvestment in the community and maintain the existing high quality of life.

The EDA also created a set of decision guidelines to structure their analysis of project benefits to ensure their work plan is consistent with the values of the community and goals of the City. These decision guidelines are outlined below:

EDA decision guidelines –

In order to maximize public financial resources, the Economic Development Authority will endeavor to achieve particular outcomes. Projects and programs will be evaluated using the criterion set forth:

1. Match the proposed activity or program with the best funding resource.
  - Access and leverage grant and loan opportunities from other organizations
  - Create and qualify new tax increment districts prior to accessing TIF pooling funds
  - Examine other local option funding resources: improvement bonds, housing improvement areas, TIF pooling funds, revenue bonds, etc.
2. Leverage TIF pooling funds for multiple uses.
  - Minimize activities that are a single one time expenditure
  - Plan for repayment of investment
  - Look at revolving and/or endowment of funds for future uses
3. Provide assistance for projects and to programs that have multiple benefits to the City by combining:
  - Increase in tax base and employment
  - Access to new goods and services
  - Removal of blighted or nuisance properties
  - Improvement to transit and infrastructure
  - Reinvestment in neighborhoods

### **Summary**

To assist with the discussion of roles and interaction of the EDC and EDA, setting overall City economic development goals, and establishing work plan priorities, included with this memorandum for your review is the following:

- Goals and Actions from the adopted Business Retention and Expansion Plan used as the framework for the Economic Development Commission.
- Draft priority rankings of projects and initiatives developed by the Economic Development Authority.

Recognizing time limitations of the joint workshop discussion, Staff is recommending the City Council, EDA and EDC focus this discussion on the roles and mission of the two groups. In our research of other communities, some cities have both EDA's and EDC's, while others have eliminated or merged their commission into the authority. In some cases where the full city council serves as the economic development authority, the economic development commission reports and advises the EDA. Once there is consensus and understanding as directed by the Council, there can be a follow-up joint discussion of business and economic development goals and setting work plan priorities.

## **ECONOMIC DEVELOPMENT COMMISSION MISSION STATEMENT**

The Economic Development Commission (EDC) is a group advisory to the elected officials of Shoreview, the City Council. Their mission is to bring to the City a view from the business community, which recognizes that business retention and economic development are an element of the broader goal of quality community development. As such, the Commission members will acquaint themselves with the broad planning principles used in the development of the comprehensive plan, which has generally guided the City's economic and social health.

The EDC will assist the City, working with and through its staff support personnel, in identifying the strengths and weaknesses of the City. Jointly, members' efforts will be focused on developing the available vacant land within the City in uses consistent with the comprehensive plan and sensitive to surrounding uses, which represent the highest standards in design, materials, public safety, and environmental responsibility; to accept less would be a disservice to the community.

The EDC also has a very strong commitment to retention of present businesses in the City, which form a cornerstone of a healthy business environment. These retention efforts will involve the development of a program to maintain contact with the business community, one which includes visitations, attitude surveys, and recognition events.

Members will seek to identify areas of the City that have redevelopment potential, either because of an unacceptable mixture of uses, a deteriorating setting, or functional obsolescence of buildings or of site design. Once identified, the Commission will work to identify methods and techniques of redevelopment and work to describe the benefits to affected owners, businesses, and individuals.

Finally, the EDC pledges itself to representing the City and its business opportunities to the best of its abilities at selected promotional events.

*Last Revised 1/96*

**307 ECONOMIC DEVELOPMENT COMMISSION**

307.010        Establishment of Commission. An Economic Development Commission is hereby established to advise the City Council on Economic Development and to create a focal point for the economic development of the City.

307.020        Composition. The Economic Development Commission shall consist of seven (7) to nine (9) members appointed by the City Council. Membership shall be open to any resident or non-resident business owner that is interested in the business climate and economic development direction of the City. Any member of the commission may be removed by a majority vote of City Council.

307.030        Terms and Compensation. Appointment to the Economic Development Commission shall be made at the first regular January meeting of the City Council, or more often if required. Members shall be appointed for two (2) year terms beginning February 1st and ending January 31 of the second year following. Initial appointments shall be as follows: three (3) members shall be appointed for the term of one (1) year; four (4) members for two (2) years. Members appointed after the initial Commission shall be appointed for a two-year term. Members of the Advisory Commission may receive a compensation as the City Council shall provide by resolution.

307.040        Vacancies. In case of a vacancy during the term of office of any member of the Commission, the City Council shall appoint anew member to serve the remainder of the term. A vacancy shall exist if any of the following occur: death, disability, failure to serve, or resignation.

307.050        Organization. The Commission shall annually elect one member to serve as Chair. The Chair is responsible for the agenda of meetings, presiding at meetings, minutes of meetings, and reports and recommendations to the City Council. The Community Development Department shall maintain all records of the Commission. An Executive Committee may be formed and undertake duties assigned to it by the Commission.

307.060        Meetings and Reports. The Commission shall hold meetings as needed. It shall keep minutes which shall be reduced to writing and a copy forwarded to the City Council. The Community Development Director shall be the official advisor.

307.070        Duties and Functions. The duties and functions of the Commission shall be as follows:

- (A) Endeavor to secure a full and complete understanding of the City's needs and desire for Economic Development activities.

- (B) Assist with the development of a business retention and attraction program, i.e., a marketing plan.
- (C) Assure the integration of the City's economic development efforts with its land use planning efforts. This means that business attraction is not an end to itself, but is an element of community development.
- (D) Assist in the identification of commercial/industrial rehabilitation areas, and in working with the affected businesses to sell the effort.
- (E) Assist in business promotion and recognition events, such as the Metro East Development Fair or a Business Appreciation Night.
- (F) Interact with the Chamber of Commerce as a means of improving communications and responsiveness and avoiding duplication.
- (G) Create a focal point for the economic development efforts of the City.
- (H) Participate in the policy making process as requested by the City Council. This may involve occasional joint meetings with the Planning Commission and/or City Council.
- (I) Perform other duties and functions as specifically delegated by City Council.

## **Shoreview Economic Development Authority**

Mission Statement:

*The mission of the Shoreview Economic Development Authority is to facilitate economic growth by supporting existing businesses, foster reinvestment in residential neighborhoods and commercial areas, and promote the creation of new business, employment and housing opportunities in order to sustain and enhance the economic vitality and quality of life in the community.*

**BY-LAWS OF THE  
CITY OF SHOREVIEW  
ECONOMIC DEVELOPMENT AUTHORITY  
Amended: October 3, 2011**

**1. The Authority**

**Section 1.1** Name of the Authority. The name of the Authority shall be the City of Shoreview Economic Development Authority (“Authority”) and its governing body shall be called the Board of Commissioners (“Board”).

**Section 1.2** Office. The principal office of the Authority shall be the City of Shoreview City Hall.

**Section 1.3** Seal. The Authority shall have an official seal.

**2. Organization**

**Section 2.1** Appointment, terms; vacancies. The EDA consists of a governing body of five commissioners who shall be three members of the City Council and two members who are: either residents of the City of Shoreview or work in, own, or operate a business within the City limits of Shoreview, including individuals who may concurrently be serving on another City sponsored Advisory Committee or Commission. All Commissioners shall be appointed by the Mayor with approval by the City Council. The City Council members shall serve as Commissioners of the EDA for terms coinciding with their terms as members of the City Council. The remaining two non-City Council Commission will serve initially two and three years respectively. Thereafter, all Commissioners shall be appointed for six year terms.

A Member may be removed by the City Council for inefficiency, neglect of duty, or misconduct in office pursuant to the procedures in Minnesota Statute 469.095.

**Section 2.2** Officers. The officers of the Authority shall consist of a President, Vice President, a Secretary, a Treasurer, and an Assistant Treasurer. The President, Vice President and Treasurer shall be members of the Board and shall be elected annually, and no Commissioner may serve as President and Vice President at the same time. The offices of Secretary and Assistant Treasurer need not be held by a Commissioner

**Section 2.3** President. The President shall preside at all meetings of the Board.

**Section 2.4** Vice President. The Vice President shall preside at any meeting of the Board in the absence of the President and may exercise all powers and perform all

responsibilities of the President if the President cannot exercise or perform the same due to absence or other inability.

**Section 2.5** President Pro Tem. In the event of the absence or inability of the President and the Vice President at any meeting, the Board may appoint any remaining Member as President Pro Tem to preside at such meeting.

**Section 2.6** Treasurer. The Treasurer shall receive and be responsible for Authority money, shall disburse Authority money by check only, keep an account of all Authority receipts and disbursements and the nature and purpose relating thereto. Shall file the Authority's financial statements with its Secretary at least once a year as set by the Authority and be responsible for the acts of the Assistant Treasurer.

**Section 2.7** Assistant Treasurer. The Assistant Treasurer shall have all the powers and duties of the Treasurer if the Treasurer is absent or disabled. The Assistant Treasurer shall be the Finance Director of the City of Shoreview (the "City").

**Section 2.8** Executive Director. The Executive Director shall be the Assistant City Manager/Community Development Director of the City. The Executive Director shall be appointed executive officer of the Authority and shall have such additional responsibilities as the Board may from time to time and by resolution prescribe.

**Section 2.9** Secretary. The Executive Director or his/her designee shall be the Secretary for the EDA. The Executive Director shall keep or cause to be kept minutes of all meetings of the Board and shall maintain or cause to be maintained all records of the Authority.

**Section 2.10** Compensation and reimbursement. A Member, including the President, may be paid for attending each regular or special meeting of the Authority in an amount to be determined by the Shoreview City Council. In addition, the Members may be reimbursed for actual expenses incurred in doing official business of the Authority. All compensation or reimbursement shall be paid out of the Authority's budget.

### **3. Procedures of Board**

**Section 3.1** Annual Meeting. The annual meeting of the Board shall be held on the 2nd Monday of January at 5:00 p.m.

**Section 3.2** Regular Meetings. The Board's regular meetings shall be held on the 2<sup>nd</sup> Monday of each month at 5:00 p.m.

**Section 3.3** Special Meetings. Special Meetings of the Board may be called by the President or, in the event of the President's absence or inability, by the Vice President at any time, upon three days prior notice to all Members and the Executive Director. Upon the same notice, special meetings of the Board may also be called by any two Members. The Executive Director shall post notice of any special meeting in the principal office of the Authority no less than three days prior to such special meeting.

**Section 3.4** Quorum. A quorum of the Board shall consist of a simple majority of Members. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board of the Authority.

**Section 3.5** Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than three Members. Resolutions may but need not be read aloud prior to vote taken thereon.

**Section 3.6** Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

#### **4. Miscellaneous**

**Section 4.1** Fiscal Year. The fiscal year of the Authority shall be the calendar year.

**Section 4.2** Treasurer's Bond. The Treasurer shall give bond to the state conditioned for the faithful discharge of official duties. The bond must be approved as to form and surety by the Authority and filed with the Secretary and must be for twice the amount of money likely to be on hand at any one time as determined at least annually by the Authority, provided, however, that said bond must not exceed \$300,000.

**Section 4.3** Checks. An authority check must be signed by the Treasurer and the Assistant Treasurer. The check must state the name of the payee and the nature for which the check was issued.

**Section 4.4** Financial Statement. The Authority shall examine the financial statement together with the Treasurer's vouchers, which financial statement shall disclose all receipts and disbursements, their nature, money on hand and the purposes to which it shall be applied, the Authority's credits and assets and its outstanding liabilities. If the Authority finds the financial statements and Treasurer's vouchers to be correct, it shall approve them by resolution.

**Section 4.5** Report to City. The Authority shall annually make a report to the City Council giving a detailed account of its activities and of its receipts and expenditures for the preceding calendar year.

**Section 4.6** Budget to City. The Authority shall annually send its budget to the City Council which budget included a written estimate of the amount of money needed by the Authority from the City in order for the Authority to conduct business during the upcoming fiscal year.

**Section 4.7** Employees. The Authority may employ technical experts and agents and other employees as it may require and determine their duties, qualifications and compensation.

**Section 4.8** Services. The Authority may contract for the services of consultants, agents, public accountants, attorneys and others as needed to perform its duties and to exercise its powers.

**Section 4.9** Supplies, Purchasing, Facilities, and Services. The Authority may purchase the supplies and materials it needs. The Authority may use facilities of the City's Purchasing Department. The City may furnish offices, structures and space, stenographic, clerical, engineering and other assistance to the Authority.

**Section 4.10** Execution of Contracts. All contracts, notes and other written agreements or instruments to which the Authority is a part or signatory or by which the Authority may be bound shall be executed by the President and Executive Director or by such other Commissioners or Officers of the Authority as the Board may by resolution prescribe.

**Section 4.11** Amendment of By Laws. These By Laws may be amended by the Board by majority vote of all the Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least three days prior to the meeting at which such amendment is considered. Said amendments shall then be presented to the City Council by the Executive Director for approval.

These By Laws may also be amended by majority vote of the Shoreview City Council, provided that any such proposed amendment shall first be delivered to each Commission by the Executive Director at least three days prior to the City Council meeting where action on proposed amendment is to take place.

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
1	Goals 1-5	All
<b>TASKS</b>		
1A	Identify Goals, Policies and Actions for Business Retention Program	EDC, Community Development Staff, Consultant
1B	Draft work plan complete with tasks, timelines and budget	Community Development Staff, Consultant
1C	Review and adopt work plan	EDC
1D	Update annually	EDC, Community Development Staff

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
2	<p>1: Support business development that increases the tax base and adds quality jobs.                      2: Retain quality businesses by creating a positive economic environment that supports and fosters business expansion in the community.                      4: Promote reinvestment in the community by directing time and financial resources to pre-determined business and neighborhood targets</p>	<p>2: Enhance business communication efforts through evaluation of existing programs.                      3: Allocate city resources towards business expansion opportunities that enhance tax base and employ skilled labor                      5: Build relationships with key businesses through a variety of communication channels                      9: Encourage business retention as a citywide goal through active follow-up to expressed business concerns</p>
TASKS		
2A	Establish and prioritize BRE visitation list from landmark & emerging business lists; break into phases	<p><b>RESPONSIBLE PARTY</b> Economic Development Commission/Staff/Consultant</p> <p><b>TIMELINE</b> Summer 2008</p> <p><b>FUNDING</b> General Fund – Community Dev.</p> <p><b>COMPLETED</b> July 2008</p>
2B	Determine BRE visit team for each company and assign main contact	<p><b>RESPONSIBLE PARTY</b> EDC/ City Council/Staff</p> <p><b>TIMELINE</b> Summer 2008</p> <p><b>FUNDING</b> General Fund – Community Dev.</p> <p><b>COMPLETED</b> August 2008</p>
2C	Draft BRE visit in-take sheet for data and information gathering	<p><b>RESPONSIBLE PARTY</b> Community Development Department/Consultant</p> <p><b>TIMELINE</b> Summer 2008</p> <p><b>FUNDING</b> General Fund – Community Dev.</p> <p><b>COMPLETED</b> August 2008</p>
2D	Complete training for BRE teams	<p><b>RESPONSIBLE PARTY</b> Consultant</p> <p><b>TIMELINE</b> Summer/Fall 2008</p> <p><b>FUNDING</b> General Fund – Community Dev.</p> <p><b>COMPLETED</b> September 2008</p>
2E	Complete Visits to BRE Company List	<p><b>RESPONSIBLE PARTY</b> EDC/City Council/Staff</p> <p><b>TIMELINE</b> Fall 2008- Spring 2009</p> <p><b>FUNDING</b> N/A</p> <p><b>COMPLETED</b> As Needed</p>
2F	Input data into Follow-up Matrix and City business databases	<p><b>RESPONSIBLE PARTY</b> Community Development Department</p> <p><b>TIMELINE</b> As Needed</p> <p><b>FUNDING</b> General Fund – Community Dev.</p> <p><b>COMPLETED</b> As Needed</p>

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
3	<p>1: Support business development that increases the tax base and adds quality jobs                      2: Retain quality businesses by creating a positive economic environment that supports and fosters business expansion in the community                      5: Strive to meet the needs and demands of the community for specific services</p>	<p>1: Focus business retention efforts on businesses that have been identified as having the greatest impact for future growth and development                      3: Allocate city resources towards business expansion opportunities that enhance tax base and employ skilled labor                      5: Build relationships with key businesses through a variety of communication channels                      8: Track effectiveness of business retention program by establishing and measuring outcomes.                      9: Encourage business retention as a citywide goal through active follow-up to expressed business concerns.</p>
TASKS		
3A	<p>Categorize BRE program into visitations, communications, and data maintenance</p>	<p>Community Development Staff</p>
3B	<p>Evaluate BRE Program Categories for the amount of staff time used and any funding needed.</p>	<p>Community Development Staff</p>
3C	<p>Determine if funding and staff sources are sufficient from existing city resources. Make recommendations if additional resources are needed.</p>	<p>EDC and Staff</p>

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)			
4	1: Support business development that increases the tax base and adds quality jobs. 2: Retain quality businesses by creating a positive economic environment that supports and fosters business expansion in the community	1: Focus business retention efforts on businesses that have been identified as having the greatest impact for future growth and development 3: Allocate city resources towards business expansion opportunities that enhance tax base and employ skilled labor 8: Track effectiveness of business retention program by establishing and measuring outcomes			
TASKS					
4A	Develop a Action Sheet for visitation follow up activities	Community Development Department/Consultant	Summer 2008	General Fund – Community Dev	COMPLETED
4B	Create a computer based tracking matrix to be shared between city departments	Community Development Department/Intern	Fall 2008	General Fund – Community Dev	
4C	Establish process for inputting and updating BRE follow-up activities	Community Development Department	Fall 2008	General Fund – Community Dev	

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
5	<p>1: Support business development that increases the tax base and adds quality jobs.</p> <p>2: Retain quality businesses by creating a positive economic environment that supports and fosters business expansion in the community.</p> <p>4: Promote reinvestment in the community by directing time and financial resources to pre-determined business and neighborhood targets</p>	<p>1: Focus business retention efforts on businesses that have been identified as having the greatest impact for future growth and development</p> <p>5: Build relationships with key businesses through a variety of communication channels</p> <p>9: Encourage business retention as a citywide goal through active follow-up to expressed business concerns</p>
TASKS		
5A	Research BRE Policies from other cities	Community Development Department
5B	Draft Policy incorporating BRE Program Goals	Community Development Department
5C	Present Draft Policy to EDC for review and adoption	Community Development Department
5D	Present to City Council for adoption	Economic Development Commission

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)			
6	<p>Utilize the Economic Development Commission to provide guidance to the Shoreview City Council regarding the creation of an Economic Development Authority</p>	<p>3: Allocate city resources towards business expansion opportunities that enhance tax base and employ skilled labor                      4: Target certain commercial areas for redevelopment opportunities to encourage business reinvestment and increased financial benefit to the city.                      6: Continue to evaluate the potential for utilizing city financial resources for retention of key businesses, land ownership and preserving development opportunities                      13: Research and maintain a list of development tools and programs available in Shoreview</p>			
TASKS					
TASKS	RESPONSIBLE PARTY	TIMELINE	FUNDING	COMPLETED	
6A	Provide EDC with information regarding the process for creating an EDA	Community Development Staff/Consultant	Spring 2008	General Fund – Community Dev	Winter-Spring 2008
6B	Supply EDC with information regarding the capabilities of an EDA	Community Development Staff/Consultant	Spring 2008	General Fund – Community Dev	Winter-Spring 2008
6C	Facilitate an EDC discussion of Shoreview creating an EDA and gather input to share with City Council	Community Development Staff	Spring/Summer 2008	General Fund – Community Dev	Winter-Summer 2008
6D	Request a joint discussion with the City Council regarding a future EDA	Economic Development Commission	Spring/Summer 2008	General Fund – Community Dev	Summer 2008

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
7	<p>1: Support business development that increases the tax base and adds quality jobs.                      2: Retain quality businesses by creating a positive economic environment that supports and fosters business expansion in the community</p>	<p>1: Focus business retention efforts on businesses that have been identified as having the greatest impact for future growth and development                      3: Allocate city resources towards business expansion opportunities that enhance tax base and employ skilled labor                      5: Build relationships with key businesses through a variety of communication channels</p>
TASKS		
7A	Community Development Department	General Fund-Community Development
7B	Community Development Department	General Fund-Community Development
7C	Community Development Department	General Fund-Community Development

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
8	Formulate an Emergency Response Strategy for business retention.	<p>1: Focus business retention efforts on businesses that have been identified as having the greatest impact for future growth and development</p> <p>3: Allocate city resources towards business expansion opportunities that enhance tax base and employ skilled labor</p>
TASKS		
8A	Generate and maintain a list of contacts for DEED, Legislators, MnDot, Met Council, the Media	General Fund-Community Development
8B	Identify Members of an Emergency Response Team and area of responsibility	N/A
8C	Draft a checklist of activities for retention effort	General Fund-Community Development
8D	Prepare an internal/external Communications Plan	General Fund-Community Development
		As Needed

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
9	<p>2: Retain quality businesses by creating a positive economic environment that supports and fosters business expansion in the community</p> <p>5: Strive to meet the needs and demands of the community for specific services</p>	<p>2: Enhance business communication efforts through evaluation of existing programs.</p> <p>5: Build relationships with key businesses through a variety of communication channels</p> <p>6: Continue to evaluate the potential for utilizing city financial resources for retention of key businesses, land ownership and preserving development opportunities</p>
TASKS		
9A	<p>EDC/ Community Development Staff</p>	<p>Spring 2009</p>
9B	<p>EDC/ Community Development Staff</p>	<p>Fall 2009</p>
9C	<p>EDC/ Community Development Staff</p>	<p>Fall 2009</p>

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
10	5: Survive to meet the needs and demands of the community for specific services	2: Enhance business communication efforts through evaluation of existing programs. 5: Build relationships with key businesses through a variety of communication channels 11: Promote the City as a source and/or initial point of contact for local business information
TASKS		
10A	Examine the purpose of and targeted audience for Business Exchange meetings and review for potential refocusing	Economic Development Commission
10B	Assess content of Business Matters and possibility for both electronic and print media versions	Community Development Staff
10C	Determine effectiveness of City Web Site as a source for business information- implement changes if needed.	Communications Staff
10D	Draft and implement and overall communications plan for interaction with Shoreview Businesses	General Fund - Administration
		EDC Budget
		General Fund - Community Development
		General Fund - Administration
		General Fund Administration

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION		RELATED GOAL(S)	RELATED POLICY(IES)
.11	Generate and maintain demographic data related to workforce including skill level, wage and commute patterns	<p>1: Support business development that increases the tax base and adds quality jobs.</p> <p>5: Strive to meet the needs and demands of the community for specific services</p>	11: Promote the City as a source and/or initial point of contact for local business information
TASKS			
11A	Gather local labor statistics through BRE visit and track from year to year	<p>RESPONSIBLE PARTY BRE Visitation team – city staff for data input</p>	<p>TIMELINE As Needed</p> <p>FUNDING General Fund-Community Development</p> <p>COMPLETED As Needed</p>
11B	Download Census and Bureau of Labor Statistics data semi-annually.	Intern or Support Staff	<p>TIMELINE Winter 2010</p> <p>FUNDING General Fund-Community Development</p>
11C	Download State of Minnesota and regional information from DEED semi-annually	Intern or Support Staff	<p>TIMELINE Winter 2010</p> <p>FUNDING General Fund-Community Development</p>
11D	Examine demographic and GIS data provided by for-profit businesses that can be customized to Shoreview.	Community Development Staff	<p>TIMELINE Winter 2010</p> <p>FUNDING General Fund-Community Development</p>
11E	Up load data onto City Web Site for access by businesses, developers, etc.	Communications Staff	<p>TIMELINE Spring 2010</p> <p>FUNDING General Fund-Community Development</p>

**CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN**

<b>ACTION</b>	<b>RELATED GOAL(S)</b>	<b>RELATED POLICY(IES)</b>
12	<p>1: Support business development that increases the tax base and adds quality jobs                      2: Retain quality businesses by creating a positive economic environment that supports and fosters business expansion in the community                      5: Strive to meet the needs and demands of the community for specific services</p>	<p>2: Enhance business communication efforts through evaluation of existing programs.                      5: Build relationships with key businesses through a variety of communication channels                      11: Promote the City as a source and/or initial point of contact for local business information                      12: Research and maintain a list of development tools and programs available in Shoreview</p>
<b>TASKS</b>		
12A	<p>Examine current City Web Site for business content – determine any gaps in information.</p>	<p>Community Development Staff</p>
12B	<p>Determine content for and Economic Development section and gather data and information.</p>	<p>Community Development Staff</p>
12C	<p>Research other communities for examples of effective web site use.</p>	<p>Intern/ Communications Staff</p>
12D	<p>Create new ED section</p>	<p>City Web Designer/ Communications Staff</p>
12E	<p>Update as needed</p>	<p>Communications Staff</p>
		<p>General Fund-Community Development</p>
		<p>General Fund-Community Development</p>
		<p>General Fund-Community Development</p>
		<p>General Fund-Administration</p>
		<p>General Fund Administration</p>
		<p>On-going</p>
		<p>On-going</p>

**CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN**

<b>ACTION</b>	<b>RELATED GOAL(S)</b>	<b>RELATED POLICY(IES)</b>
13	1: Support business development that increases the tax base and adds quality jobs	11: Promote the City as a source and/or initial point of contact for local business information
<b>TASKS</b>		
13A	Identify all city owned parcels	General Fund-Community Development
13B	Conduct visual inspection of for sale signs (commercial properties)	General Fund-Community Development
13C	Generate list of other know parcels for sale, but not advertised	General Fund-Community Development
13D	Compile all above lists with pertinent information: contact; size, sale price, zoning	General Fund-Community Development
13E	Upload parcels to MNPRO and City Web Site for on-line searches	General Fund-Community Development
13F	Update semi-annually or as changes occur	General Fund-Community Development

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
14 Create a list of businesses in designated redevelopment areas to be retained and/or relocated within Shoreview.	3: Plan for and pursue redevelopment opportunities consistent with City goals 4: Promote reinvestment in the community by directing time and financial resources to pre-determined business and neighborhood targets	4: Target certain commercial areas for redevelopment to encourage business reinvestment & increased financial benefit to the city 7: Establish communications & work with affected landowners of properties identified as potential redevelopment areas to prepare for a transition that meets the needs and expectations of all parties 13: Research and maintain a list of development tools and programs available in Shoreview
TASKS		
14A Identify PIN numbers of parcels included in the Redevelopment Areas listed in the Comprehensive Plan	Community Development Department/Intern	Spring/Summer 2010
14B Use PIN to identify the corresponding business on County GIS	Community Development Department/Intern	Spring/Summer 2010
14C Verify business information through a visual inspection of Redevelopment Areas	Community Development Department/Intern	Summer 2010
14D Compare Redevelopment Area business list to BRE list for Landmark and emerging companies	Community Development Department/Intern	Summer 2010

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
15	<p>Seek a policy related to city initiated land purchase and potential land banking.</p>	<p>3: Allocate city resources towards business expansion opportunities that enhance tax base and employ skilled labor 6: Continue to evaluate the potential for utilizing city financial resources for retention of key businesses, land ownership and preserving development opportunities</p>
TASKS		
	RESPONSIBLE PARTY	COMPLETED
15A	Community Development Department/Intern	General Fund-Community Development
15B	Community Development Department	General Fund-Community Development
15C	Community Development Department	General Fund-Community Development
15D	Community Development Department	General Fund-Community Development
15E	Community Development Department	General Fund-Community Development

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
16	<p>3: Plan for and pursue redevelopment opportunities consistent with City goals</p> <p>4: Promote reinvestment in the community by directing time and financial resources to pre-determined business and neighborhood targets</p>	<p>4: Target certain commercial areas for redevelopment opportunities to encourage business reinvestment and increased financial benefit to the city.</p> <p>6: Continue to evaluate the potential for utilizing city financial resources for retention of key businesses, land ownership and preserving development opportunities</p> <p>13: Research and maintain a list of development tools and programs available in Shoreview</p>
TASKS		
16A	<p>Utilizing the inventory of available sites- check for properties located in designated redevelopment areas</p>	<p>Community Development Staff</p>
16B	<p>Identify key sites within redevelopment areas that the city may acquire if available</p>	<p>Community Development Staff</p>
16C	<p>Monitor property status through visual and other means</p>	<p>Community Development Staff</p>

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
17 Assess and pre-determine economic circumstances that would trigger the use of public financial assistance. Define policy accordingly.	<p>1: Support business development that increases the tax base and adds quality jobs</p> <p>3: Plan for and pursue redevelopment opportunities consistent with City goals</p> <p>4: Promote reinvestment in the community by directing time and financial resources to pre-determined business and neighborhood targets</p>	<p>1: Focus business retention efforts on businesses that have been identified as having the greatest impact for future growth and development</p> <p>3: Allocate city resources towards business expansion opportunities that enhance tax base and employ skilled labor</p> <p>6: Continue to evaluate the potential for utilizing city financial resources for retention of key businesses, land ownership and preserving development opportunities</p> <p>7: Establish communications and work with affected landowners of properties identified as potential redevelopment areas to prepare for a transition that meets the needs and expectations of all parties</p>
TASKS		
17A Examine and list business retention scenarios; redevelopment and housing opportunities in which the city would expend financial resources	<p>RESPONSIBLE PARTY EDC or possibly EDA</p> <p>TIMELINE As time allows</p>	<p>FUNDING General Fund-Community Development</p> <p>COMPLETED</p>
17B Establish criteria for each category that must be met prior to financial assistance	<p>RESPONSIBLE PARTY EDC or possibly EDA</p> <p>TIMELINE As time allows</p>	<p>FUNDING General Fund-Community Development</p> <p>COMPLETED</p>
17C Draft policy for City Council consideration	<p>RESPONSIBLE PARTY Staff with EDC or EDA input</p> <p>TIMELINE As time allows</p>	<p>FUNDING General Fund-Community Development</p> <p>COMPLETED</p>
17D Present Policy for adoption by City Council	<p>RESPONSIBLE PARTY EDC or possibly EDA; staff</p> <p>TIMELINE As time allows</p>	<p>FUNDING N/A</p> <p>COMPLETED</p>

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
18 Work with the Telecommunications and Technology Committee to review and assess current technology/communications services provided to the local business community and advocate for necessary improvements as determined.	2: Retain quality businesses by creating a positive economic environment that supports and fosters business expansion in the community 5: Strive to meet the needs and demands of the community for specific services	1: Focus business retention efforts on businesses that have been identified as having the greatest impact for future growth and development 11: Promote the City as a source and/or initial point of contact for local business information
TASKS		
18A Collect information regarding current telecommunications/technology infrastructure	To be determined	Once committee is functioning
18B Evaluate current infrastructure for gaps in services.	To be determined	To be determined
18C Determine feasibility of additional services and formulate action steps.	To be determined	
18D Report findings to appropriate Commissions and Departments	To be determined	

CITY OF SHOREVIEW BUSINESS RETENTION WORK PLAN

ACTION	RELATED GOAL(S)	RELATED POLICY(IES)
19	2: Retain quality businesses by creating a positive economic environment that supports and fosters business expansion in the community 5: Strive to meet the needs and demands of the community for specific services	9: Encourage business retention as a citywide goal through active follow-up to expressed business concerns
TASKS		
19A	Monitor Legislative activities related to transportation funding for the region.	Administration None Needed
19B	Collaborate with neighboring communities for lobbying interests	Administration None Needed
19C	Maintain contact with Local and State Legislators and update them on Shoreview concerns	City Council None Needed

## 2012 EDA WORK PLAN PRIORITIES

HOUSING & NEIGHBORHOODS	PROJECT/INITIATIVE DESCRIPTION	RANKING	ACTIONS
<b>Home Energy Loan Program</b>	Review Shoreview Home Energy Improvement Loan Program to determine effectiveness, possible changes to guidelines and expanded promotion	<b>On-Going</b>	Annual review of the loan program Additional marketing and promotion to residents
<b>Rental Property Strategies</b>	Analysis of rental properties in single-family neighborhoods and townhome areas to assess impacts and potential policy changes to licensing program	<b>A</b>	Periodic review of statistical and geographic reporting of rental licensing program to assess necessary resources and strategies
<b>Foreclosure/Vacant Properties</b>	Analysis of foreclosures and vacant properties including numbers by areas and trends to determine need for additional strategies and policies	<b>B</b>	Periodic review of statistical and geographic reporting of rental licensing program to assess necessary resources and strategies Monitor outcomes of recent lawsuit settlement to inform/assist residents
<b>Scattered Site Blighted Properties</b>	Review existing blighted and/or major code enforcement properties to assess the need for City actions to acquire to protect surrounding neighborhoods	<b>On-Going</b>	Continue to explore options to gain compliance on major blighted properties including possible acquisition in order to protect neighborhood values
<b>Highway Corridor Transition Areas Study</b>	Planning study of residential properties along Highways 96 and 49 corridors to develop long-term strategies and actions to buffer nearby neighborhoods	<b>B</b>	Work with Ramsey County during the design and implementation of road improvement project along Hodgson Road Study current conditions and explore land use options for long-range strategies
<b>Housing Improvement Areas</b>	Adopt formal City policy and engage townhome/condominium associations to encourage reinvestment using the HIA as a financing tool	<b>B</b>	Renew effort to engage CIC communities and focus on top potential homeowner associations that could benefit from HIA (law sunsets in 2013)
<b>Midland Terrace Redevelopment</b>	City/Owner redevelopment project to remove aging retail center, realignment of Owasso Street and construct new luxury apartments to serve community	<b>A</b>	Project scheduled for City approvals of development plans and project financing by June 2012; construction start Spring 2013 ---completion by Spring 2014 Public infrastructure improvements targeted to begin in July 2012
BUSINESS & DEVELOPMENT	PROJECT/INITIATIVE DESCRIPTION	RANKING	ACTIONS
<b>Shoreview Town Center</b>	Update and revise strategies (including phasing, financial feasibility and potential property assembly) for long-range redevelopment plan	<b>C</b>	Current economic climate and market challenge to financial feasibility
<b>Shoreview Village Mall</b>	Seek private developer and engage mall owner on possible sale and comprehensive redevelopment by of aging/under-utilized retail center	<b>B</b>	Gateway property is high priority target for redevelopment but requires the current ownership to be willing to sell to qualified and selected developer
<b>Red Fox Retail</b>	Continue to work with Stonehenge on future phases, Sinclair redevelopment potential, Super Target upgrades, and initiate road improvements	<b>A</b>	City continue to work with property owners and developers to coordinate and manage high quality development of added retail services for community City engage businesses and plan for road upgrades to Red Fox Road to serve area
<b>Westinghouse - PaR Nuclear Expansion</b>	Assist key company to explore options (both short and long term) to retain and facilitate expansion and growth needs	<b>C*</b>	Continue regular communications with business and prepare to assist Rises to high priority if and when business ready to proceed
<b>PaR Systems Expansion</b>	Continue work with company on future expansion needs that may require removal and/or relocation of private drive owned by Deluxe Corporation	<b>C*</b>	Continue regular communications with business and prepare to assist Rises to high priority if and when business ready to proceed
<b>Children's Hospital Property</b>	Plan for possible sale of property by current owner and work with potential buyers/developers to secure new businesses consistent with PUD office uses	<b>B</b>	Communicate with property owner to determine their interest and pursuit of potential developer/purchaser; City proactively explore options to ensure property is developed in accordance with establish plan and goals
<b>Nardini Fire Equipment Expansion</b>	Consider financial assistance to support the approved but long delayed expansion of long-time local business	<b>C*</b>	Continue regular communications with business and prepare to assist Rises to high priority if and when business ready to proceed
<b>Shoreview Corporate Center</b>	Work with business park ownership to seek and secure new business tenants for two vacant buildings including one in need of substantial improvements	<b>B</b>	Work with ownership group and local broker to market the property and attract quality business; consider possible financing assistance for necessary upgrades
<b>Rice Street/694 Retail Center</b>	Explore major building improvements to declining retail center or redevelopment potential (possibly in coordination with interchange upgrades)	<b>B</b>	Plan for future interchange improvements by MnDOT and explore redevelopment opportunities on remnant property at former County Public Works site Work with current retail center owner and explore redevelopment or major improvements to the commercial property

TO: Mayor and City Council

FROM: Terry C. Schwerm, City Manager  
Jeanne A. Haapala, Finance Director

DATE: September 19, 2012

RE: Preliminary Capital Improvement Program and Benchmarks Information

## Capital Improvement Program

The CIP adopted last December contained capital estimates for the years 2012 through 2016. In order to maintain a 5-year CIP for 2013 it is necessary to amend the document to include 2017 projects as well as anticipated changes to the remaining projects. In the future, the City will adopt a 6-year CIP during the normal budget year, so that the off-year process will already include 5 years of capital planning.

The attached Capital Improvement Program Summary contains an overview of the CIP and cash flow projections for permanent capital funds on pages 1 through 17, therefore projects are not discussed in detail as part of this memo.

During the preliminary budget and tax levy discussions at the August workshop, the City Council discussed the possibility of accelerating some capital improvement projects related to the community center, parks and trails. It was noted that the City has made very little progress on some items like the Shoreview Commons Master Plan, replacement of the outdoor wading pool, updating of City parks, and construction of new trails. If the Council is interested in exploring options for accelerating the timing of these and other projects, staff suggests holding a separate discussion during the November budget workshop. In support of that discussion, staff would prepare a more comprehensive list of projects and potential funding sources.

## Property Tax Levy

The table below provides a two-year comparison of the property tax levy, preliminary taxable values, and estimated tax rates. It should be noted that even though the preliminary 2013 property tax levy increases 3.39%, the average annual change for the biennial budget is approximately 1.38%.

Description	2012 Adopted Levy	2013 Original Two-Year Budget	2013 Recommended Levy	Change Over 2012 Adopted Levy		Impact on Total Levy *
				Dollars	Percent	
General fund (excluding MVHC)	\$ 6,467,060	\$ 6,717,037	\$ 6,639,567	\$ 172,507	2.67%	1.86%
EDA	55,000	60,000	60,000	5,000	9.09%	0.05%
Debt (including Cent Garage)	658,026	685,000	685,000	26,974	4.10%	0.29%
Street Renewal fund	800,000	850,000	850,000	50,000	6.25%	0.54%
General Fixed Asset Repl fund	1,200,000	1,250,000	1,250,000	50,000	4.17%	0.54%
Capital Improvement fund	110,000	120,000	120,000	10,000	9.09%	0.11%
<b>Total City Levy</b>	<b>\$ 9,290,086</b>	<b>\$ 9,682,037</b>	<b>\$ 9,604,567</b>	<b>\$ 314,481</b>	<b>3.39%</b>	<b>3.39%</b>
HRA tax levy	\$ 70,000	\$ 75,000	\$ 75,000	\$ 5,000	7.14%	
Taxable value (estim for 2013)	\$ 25,417,572	\$ 23,726,394	\$ 23,726,394	\$ (1,691,178)	-6.65%	
City tax rate (estim for 2013)	33.252%	37.246%	36.919%	3.667%	11.03%	
HRA tax rate (estim for 2013)	0.254%	0.289%	0.289%	0.035%	13.78%	
Fiscal disparity (estim for 2013)	\$ 838,214	\$ 845,000	\$ 845,000	\$ 6,786	0.81%	

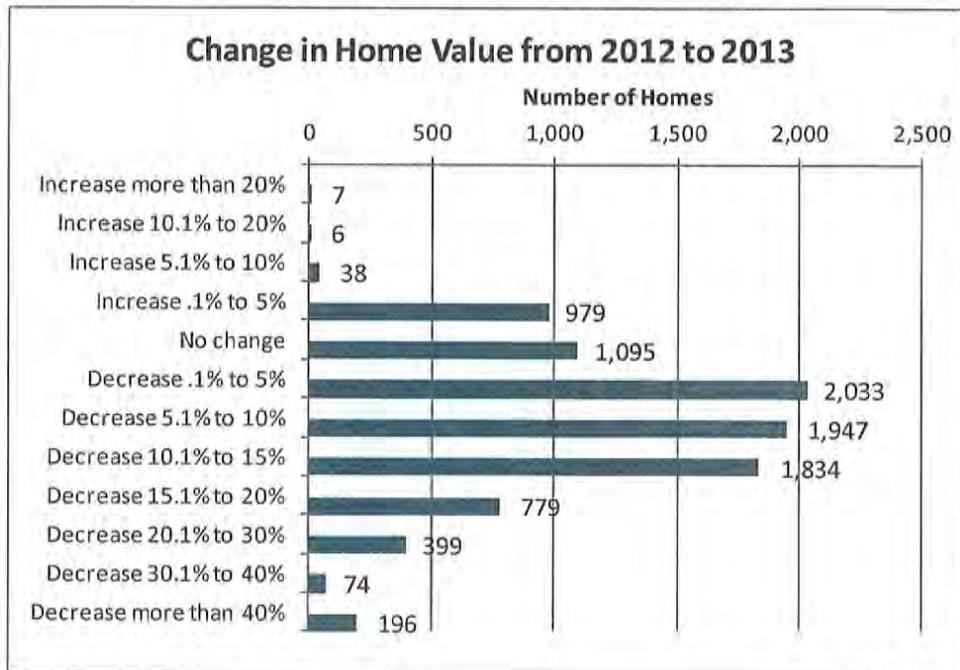
## Residential Property Values

According to information provided by the Ramsey County Assessor, the median home value in Shoreview will decrease from \$235,700 for 2012 taxes, to \$222,200 for 2013 taxes (a 5.7% drop in value). The table at right shows the change in Shoreview's median single family home value since 2004.

Year	Median Home Value	Percent Change
2004	\$ 207,500	13.6%
2005	\$ 236,250	13.9%
2006	\$ 265,050	12.2%
2007	\$ 279,900	5.6%
2008	\$ 286,600	2.4%
2009	\$ 275,600	-3.8%
2010	\$ 262,200	-4.9%
2011	\$ 249,350	-4.9%
2012	\$ 235,700	-5.5%
2013	\$ 222,200	-5.7%

Change in home values (all residential)	Number of Parcels	Percent of Parcels	Sub-totals	
			Number of Parcels	Percent of Parcels
Increase more than 20%	7	0.1%		
Increase 10.1% to 20%	6	0.1%		
Increase 5.1% to 10%	38	0.4%		
Increase .1% to 5%	979	10.4%	1,030	11.0%
No change	1,095	11.7%	1,095	11.7%
Decrease .1% to 5%	2,033	21.7%		
Decrease 5.1% to 10%	1,947	20.7%		
Decrease 10.1% to 15%	1,834	19.5%		
Decrease 15.1% to 20%	779	8.3%		
Decrease 20.1% to 30%	399	4.3%		
Decrease 30.1% to 40%	74	0.8%		
Decrease more than 40%	196	2.1%	7,262	77.3%
<b>Total Residential Parcels</b>	<b>9,387</b>	<b>100.0%</b>	<b>9,387</b>	<b>100.0%</b>

As occurred last year, home values will drop for 77.4% of home owners, and values will remain the same for 11.7% of home owners (for a total of 89.1%). The table at left and the graph below show how home values are changes by brackets. For instance, 1,095 homes will experience no change in value, while 2,033 home values will decrease up to 5%.



## Impact on Median Home Property Taxes

The table below provides estimated changes in the City and HRA share of the property tax bill (using the assumptions on page 1 of this report) for a median value home. No information is available yet about the tax levies of other jurisdictions. To put this table into perspective, Shoreview is typically between 20% and 25% of the total tax bill. A description of the change in tax for a median home under each assumption follows the table.

Market Value				City Portion of Property Tax		Change in City Property Tax		HRA Portion of Property Tax		Change in HRA Property Tax	
Before MVE		Value Change		2012	2013	Dollars	Percent	2012	2013	Dollars	Percent
2012	2013	Before MVE	After MVE								
\$ 277,750	\$ 222,200	-20.0%	-22.8%	\$ 882.84	\$ 756.84	\$(126.00)	-14.3%	\$ 6.74	\$ 5.92	\$(0.82)	-12.2%
\$ 261,400	\$ 222,200	-15.0%	-17.3%	\$ 823.65	\$ 756.84	\$ (66.81)	-8.1%	\$ 6.29	\$ 5.92	\$(0.37)	-5.9%
\$ 246,890	\$ 222,200	-10.0%	-11.6%	\$ 771.11	\$ 756.84	\$ (14.27)	-1.9%	\$ 5.89	\$ 5.92	\$ 0.03	0.5%
\$ 243,000	\$ 222,200	-8.6%	-11.6%	\$ 756.84	\$ 756.84	\$ -	0.0%	\$ 5.78	\$ 5.92	\$ 0.14	2.4%
\$ 235,700	\$ 222,200	-5.7%	-6.7%	\$ 730.55	\$ 756.84	\$ 26.29	3.6%	\$ 5.58	\$ 5.92	\$ 0.34	6.1%
\$ 229,070	\$ 222,200	-3.0%	-3.5%	\$ 706.27	\$ 756.84	\$ 50.57	7.2%	\$ 5.39	\$ 5.92	\$ 0.53	9.8%
\$ 222,200	\$ 222,200	0.0%	0.0%	\$ 681.67	\$ 756.84	\$ 75.17	11.0%	\$ 5.21	\$ 5.92	\$ 0.71	13.6%
\$ 217,850	\$ 222,200	2.0%	2.4%	\$ 665.71	\$ 756.84	\$ 91.13	13.7%	\$ 5.09	\$ 5.92	\$ 0.83	16.3%

- 20% drop in value – City taxes decrease \$126.00 and HRA taxes decrease 82-cents for the year
- 15% drop in value – City taxes decrease \$66.81 and HRA taxes decrease 37-cents
- 10% drop in value – City taxes decrease \$14.27 and HRA taxes increase 3-cents for the year
- 8.6% drop in value – City taxes remain the same and HRA taxes increase 14-cents for the year
- 5.7% drop in value – City taxes increase \$26.29 and HRA taxes increase 34-cents for the year
- 3% drop in value – City taxes increase \$50.57 and HRA taxes increase 53-cents for the year
- No change in value – City taxes increase \$75.17 and HRA taxes increase 71-cents for the year
- 2% increase in value – City taxes increase \$91.13 and HRA taxes increase 83-cents for the year

## Benchmarks Booklet

An updated, and slightly expanded, version of the Community Benchmarks booklet is provided for Council review and feedback. This year staff added 4 pages to the booklet to accommodate additional explanation about the comparisons provided, particularly during the MLC comparisons of property taxes by type of taxing jurisdiction. We believe the changes improve the booklet and make it easier to understand as a stand-alone document.

## Summary

Although the proposed CIP was discussed briefly during the August workshop meeting, a draft of the document was not available for Council review, and therefore staff would like to review the CIP in more detail at this workshop to ensure it continues to meet Council priorities.

**Draft  
Capital Improvement Plan  
2012-2017**

**Distributed for Council Workshop  
September 24, 2012**

## Introduction

The Administration and Finance departments are pleased to present the proposed Capital Improvement Program (CIP) for the years 2012 through 2017. This CIP reflects the City's assessment of community needs and the ability to pay for major improvements, and is guided by the belief that reinvestment for replacement, maintenance or increased efficiency of existing systems shall have priority over expansion of existing systems or the provision of new services. All City departments have participated in the preparation of the CIP, including identifying major public improvements needed to serve existing development or to support future growth, projecting the timing of necessary replacements, establishing when replacements and improvements should be provided, and determining how to finance capital costs.

Capital spending decisions for the five-year CIP are generally made according to the following funding priorities, and reflect the City's efforts to allocate the City's limited resources to projects:

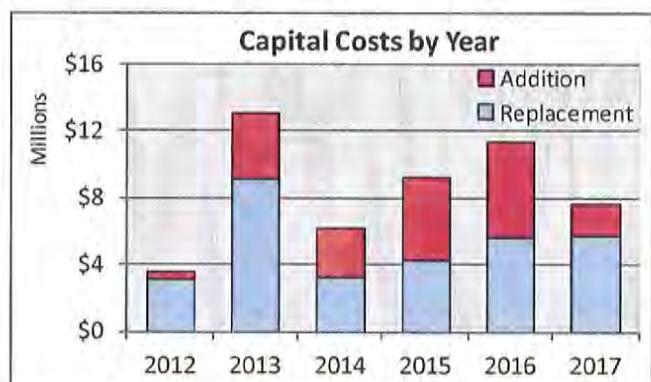
1. Contribute to the public health and welfare
2. Maintain an existing system
3. Improve efficiency of an existing system
4. Expand a system or service, or add a new public facility or service

Although the CIP represents a tentative commitment to proceed with planned projects in the future, the commitment is more certain in early years and becomes increasingly more tenuous in subsequent years. Regardless, the CIP represents the City's present plan and priority for capital spending, and provides a framework for projected tax levies and utility rates.

## Infrastructure Replacement Planning

Because Shoreview is more than 96 percent developed, replacement costs account for the majority of capital spending. Over the next five years, excluding the \$9 million water treatment facility in 2015, approximately 74 percent of costs are for repair, rehabilitation or reconstruction projects.

The City's Comprehensive Infrastructure Replacement Plan (CHIRP) and Policy ensure that capital replacement planning is a routine part of the annual budget process by requiring a comprehensive and integrated examination of the impact of capital replacement costs on inter-fund charges, user fees (including utility rates) and tax levies. In addition, the policy directs that the City avoid assessing property owners more than once for any given facility because the City is viewed as being primarily responsible for the payment of replacement and rehabilitation costs. The maximum cost to be assessed is limited to the cost of added improvements plus a proportionate share of project engineering and administrative costs.



## Debt Issuance

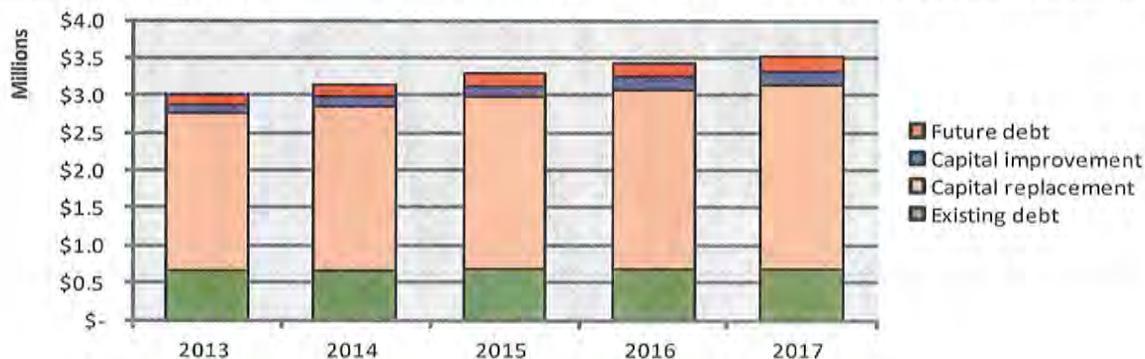
Proposed project costs for the next five years combined with 2012 projects amount to \$51.3 million, compared to projected debt issuance of \$21.3 million (41 percent of project costs). If the water treatment plant is excluded from the totals (because of the cost and one-time nature of the project), approximately 29 percent of costs are supported by debt issuance. This favorable indicator is possible due to long-term financial planning efforts, described on the previous page, which require the identification of resources and funding mechanisms well in advance of capital needs.

Description	2013	2015	2017
GO Improvement Bonds (assmts)	\$ 1,320,483	\$ 295,200	\$ 635,420
GO Street Improvement Bonds	2,500,000	-	-
GO Water Bonds	1,116,033	9,760,000	965,500
GO Sewer Bonds	244,300	835,000	659,000
GO Surface Water Bonds	1,146,677	804,700	1,024,980
<b>Estimated Total Debt Issued</b>	<b>\$ 6,327,493</b>	<b>\$ 11,694,900</b>	<b>\$ 3,284,900</b>

## Capital and Debt Levies

Capital and debt levies necessary to support planned projects in this CIP are projected to have an average annual impact of 1.3 percent on the total tax levy. The City has maintained this low level through setting aside General Fund operating surpluses in each of the last two years. These surpluses are being used to buy down the annual debt levy, in an effort to smooth out temporary fluctuations in the tax levy and ease the impact on property owners.

Description	2013	2014	2015	2016	2017
Capital Repl-Street Renewal	\$ 850,000	\$ 900,000	\$ 950,000	\$ 1,000,000	\$ 1,050,000
Capital Repl-General Fixed Asset Repl.	1,250,000	1,300,000	1,350,000	1,400,000	1,420,000
Capital Improvement	120,000	130,000	145,000	160,000	175,000
Existing Debt-Central Garage	184,000	184,000	208,000	208,000	200,000
Existing Debt-Debt funds	375,000	375,000	375,000	375,000	375,000
Existing Debt-General fund contribution	100,000	100,000	100,000	100,000	100,000
Future Debt-Debt funds	126,000	156,000	162,000	182,000	202,000
<b>Total Capital and Debt Levies</b>	<b>\$ 3,005,000</b>	<b>\$ 3,145,000</b>	<b>\$ 3,290,000</b>	<b>\$ 3,425,000</b>	<b>\$ 3,522,000</b>
Change in Debt Levy	\$ 26,974	\$ 30,000	\$ 30,000	\$ 20,000	\$ 12,000
Change in Capital Levy	\$ 110,000	\$ 110,000	\$ 115,000	\$ 115,000	\$ 85,000



## Collector Streets

MSA streets are typically City streets with higher traffic volumes. The City may designate up to 20 percent of local streets as MSA routes, and the routes are subject to certain State design requirements.

The proposed CIP contains 8 projects that use MSA funding, and one street project financed through tax increment. Realignment of Owasso Street will potentially occur in 2013 (financed primarily through tax increment and an assessment). Projects scheduled for 2013 include street rehabilitation of selected MSA routes, and reconstruction of the County Road D and Cottage Place neighborhood. Reconstruction of Lexington Avenue is scheduled for 2014. The Rice Street/I-694 Interchange is planned for 2015. Rehabilitation of additional MSA segments, along with Highway 49 between Highway 96 and Gramsie Road. Reconstruction of Owasso Boulevard North and the Bridge, Lion Neighborhood are planned for 2017.

Hamline, which is the last roadway segment of the original State/County/City turn-back program that began in the mid 1990s, is delayed until at least 2018.

A summary of MSA Fund activity is shown in the table below.

MSA Fund	2012	2013	2014	2015	2016	2017
Capital Projections	Estimated	Projected	Projected	Projected	Projected	Projected
<b>Revenue</b>						
Intergovt (MSA allocation)	\$ 657,850	\$ 657,850	\$ 664,429	\$ 671,073	\$ 677,784	\$ 684,562
Intergovt (repay advance)	-	(657,850)	(41,125)	-	-	-
Intergovt (advance for past projects)	698,975	-	-	-	-	-
Investment interest	2,700	12,400	3,400	8,500	12,400	2,000
Total Revenues	\$ 1,359,525	\$ 12,400	\$ 626,704	\$ 679,573	\$ 690,184	\$ 686,562
<b>Expense</b>						
Tanglewood Drive Rehabilitation	5,127	-	-	-	-	-
MSA Street Rehabilitation	-	700,000	-	-	1,550,000	-
County Rd D & Cottage Pl Neighbr	-	640,500	-	-	-	-
Lexington Avenue Reconstruction	-	-	100,000	-	-	-
Rice Street/I-694 Interchange	-	-	-	420,000	-	-
Highway 49/Hodgson (96-Gramsie)	-	-	-	-	218,000	-
Owasso Blvd N Reconstruction	-	-	-	-	-	2,155,000
Bridge, Lion Neighborhood	-	-	-	-	-	132,000
Total Expense	\$ 5,127	\$ 1,340,500	\$ 100,000	\$ 420,000	\$ 1,768,000	\$ 2,287,000
Net change	1,354,398	(1,328,100)	526,704	259,573	(1,077,816)	(1,600,438)
Fund equity, beginning	422,832	1,777,230	449,130	975,834	1,235,407	157,591
Fund equity, ending	\$ 1,777,230	\$ 449,130	\$ 975,834	\$ 1,235,407	\$ 157,591	\$ (1,442,847)
Fund equity percent of avg expense	245.8%	62.1%	135.0%	170.9%	21.8%	-199.6%
Months capital coverage (avg capital)	29.5	7.5	16.2	20.5	2.6	(23.9)

## Street Improvements

In 2006 the City Council changed the course of the City's street renewal program by utilizing street bonds for large-scale rehabilitation of City streets. This change enabled the City to simultaneously direct street renewal dollars toward reconstruction of substandard street segments (and reconstruct all substandard streets by 2020) while maintaining street condition ratings and preserving pavement condition through pavement strategies such as full depth reclamation. The next scheduled \$2.5 million bond issue for addressing existing streets is scheduled for 2013, a delay of two years from the original adopted street rehabilitation schedule. This change enabled the City to moderate the change in the debt portion of the tax levy, and hold the annual increase to \$30,000 or less per year.

The following street reconstruction projects are planned over the next five years.

- Street rehabilitation (2013) – Planned rehabilitation of collector and local streets through a combination of street bonds and MSA funding
- County Road D and Cottage Place Neighborhood (2013) – Complete reconstruction of streets, addition of curb and gutter, water main replacement, and storm sewer improvements
- Red Fox Road Reconstruction (2013) – Reconstruction of streets, the addition of a turn lane, and the improvement of water main, sanitary sewer, and storm water systems
- Hanson, Oakridge Neighborhood (2014) – This area has no curb and gutter, some cast iron water main, no storm drainage system, and the pavement life is less than five years
- Turtle Lane Neighborhood (2015) – This area has no curb and gutter, cast iron water main, limited storm sewer, and the pavement life is less than five years
- Windward Heights Neighborhood (2016) – This area has no curb and gutter and limited storm sewer
- Bridge, Lion Neighborhood (2017) – Complete reconstruction of streets, addition of curb and gutter, installation of water main and storm water systems

The brief summary of Street Renewal Fund activity provided below shows fund balances close to the \$2 million minimum.

<b>Street Renewal Fund</b>	Projected	Projected	Projected	Projected	Projected	Projected
Capital Projections	2012	2013	2014	2015	2016	2017
<b>Revenue</b>						
Property taxes	\$ 800,000	\$ 850,000	\$ 900,000	\$ 950,000	\$ 1,000,000	\$ 1,050,000
Assessments	12,821	12,821	12,821	12,821	12,821	12,821
Investment interest	35,700	36,000	50,300	52,400	67,200	65,600
Total Revenues	\$ 848,521	\$ 898,821	\$ 963,121	\$ 1,015,221	\$ 1,080,021	\$ 1,128,421
<b>Expense</b>						
Street condition survey	13,000	13,000	13,000	-	-	15,000
Sealcoat and crack fill	324,000	296,000	307,400	317,500	325,400	336,700
Street rehabilitation	493,471	475,425	537,000	630,600	1,254,400	792,700
Total Expense	\$ 830,471	\$ 784,425	\$ 857,400	\$ 948,100	\$ 1,579,800	\$ 1,144,400
Net change	18,050	114,396	105,721	67,121	(499,779)	(15,979)
Fund equity, beginning	2,382,263	2,400,313	2,514,709	2,620,430	2,687,551	2,187,772
Fund equity, ending	\$ 2,400,313	\$ 2,514,709	\$ 2,620,430	\$ 2,687,551	\$ 2,187,772	\$ 2,171,793
Years of capital coverage (avg capital)	2.8	2.9	3.0	3.1	2.5	2.5
Tax levy percent change	8.0%	6.3%	5.9%	5.6%	5.3%	5.0%
Annual avg percent change (taxes)						6.0%

## Park Improvements

Most of the planned park improvements are replacement items, such as resurfacing parking lots, tennis court rehabilitation, landscape replacement etc. The reconstruction of the wading pool was originally planned for 2011/2012; however the Park and Recreation Commission recommended that updating of City parks was a higher priority therefore the pool replacement has been delayed until 2016. Some of the planned park improvements include:

- Bucher Park – \$540,000 for a modest renovation during 2013. Input from the neighborhood, youth athletic associations and the Park and Recreation Commission was received earlier this year, bids will be received this winter, and construction would likely begin in the spring.
- Shamrock Park – \$60,000 for 2013 construction of new trail segments recommended in the updated Parks Master Plan.
- Wilson Park – \$140,000 for 2015 improvements recommended in the Parks Master Plan update, including relocation and replacement of the playground area and the addition of a picnic shelter.
- McCullough Park – \$500,000 for renovation of the park in 2017.

A brief summary of Capital Improvement Fund activity is provided below.

<b>Capital Improvement Fund</b>	Projected	Projected	Projected	Projected	Projected	Projected
Capital Projections	2012	2013	2014	2015	2016	2017
<b>Revenue</b>						
Property taxes	\$ 110,000	\$ 120,000	\$ 130,000	\$ 145,000	\$ 160,000	\$ 175,000
Assessments	280	-	-	-	-	-
Public use dedication fees	2,000	2,000	-	-	-	-
PCS Antenna rentals	246,610	243,605	255,227	267,408	280,175	293,556
Billboard fees	43,557	50,000	50,000	51,500	53,045	54,636
Tall tower fees	110,000	-	-	-	-	-
Investment interest	4,000	4,000	4,000	5,000	6,000	8,000
Total Revenues	\$ 516,447	\$ 419,605	\$ 439,227	\$ 468,908	\$ 499,220	\$ 531,192
<b>Expense</b>						
Park facilities	44,000	430,000	-	40,000	250,000	500,000
Trails and pathways	-	-	-	-	94,000	-
Buildings	55,003	35,000	450,000	50,000	50,000	50,000
Information systems	2,000	-	8,500	3,500	27,000	-
Marketing	15,000	-	-	-	-	-
Total Expense	\$ 116,003	\$ 465,000	\$ 458,500	\$ 93,500	\$ 421,000	\$ 550,000
<b>Other Sources (Uses)</b>						
Transfers out/debt service funds	(165,000)	(165,000)	(175,000)	(175,000)	(175,000)	(175,000)
Total Other Sources (Uses)	\$(165,000)	\$(165,000)	\$(175,000)	\$(175,000)	\$(175,000)	\$(175,000)
Net change	235,444	(210,395)	(194,273)	200,408	(96,780)	(193,808)
Fund equity, beginning	482,189	717,633	507,238	312,965	513,373	416,593
Fund equity, ending	\$ 717,633	\$ 507,238	\$ 312,965	\$ 513,373	\$ 416,593	\$ 222,785
Months of capital coverage (avg capital)	16.4	11.6	7.1	11.7	9.5	5.1
Tax levy percent change	11.3%	9.1%	8.3%	11.5%	10.3%	9.4%
Annual average percent change (taxes)						10.0%

## Trail Rehabilitation

The trail improvement program continues to use rehabilitation strategies that include replacing certain segments of trail, as well as resurfacing of trails with a slurry seal. This new seal coat has proven to be a very cost effective method to extend the life of the trail system.

## Municipal Buildings

Most of the building projects include repair/replacement items for the community center/city hall, and fire stations. Major items include: a small addition to fire station #4 (\$238,000 for Shoreview's share) to accommodate sleeping quarters for the duty crew in 2013; and a 3,000 to 4,000 square foot addition to the community center in 2014 (\$1,400,000). The community center addition is necessary to accommodate growing membership and the increased use of the fitness center, as well as demand for program space for both Summery Discovery and group fitness.

The brief summary of General Fixed Asset Replacement Fund activity provided below indicates that fund balances will drop significantly through 2013 and will grow gradually through the remainder of the five years (provided replacement costs do not exceed estimates).

<b>General Fixed Asset Fund</b> Capital Projections	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Revenue</b>						
Property taxes	\$ 1,200,000	\$ 1,250,000	\$ 1,300,000	\$ 1,350,000	\$ 1,400,000	\$ 1,407,000
Investment interest	6,000	4,000	3,000	3,000	5,000	5,000
Other	-	42,893	-	-	-	-
<b>Total Revenues</b>	<b>\$ 1,206,000</b>	<b>\$ 1,296,893</b>	<b>\$ 1,303,000</b>	<b>\$ 1,353,000</b>	<b>\$ 1,405,000</b>	<b>\$ 1,412,000</b>
<b>Expense</b>						
Fire stations & equipment	367,163	413,696	312,455	40,993	93,617	606,030
Warning sirens	-	-	18,000	27,000	27,000	18,000
Information systems	110,260	106,000	108,500	111,000	108,000	189,000
Municipal buildings	324,081	372,000	349,000	681,000	225,000	345,000
Park facilities	62,455	561,000	67,000	263,000	148,000	87,400
Trails	60,000	65,000	140,000	75,000	169,000	80,000
<b>Total Expense</b>	<b>\$ 923,959</b>	<b>\$ 1,517,696</b>	<b>\$ 994,955</b>	<b>\$ 1,197,993</b>	<b>\$ 770,617</b>	<b>\$ 1,325,430</b>
<b>Other Sources (Uses)</b>						
Transfers out/debt funds	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)	(180,000)
<b>Total Other Sources (Uses)</b>	<b>\$ (180,000)</b>					
<b>Net change</b>	<b>102,041</b>	<b>(400,803)</b>	<b>128,045</b>	<b>(24,993)</b>	<b>454,383</b>	<b>(93,430)</b>
Fund equity, beginning	479,856	581,897	181,094	309,139	284,146	738,529
Fund equity, ending	<b>\$ 581,897</b>	<b>\$ 181,094</b>	<b>\$ 309,139</b>	<b>\$ 284,146</b>	<b>\$ 738,529</b>	<b>\$ 645,099</b>
Months of average capital coverage	6.3	2.0	3.4	3.1	8.0	7.0
Tax levy percent change	5.6%	4.2%	4.0%	3.8%	3.7%	0.5%
Annual average percent change (taxes)						3.6%

## Utility Improvements

There are several planned improvements to the City's utility systems in the next five years. The most significant project is a planned water treatment plant in 2015 at an estimated cost of \$9 million. The treatment plant is necessary to address growing concerns about iron and manganese in the City's water supply. Other major water system improvements include construction of a booster station (\$180,000) to improve water pressure in the Westin Woods area in 2013, and a natural gas backup generator for well #6 (\$100,000) in 2015.

The next major sanitary sewer lining project is scheduled for 2015 and will, at a minimum, include neighborhoods that will have already undergone street reconstruction by that time. There are also three storm water pretreatment structures planned in the next five years, including two on Lake Shoreview as part of the redevelopment of that property, and one near Lake Martha.

The Street Light Utility will replace an increasing number of street lights over the next five years. This is necessary to address a growing number of street light outages occurring with lighting that was originally installed in the 1970s and early 1980s.

## Major Equipment

All equipment identified in this section of the CIP are replacement items. A fire engine replacement occurred in 2012 and is also scheduled for 2017. The department's self-contained breathing apparatus (SCBA) is scheduled for replacement in 2014, and the department has submitted a grant to fund this replacement, which would reduce Shoreview's share of the cost from nearly \$200,000 to \$25,000. Annual dump truck replacements, several tractors, and a street sweeper are scheduled through the year 2016 as well as other routine equipment replacements.

## Tax Increment

Tax increment financing (TIF) uses the increased property taxes generated by a new development to assist with financing the cost of the development or necessary public infrastructure for the project. Taxes generated on the original value before the development continue to support ongoing city operations, and the increased taxes generated from the new construction are dedicated to costs outlined in the TIF plan budget during the life of the district. Before a TIF district may be created the proposed district must make "but-for" findings that: 1) the development would not occur without TIF assistance and, 2) that the market value of the TIF development will be higher (after subtracting the value of the TIF assistance) than what would occur on the site if TIF were not used.

The City maintains a separate TIF fund for each district, to account for the collection of property taxes within the district, and the cost of developer assistance (typically through a tax increment note), debt payments, capital costs, and administrative costs. Shoreview maintains five open TIF districts, and has authorized three additional districts: for a senior housing project under construction, for redevelopment of an aging retail center and development of upscale rental housing, and for a planned expansion of TSI. TIF District #3 ended in 2011.

Developer assistance is provided through payments from existing TIF funds or through pay as you go obligations in the form of tax increment revenue notes. The City's debt policy prohibits issuing debt on behalf of a developer. The City's open TIF districts are described on the following pages.

## TIF #1 Deluxe District

The Deluxe redevelopment district was created in 1988 to capture property taxes generated by the construction of the Deluxe Corporation campus on Victoria Street as well as taxes generated by development on surrounding parcels also in the district. Taxes generated by the Deluxe Corporation parcel are accounted for in the Deluxe TIF Fund and taxes generated by all other parcels in the district are accounted for in the Non-Deluxe TIF Fund.

### Deluxe Fund

This fund collects TIF receipts for parcels owned by Deluxe Corporation. Available balances are dedicated first to payment of the City's TIF Bonds, second to payment of the Deluxe Tax Increment Note, third to the Non-Deluxe Fund for economic development efforts within the development district.

- **Bonded Debt** – Final payment on the TIF Bonds for this district occurred in 2008.
- **TIF Note** – The remaining balance on the Deluxe Tax Increment Note (\$374,726) will be paid in full during 2012.
- **Fund Closing** – Balances remaining in the fund at the end of 2012 will be transferred to the Non-Deluxe TIF Fund, for budgeted TIF plan costs, and this fund will be closed.

TIF #1 - Deluxe Parcels Capital Projections	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Revenue</b>		district end				
Tax increment	\$ 456,842					
Investment interest	600					
Total Revenues	\$ 457,442					
<b>Expense</b>						
Administrative expenses	2,200					
TIF Note payments (principal & interest)	399,083					
Total Expense	\$ 401,283					
<b>Other Sources (Uses)</b>						
Transfers out/TIF #1 - Non-Deluxe Fund	(78,922)					
Total Other Sources (Uses)	\$ (78,922)					
Net change	(22,763)	fund closed				
Fund equity, beginning	22,763					
Fund equity, ending	\$ -					
Years of average expense coverage	0.0					
TIF Note balance outstanding	\$ -					

## Non-Deluxe Fund

This fund collects TIF receipts for parcels other than those owned by Deluxe Corporation and will begin receiving TIF generated by the Deluxe parcels in 2013. Available balances are dedicated to economic development efforts within the development district, the City's home energy improvement loan program, and may potentially be used to support debt service payments in TIF District #2 if TIF receipts are insufficient to support debt payments.

- **Capital Costs** – Realignment of Owasso Street is planned for 2013 to support redevelopment of an aging retail center and construction of upscale rental housing.
- **Developer Assistance** – Development assistance for the Stonehenge project, PAR Systems and TSI are planned for 2013.
- **Inter-fund Loans** – An inter-fund loan receivable from a proposed TIF District #8 (for Midland Terrace) will be repaid by TIF generated by the new district. The inter-fund loan will be repaid through the TIF split outlined in the developer agreement (one-third for the City's inter-fund loan and two-thirds for the TIF revenue note).
- **Remaining Balances** – Balances remaining in the fund are dedicated to budgeted TIF plan costs, including the housing loan program.

TIF #1 - Non-Deluxe Parcels Capital Projections	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Revenue</b>						
Tax increment	\$ 623,617	\$ 1,080,000	\$ 1,080,000	district end		
Investment interest	10,800	13,400	8,200	13,600	13,900	14,200
<b>Total Revenues</b>	<b>\$ 634,417</b>	<b>\$ 1,093,400</b>	<b>\$ 1,088,200</b>	<b>\$ 13,600</b>	<b>\$ 13,900</b>	<b>\$ 14,200</b>
<b>Expense</b>						
Administrative expenses	20,000	20,000	20,000	-	-	-
Owasso Realignment	170,000	917,450	-	-	-	-
Stonehenge Development assistance	-	200,000	-	-	-	-
PAR Systems assistance	-	600,000	-	-	-	-
TSI assistance	-	400,000	-	-	-	-
<b>Total Expense</b>	<b>\$ 190,000</b>	<b>\$ 2,137,450</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other Sources (Uses)</b>						
Transfers in/TIF #1 - Deluxe Fund	78,922	-	-	-	-	-
Transfers in/TIF #8 - Midland Terrace	-	-	-	52,282	52,282	52,282
<b>Total Other Sources (Uses)</b>	<b>\$ 78,922</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 52,282</b>	<b>\$ 52,282</b>	<b>\$ 52,282</b>
<b>Net change</b>	<b>523,339</b>	<b>(1,044,050)</b>	<b>1,068,200</b>	<b>65,882</b>	<b>66,182</b>	<b>66,482</b>
Fund equity, beginning	2,162,805	2,686,144	1,642,094	2,710,294	2,776,176	2,842,358
<b>Fund equity, ending</b>	<b>\$ 2,686,144</b>	<b>\$ 1,642,094</b>	<b>\$ 2,710,294</b>	<b>\$ 2,776,176</b>	<b>\$ 2,842,358</b>	<b>\$ 2,908,840</b>
Years of average expense coverage	6.6	4.0	6.7	6.8	7.0	7.2
Balance due from TIF #8 (proposed dist)	\$ 170,000	\$ 1,087,450	\$ 1,087,450	\$ 1,035,168	\$ 982,886	\$ 930,604
Housing loans outstanding	\$ 150,000	\$ 200,000	\$ 250,000	\$ 300,000	\$ 300,000	\$ 300,000

## TIF #2 City Center

The City Center redevelopment district was created in 1989 to capture property taxes generated by construction of commercial and residential property near the intersection of County Road 96 and Highway 49. Taxes generated are dedicated first to payment of TIF Refunding Bonds issued in 2004 and 2007, second to repayment of an inter-fund loan, and third to economic development efforts within the development district.

- **Bonded Debt** – Outstanding TIF Debt of \$1,830,000 includes the 2004 TIF Refunding Bonds (\$740,000) and the 2007 TIF Refunding Bonds (\$1,090,000). Final payment occurs in 2013 on the 2004 bonds and will occur in 2015 on the 2007 bonds. If TIF receipts for this district decline in the future, resulting in insufficient fund balances to support debt payments from TIF District #2 alone, pooling will be used to access TIF District #1 balances to cover debt payments.
- **Inter-fund Loans** – The inter-fund loan receivable from TIF District #4, for Bridge Street costs, will be repaid in full during 2012.
- **Fund Closing** – Balances remaining in the fund after payment of all obligations are dedicated to budgeted TIF plan costs.

TIF #2 City Center Capital Projections	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Revenue</b>						
Tax increment	\$ 465,000	\$ 470,000	\$ 475,000	\$ 480,000	district end	
Total Revenues	\$ 465,000	\$ 470,000	\$ 475,000	\$ 480,000	\$ -	\$ -
<b>Expense</b>						
Administrative expenses	6,000	6,000	6,000	6,000	-	-
Total Expense	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ -	\$ -
<b>Other Sources (Uses)</b>						
Transfer in/TIF #4 (Bridge St reimb)	50,000	-	-	-	-	-
Transfer to/2004 TIF Bonds	(184,000)	(298,000)	(368,000)	(364,864)	-	-
Transfer to/2007 TIF Bonds	(389,000)	(378,286)	-	-	-	-
Total Other Sources (Uses)	\$ (523,000)	\$ (676,286)	\$ (368,000)	\$ (364,864)	\$ -	\$ -
Net change	(64,000)	(212,286)	101,000	109,136	-	-
Fund equity, beginning	321,073	257,073	44,787	145,787	254,923	254,923
Fund equity, ending	\$ 257,073	\$ 44,787	\$ 145,787	\$ 254,923	\$ 254,923	\$ 254,923
Years of average expense coverage	0.6	0.1	0.4	0.6	0.6	0.6
Debt balance outstanding	\$ 1,320,000	\$ 690,000	\$ 350,000	\$ -	\$ -	\$ -

## TIF #4 Scandia Shores

The Scandia Shores housing district was created in 1996 to capture property taxes generated by the construction of the senior housing project owned by Twin Cities Christian Homes. Taxes generated by the development are dedicated first to repayment of an inter-fund loan from TIF #2 for construction of Bridge Street, second to the Twin City Christian Homes Tax Increment Note and third for economic development efforts within the development district.

- **TIF Note** – The Tax Increment Note balance of \$1,022,535 is paid from TIF generated over the remaining life of the district. Scheduled principal due each year, as outlined by the development agreement, is either paid by available balances or forgiven per the terms of the agreement. The original Tax Increment Note of \$2,514,320 has been reduced by principal payments of \$878,797 and forgiven principal of \$612,988 (due to TIF receipts lower than specified by the development agreement).
- **Inter-fund Loans** – The inter-fund loan payable to TIF District #2, for Bridge Street costs, will be repaid in full during 2012.
- **Fund Closing** – Balances remaining in the fund after payment of all obligations are dedicated to budgeted TIF plan costs.

TIF #4 Scandia Shores Capital Projections	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Revenue</b>						
Tax increment	\$ 87,000	\$ 88,000	\$ 89,000	\$ 90,000	\$ 91,000	\$ 92,000
Total Revenues	\$ 87,000	\$ 88,000	\$ 89,000	\$ 90,000	\$ 91,000	\$ 92,000
<b>Expense</b>						
Administrative expenses	600	600	600	600	600	600
TIF Note payments (principal & interest)	36,400	87,400	88,400	89,400	90,400	91,400
Total Expense	\$ 37,000	\$ 88,000	\$ 89,000	\$ 90,000	\$ 91,000	\$ 92,000
<b>Other Sources (Uses)</b>						
Transfer to/TIF #2 (Bridge St reimb)	(50,000)	-	-	-	-	-
Total Other Sources (Uses)	\$ (50,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Net change	-	-	-	-	-	-
Fund equity, beginning	781	781	781	781	781	781
Fund equity, ending	\$ 781	\$ 781	\$ 781	\$ 781	\$ 781	\$ 781
Years of average expense coverage	0.0	0.0	0.0	0.0	0.0	0.0
TIF Note balance outstanding	\$ 1,022,535	\$ 834,637	\$ 634,333	\$ 420,804	\$ 193,175	\$ -
TIF Note written off annually	\$ 79,242	\$ 101,498	\$ 112,904	\$ 125,129	\$ 138,229	\$ 102,775

## TIF #5 Summer House/Shoreview Mall

The Summer House/Shoreview Mall TIF renewal and renovation district was created in 1997 to capture property taxes generated by the construction of the Presbyterian Homes senior housing project and improvements to the Shoreview Mall site. Taxes generated are dedicated first to payment of the Presbyterian Homes Tax Increment Note, second to developer assistance for the Stonehenge project on Red Fox Road, third to the business loan program of the EDA, and fourth to economic development efforts within the development district.

- **TIF Note** – The Tax Increment Note in the amount of \$796,675, for the Summer House project, ends in 2012. Payments on the note were significantly lower than originally anticipated due to lower total tax bills for the Summer House project. Because the total tax bill has not met the minimum levels outlined in the agreement, note payments did not occur from 2005 through 2011.
- **Capital Costs** – Improvements to Red Fox Road are scheduled for 2013.
- **Developer assistance** - for the Stonehenge development on Red Fox Road, including assistance for the first building during 2012, and for Trader Joes during 2013.
- **Fund Closing** – Balances remaining in the fund after payment of all obligations are dedicated to budgeted TIF plan costs.

TIF #5 Summer House Capital Projections	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Revenue</b>						
Tax increment	\$ 229,912	\$ 232,000	district end			
Total Revenues	\$ 229,912	\$ 232,000	\$ -	\$ -	\$ -	\$ -
<b>Expense</b>						
Administrative expenses	4,100	4,140	-	-	-	-
Stonehenge/developer assistance	845,000	-	-	-	-	-
Stonehenge/Trader Joes	-	500,000	-	-	-	-
Sinclair Station (bank)	215,000	-	-	-	-	-
Red Fox Road	-	282,000	-	-	-	-
TIF Note payments (principal & interest)	8,084	-	-	-	-	-
Total Expense	\$ 1,072,184	\$ 786,140	\$ -	\$ -	\$ -	\$ -
Net change	(842,272)	(554,140)	-	-	-	-
Fund equity, beginning	1,630,066	787,794	233,654	233,654	233,654	233,654
Fund equity, ending	\$ 787,794	\$ 233,654	\$ 233,654	\$ 233,654	\$ 233,654	\$ 233,654
Years of average expense coverage	2.5	0.8	0.8	0.8	0.8	0.8
TIF Note balance outstanding	\$ 796,675	end of TIF Note payments				

## TIF #6 Gateway

The Gateway TIF redevelopment district was created in 2001 to capture property taxes generated by the construction of housing and retail/office space at the intersection of Lexington Avenue and County Road D. Taxes generated are dedicated first to payment of Tax Increment Note #1, second to Tax Increment Note #2, and third to economic development efforts within the development district.

- **TIF Note** – Two Tax Increment Notes are paid from TIF generated over the life of the district. TIF Note #1 (with a current balance of \$1,376,845) is paid first, and if sufficient TIF can be generated over the remaining life of the district, payments on TIF Note #2 (with a current balance of \$527,000) will begin.
- **Fund Closing** – Balances remaining in the fund after payment of all obligations are dedicated to budgeted TIF plan costs.

TIF #6 Gateway Capital Projections	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017
<b>Revenue</b>						
Tax increment	\$ 107,000	\$ 110,000	\$ 113,000	\$ 116,000	\$ 119,000	\$ 123,000
Total Revenues	\$ 107,000	\$ 110,000	\$ 113,000	\$ 116,000	\$ 119,000	\$ 123,000
<b>Expense</b>						
Administrative expenses	854	874	894	914	934	954
TIF Note payments (principal & interest)	106,146	109,126	112,106	115,086	118,066	122,046
Total Expense	\$ 107,000	\$ 110,000	\$ 113,000	\$ 116,000	\$ 119,000	\$ 123,000
Net change	-	-	-	-	-	-
Fund equity, beginning	15,359	15,359	15,359	15,359	15,359	15,359
Fund equity, ending	\$ 15,359	\$ 15,359	\$ 15,359	\$ 15,359	\$ 15,359	\$ 15,359
Years of average expense coverage	0.1	0.1	0.1	0.1	0.1	0.1
TIF Note balance outstanding	\$ 1,903,845	\$ 1,889,682	\$ 1,872,945	\$ 1,851,992	\$ 1,826,786	\$ 1,795,485

## Summary

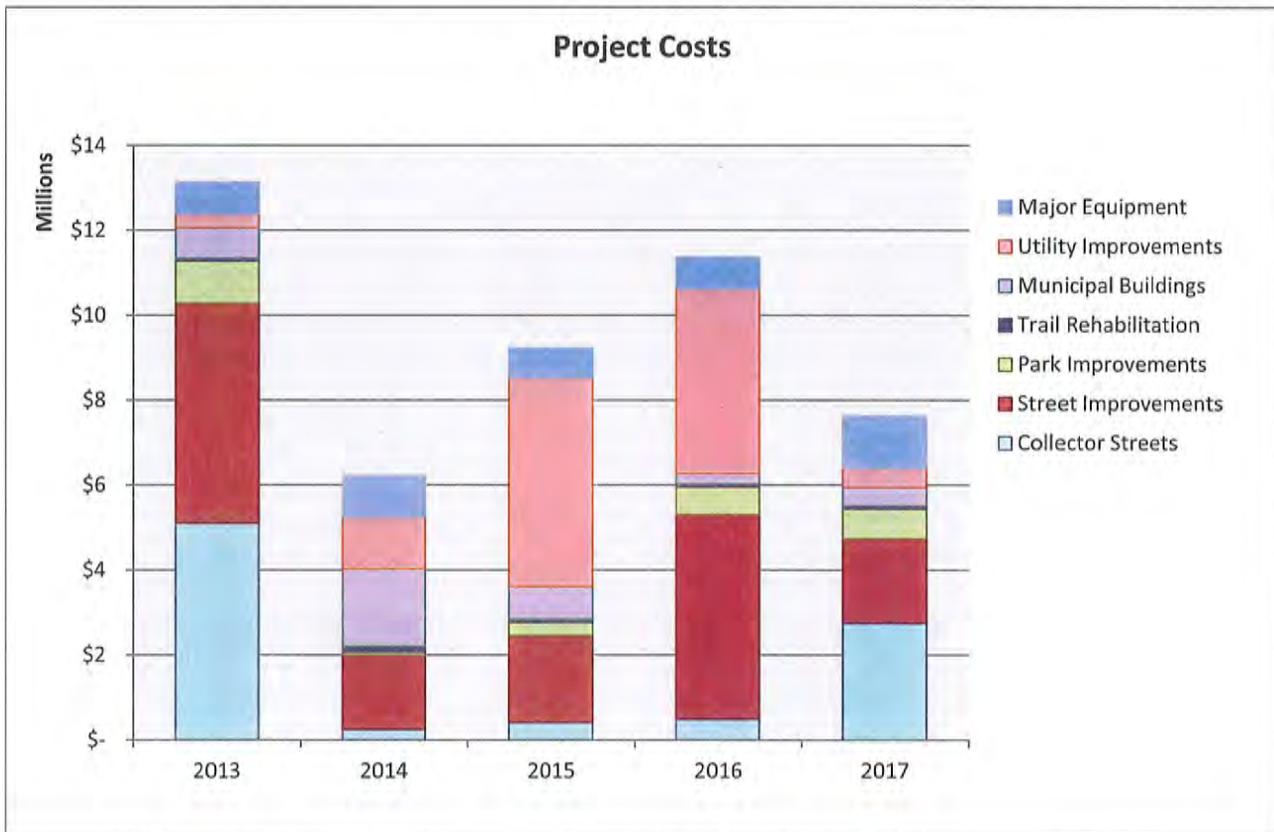
The remainder of this document provides information about the specific capital projects, including resources and capital costs.

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**Proposed Capital Improvement Program**

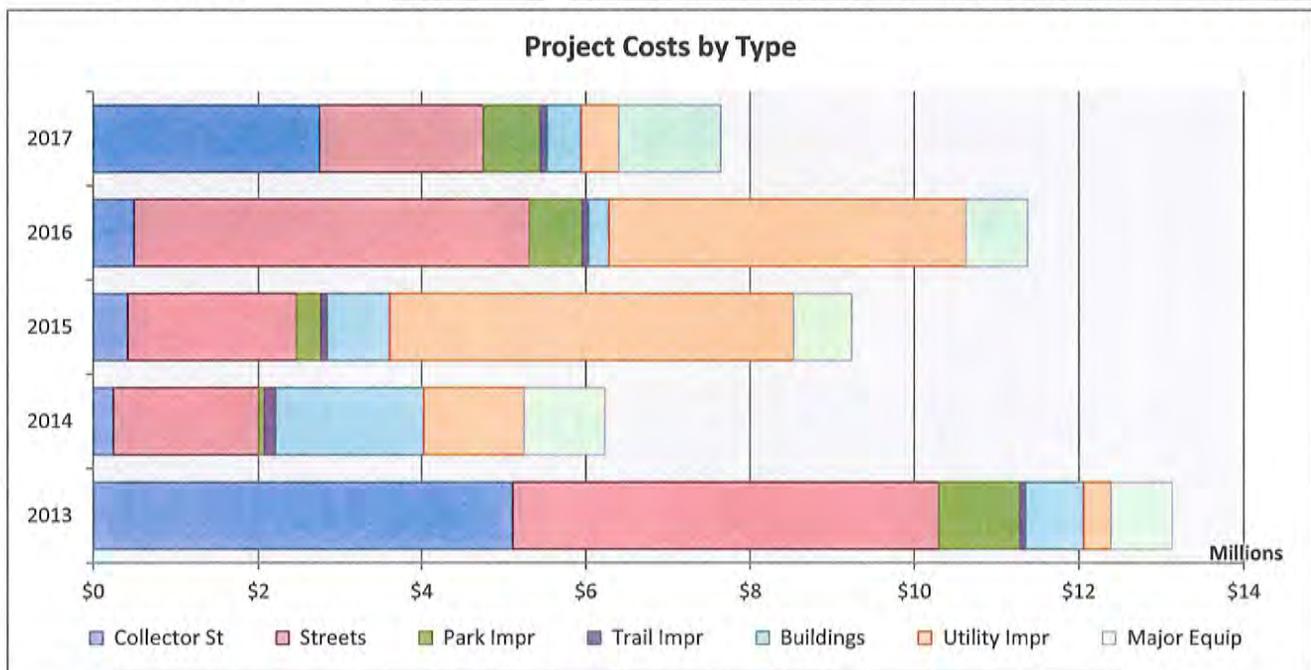
This section of the document contains the proposed Capital Improvement Plan for the years 2012 to 2017, including estimated project costs, funding sources, planned debt issuance, projected tax levies in support of debt and capital funds, and a discussion of primary capital funds.

Description	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
<b>Resources</b>						
Debt Issuance	\$ 1,046,223	\$ 5,281,270	\$ 1,898,000	\$ 5,796,900	\$ 5,833,600	\$ 1,451,300
Intergovernmental	8,015	2,960,620	100,000	420,000	1,768,000	2,329,893
Internal Funds	2,612,818	4,894,991	4,229,355	3,017,193	3,771,717	3,853,537
<b>Total Resources</b>	<b>\$ 3,667,056</b>	<b>\$ 13,136,881</b>	<b>\$ 6,227,355</b>	<b>\$ 9,234,093</b>	<b>\$ 11,373,317</b>	<b>\$ 7,634,730</b>
<b>Project Costs</b>						
Collector Streets	\$ -	\$ 5,108,265	\$ 250,000	\$ 420,000	\$ 497,000	\$ 2,755,000
Street Improvements	1,868,923	5,182,500	1,755,400	2,050,000	4,814,400	1,992,700
Park Improvements	106,455	991,000	67,000	303,000	648,000	694,100
Trail Rehabilitation	60,000	65,000	140,000	75,000	75,000	80,000
Municipal Buildings	427,784	713,475	1,814,548	763,292	242,574	424,900
Utility Improvements	210,000	330,000	1,220,000	4,915,000	4,345,000	455,000
Major Equipment	993,894	746,641	980,407	707,801	751,343	1,233,030
<b>Total Project Costs</b>	<b>\$ 3,667,056</b>	<b>\$ 13,136,881</b>	<b>\$ 6,227,355</b>	<b>\$ 9,234,093</b>	<b>\$ 11,373,317</b>	<b>\$ 7,634,730</b>



**Project Resources**

Description	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
<b>Debt</b>						
General Obligation Bonds	\$ -	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -
Improvement Bonds (assmts)	139,983	1,180,500	146,000	149,200	320,700	314,720
Water Revenue Bonds	425,963	690,070	1,340,000	4,420,000	4,604,000	361,500
Sewer Revenue Bonds	109,800	134,500	155,000	680,000	289,000	370,000
Surface Water Revenue Bonds	370,477	776,200	257,000	547,700	619,900	405,080
<b>Total Debt</b>	<b>1,046,223</b>	<b>5,281,270</b>	<b>1,898,000</b>	<b>5,796,900</b>	<b>5,833,600</b>	<b>1,451,300</b>
<b>Intergovernmental</b>						
Other cities	-	807,570	-	-	-	42,893
Historical Society	8,015	-	-	-	-	-
Ramsey County	-	360,000	-	-	-	-
Metropolitan Council	-	452,550	-	-	-	-
MSA	-	1,340,500	100,000	420,000	1,768,000	2,287,000
<b>Total Intergovernmental</b>	<b>8,015</b>	<b>2,960,620</b>	<b>100,000</b>	<b>420,000</b>	<b>1,768,000</b>	<b>2,329,893</b>
<b>Internal Funds</b>						
General Fund	23,029	500	-	-	800	-
Community Center Fund	-	-	300,000	-	150,000	-
Recreation Programs Fund	-	-	300,000	-	-	-
Cable Television Fund	21,700	1,920	17,500	11,000	12,500	5,000
Street Renewal Fund	830,471	784,425	857,400	948,100	1,579,800	1,144,400
Tax Increment	-	1,369,450	-	-	-	-
General Fixed Asset Fund	923,959	1,517,696	994,955	1,197,993	770,617	1,282,537
Capital Improvement Fund	101,003	465,000	458,500	93,500	421,000	550,000
Water Fund	12,000	15,500	115,000	15,800	15,000	18,800
Sewer Fund	9,000	10,500	460,000	10,800	10,000	13,800
Street Lighting Fund	180,000	225,000	220,000	220,000	287,000	320,000
Central Garage Fund	511,656	505,000	506,000	520,000	525,000	519,000
<b>Total Internal Funds</b>	<b>2,612,818</b>	<b>4,894,991</b>	<b>4,229,355</b>	<b>3,017,193</b>	<b>3,771,717</b>	<b>3,853,537</b>
<b>Total Resources</b>	<b>\$ 3,667,056</b>	<b>\$ 13,136,881</b>	<b>\$ 6,227,355</b>	<b>\$ 9,234,093</b>	<b>\$ 11,373,317</b>	<b>\$ 7,634,730</b>



Project Costs						
Description	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
<b>Collector Streets</b>						
County Rd D & Cottage Place	\$ -	\$ 2,208,265	\$ -	\$ -	\$ -	\$ -
Owasso Street Realignment	-	2,900,000	-	-	-	-
Lexington Ave Reconstruction	-	-	250,000	-	-	-
Rice Street/I-694 Interchange	-	-	-	420,000	-	-
Highway 49/Hodgson (H96-Gramsie)	-	-	-	-	497,000	-
Owasso Boulevard N Reconstruction	-	-	-	-	-	2,755,000
<b>Total Collector Streets</b>	<b>-</b>	<b>5,108,265</b>	<b>250,000</b>	<b>420,000</b>	<b>497,000</b>	<b>2,755,000</b>
<b>Street Improvements</b>						
Sealcoat Streets	337,000	309,000	320,400	317,500	325,400	351,700
County Rd F, Demar, Floral	1,531,923	-	-	-	-	-
Street Rehabilitation	-	3,200,000	-	-	1,550,000	-
Red Fox Road Reconstruction	-	1,673,500	-	-	-	-
Hanson, Oakridge Neighborhood	-	-	1,435,000	-	-	-
Turtle Lane Neighborhood	-	-	-	1,732,500	-	-
Windward Heights Neighborhood	-	-	-	-	2,939,000	-
Bridge, Lion Neighborhood	-	-	-	-	-	1,641,000
<b>Total Street Improvements</b>	<b>1,868,923</b>	<b>5,182,500</b>	<b>1,755,400</b>	<b>2,050,000</b>	<b>4,814,400</b>	<b>1,992,700</b>
<b>Park Improvements</b>						
Park Facility Replacements	62,455	75,000	-	166,000	20,000	15,000
Park Facility Improvements	14,000	60,000	-	40,000	-	500,000
Parking & Driveways	-	281,000	-	77,000	78,000	179,100
Tennis & Basketball Court Pavement	-	35,000	35,000	15,000	-	-
Park Building Rehabilitation	-	30,000	32,000	5,000	50,000	-
Bucher Park Rehabilitation	30,000	510,000	-	-	-	-
Wading Pool Replacement	-	-	-	-	500,000	-
<b>Total Park Improvements</b>	<b>106,455</b>	<b>991,000</b>	<b>67,000</b>	<b>303,000</b>	<b>648,000</b>	<b>694,100</b>
<b>Trail Rehabilitation</b>	<b>60,000</b>	<b>65,000</b>	<b>140,000</b>	<b>75,000</b>	<b>75,000</b>	<b>80,000</b>
<b>Municipal Buildings</b>						
Fire Stations	40,685	306,475	15,548	32,292	67,574	29,900
General Government Buildings	28,000	45,000	-	-	-	-
Community Center Rehabilitation	11,100	60,000	90,000	551,000	80,000	133,000
Banquet Facility	61,811	15,000	135,000	15,000	15,000	102,000
Pool & Locker Room Areas	226,170	222,000	64,000	20,000	-	45,000
Furniture & Equipment	25,000	30,000	60,000	95,000	30,000	65,000
Community Center Improvements	35,018	35,000	50,000	50,000	50,000	50,000
Community Center Addition	-	-	1,400,000	-	-	-
<b>Total Municipal Buildings</b>	<b>427,784</b>	<b>713,475</b>	<b>1,814,548</b>	<b>763,292</b>	<b>242,574</b>	<b>424,900</b>
<b>Utility Improvements</b>						
Water Systems	-	180,000	40,000	100,000	-	-
Water Treatment Plant	-	-	1,000,000	4,000,000	4,000,000	-
Sanitary Sewer Rehabilitation	-	-	-	500,000	-	70,000
Sewer Lift Stations	-	-	30,000	45,000	75,000	30,000
Pretreatment Structures	60,000	-	-	120,000	120,000	120,000
Residential Street Lights	150,000	150,000	150,000	150,000	150,000	235,000
<b>Total Utility Improvements</b>	<b>210,000</b>	<b>330,000</b>	<b>1,220,000</b>	<b>4,915,000</b>	<b>4,345,000</b>	<b>455,000</b>
<b>Major Equipment</b>						
Fire Equipment	326,478	107,221	296,907	8,701	26,043	469,430
Warning Sirens	-	-	18,000	27,000	27,000	18,000
Computer Systems	151,760	109,420	134,500	127,100	159,300	201,600
Central Garage Equipment	515,656	530,000	531,000	545,000	539,000	544,000
<b>Total Major Equipment</b>	<b>993,894</b>	<b>746,641</b>	<b>980,407</b>	<b>707,801</b>	<b>751,343</b>	<b>1,233,030</b>
<b>Total Capital Projects</b>	<b>\$ 3,667,056</b>	<b>\$ 13,136,881</b>	<b>\$ 6,227,355</b>	<b>\$ 9,234,093</b>	<b>\$ 11,373,317</b>	<b>\$ 7,634,730</b>

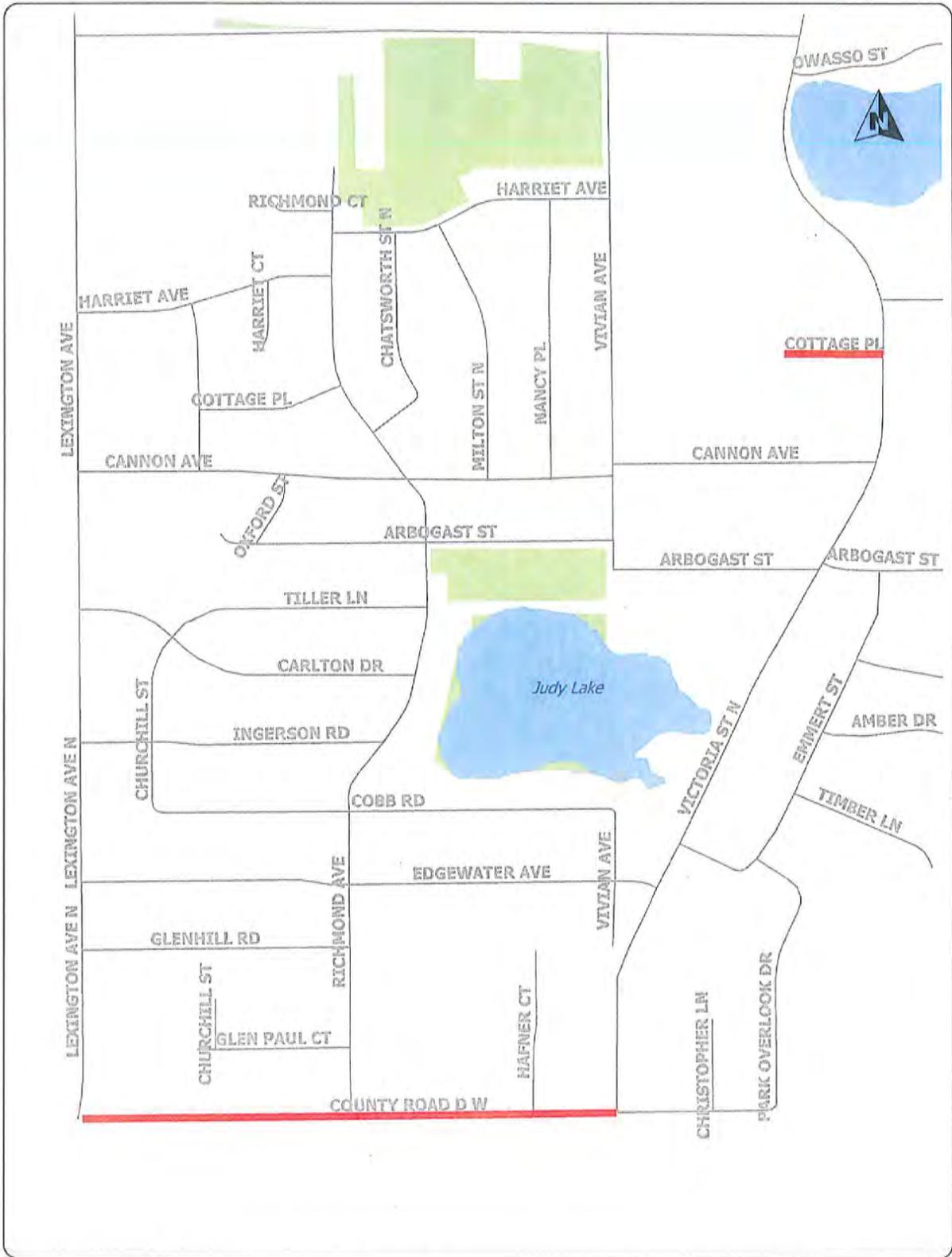
**County Rd D & Cottage Place Neighborhood**

PWA 22

Complete reconstruction of the road surfaces and upgrade of County Road D from Lexington Avenue to Victoria Street and Cottage Place. The project would also include the addition of curb and gutter, replacement of water main, and the addition of storm water collection and treatment systems.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
MSA		\$ 640,500				
Street Renewal Fund		128,625				
Other Local Government		807,570				
Debt-Special Assessments		76,000				
Debt-Water Revenue		330,570				
Debt-Sewer Revenue		75,000				
Debt-Surface Water Revenue		150,000				
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ 2,208,265</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Uses</b>						
Street		\$ 771,625				
Water Main		566,640				
Sanitary Sewer		75,000				
Storm Sewer		650,000				
Street Lighting		75,000				
Sidewalk		70,000				
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ 2,208,265</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

These improvements would be consistent with the City's street/infrastructure efforts in recent years and in accordance with the City's street renewal and assessment policies. The streets in these areas do not have curb and gutter. This project would be done in cooperation with the City of Roseville.



Cottage Place & County Road D Neighborhood

PWA 00022

**Owasso Street Realignment**

PWA 24

Road reconstruction and watermain, sanitary sewer and storm sewer improvements related to the realignment of Owasso Street at Victoria Street with County Road E (South leg). Reconstruction of the County Road E (North leg)/Victoria Street intersection would also be required as part of this project.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Tax Increment		\$ 1,087,450				
County		360,000				
Grant		452,550				
Debt-Special Assessments		1,000,000				
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ 2,900,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Uses</b>						
Street		\$ 1,750,000				
Water Main		260,000				
Sanitary Sewer		65,000				
Storm Sewer		270,000				
Sidewalk		94,000				
Trail		46,000				
Traffic Signal		365,000				
Street Lighting		50,000				
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ 2,900,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The improvements would be necessary as part of a proposed redevelopment of the existing strip mall located at the corner of Owasso Street and Victoria Street. Approximately 800 feet of Owasso Street would be vacated and reconstructed along the Northerly side of the site.



**Lexington Avenue Reconstruction**

PWA 10

City participation in Ramsey Countys reconstruction of Lexington Avenue from County Road F to Red Fox Road. The proposed project would consist of improvements to Lexington Avenue and associated intersections to address traffic congestion issues. The project would also include draining improvements and the relocation or rehabilitation of City-owned water main and sanitary sewer.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
MSA			\$ 100,000			
Water Fund			100,000			
Sewer Fund			50,000			
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Uses</b>						
Street			\$ 50,000			
Water Miscellaneous			100,000			
Sanitary Sewer			50,000			
Storm Sewer			50,000			
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Per Ramsey Countys State Aid Highway (CSAH) cost participation policy and practices, the City will be required to fund portions of the costs related to the project. An understanding of the extent of the improvements and funding requirements of the City is being developed through participation in the planning process.



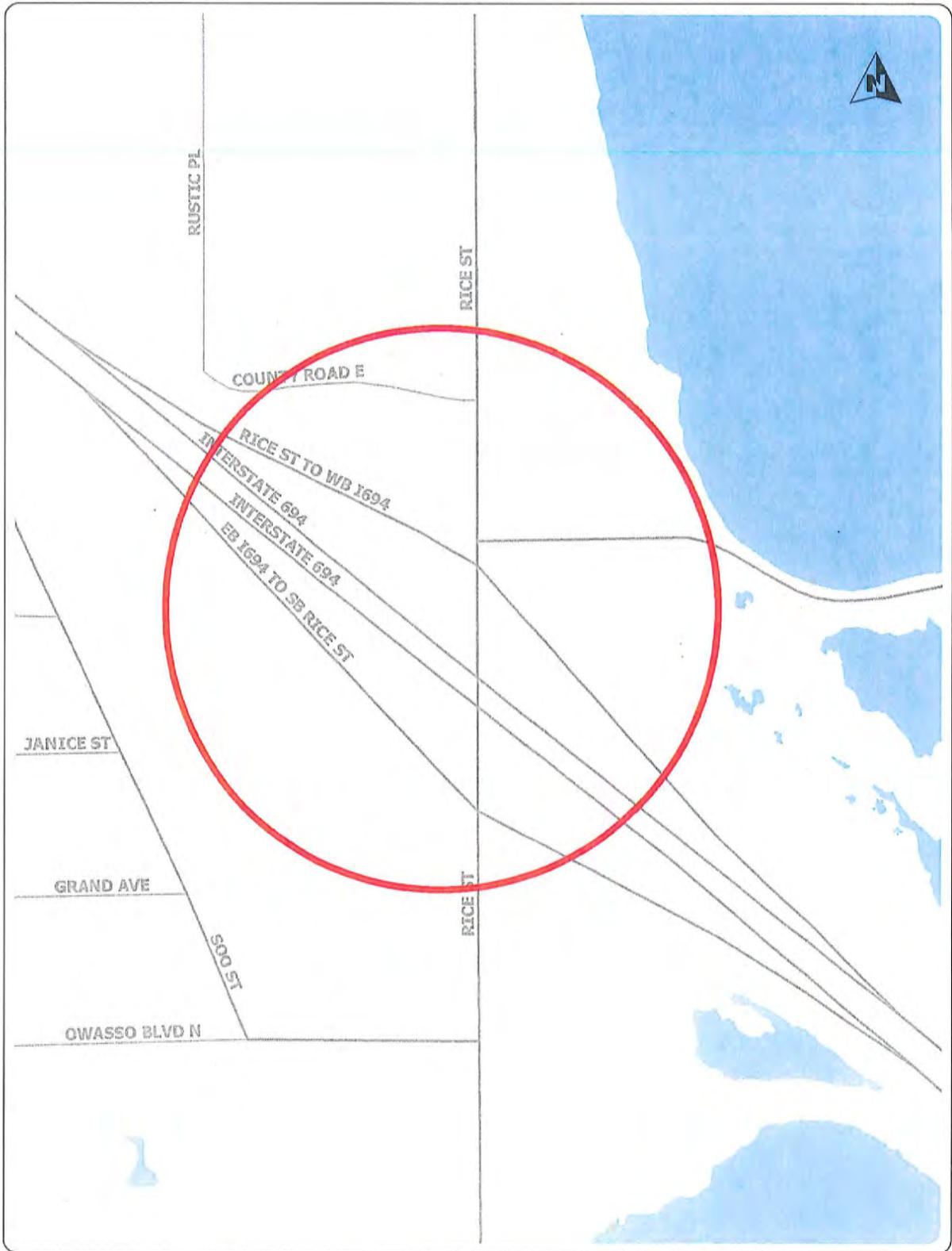
**Rice Street/I-694 Interchange**

PWA 11

City participation in Ramsey County's reconstruction of the Rice Street (County Highway 49) and I-694 interchange. The proposed project would consist of the replacement of the existing Rice Street Bridge over I-694 and the associated access ramps.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
MSA				\$ 420,000		
Total Sources of Funds	\$ -	\$ -	\$ -	\$ 420,000	\$ -	\$ -
<b>Uses</b>						
Street				\$ 420,000		
Total Uses of Funds	\$ -	\$ -	\$ -	\$ 420,000	\$ -	\$ -

Per Ramsey County's County State Aid Highway (CSAH) cost participation policy and practices, corresponding to Minnesota Trunk Highway Turnback funding, the City will be required to fund portions of the costs related to the project. An understanding of the extent of the improvements and funding requirements of the City is being developed through participation in the planning process.



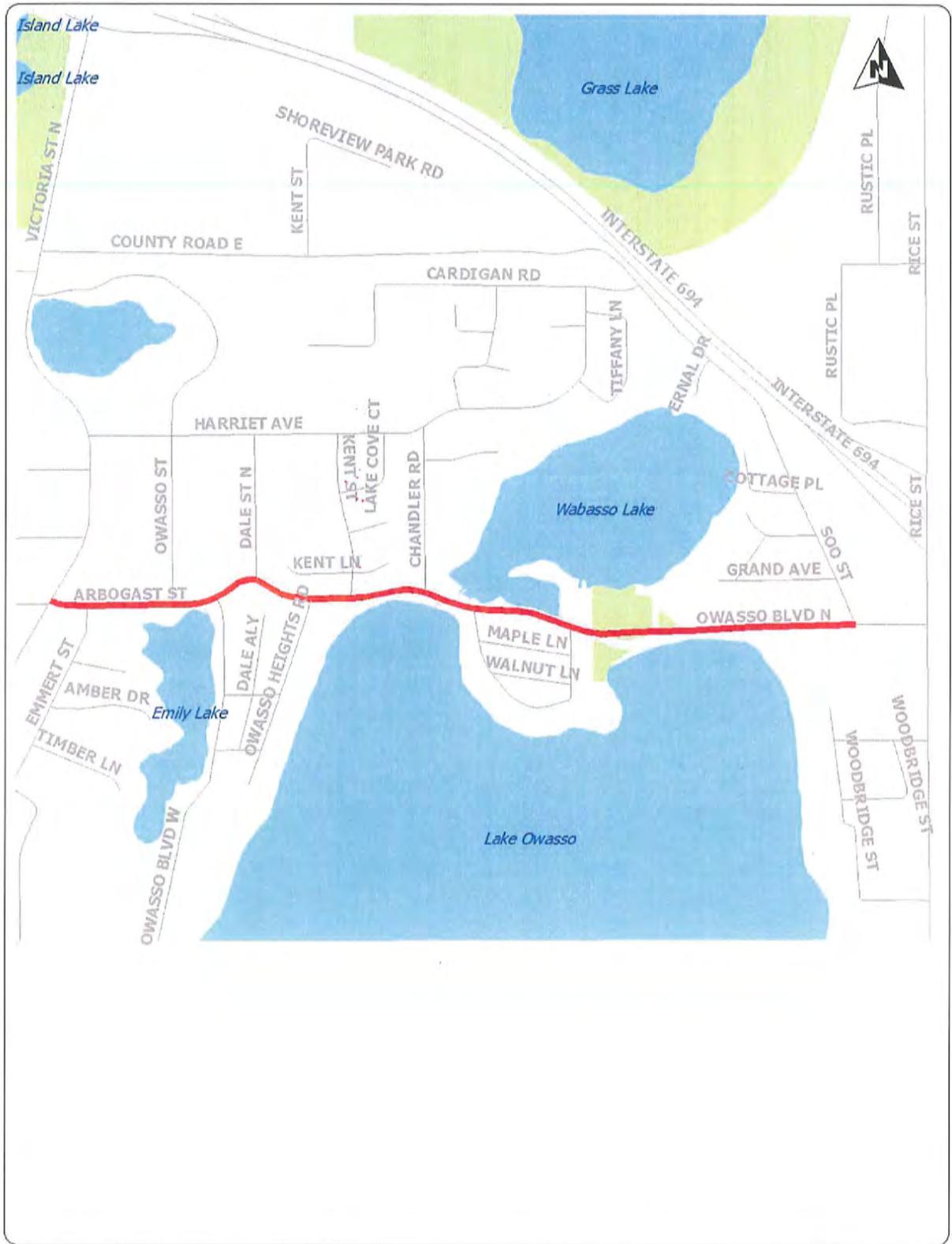
**Owasso Boulevard N Reconstruction**

PWA 25

Complete reconstruction of the road surface and upgrade of Owasso Boulevard North (from Owasso Boulevard West to Soo Street) and Arbogast Street (from Victoria Avenue to Owasso Boulevard West). The project would also include the addition of concrete curb and gutter, replacement of watermain, repairs to sanitary sewer piping, and the addition of storm water collection and treatment systems.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Debt-Special Assessments						\$ 130,000
MSA						2,155,000
Debt-Water Revenue						320,000
Debt-Sewer Revenue						150,000
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,755,000</b>
<b>Uses</b>						
Street						\$ 1,600,000
Water Main						320,000
Sanitary Sewer						150,000
Storm Sewer						550,000
Street Lighting						135,000
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,755,000</b>

These improvements would be consistent with the City's street/infrastructure efforts in recent years and in accordance with the City's street renewal assessment policies. The streets in these areas do not have concrete curb and gutter and have minimal storm water collection and treatment systems.



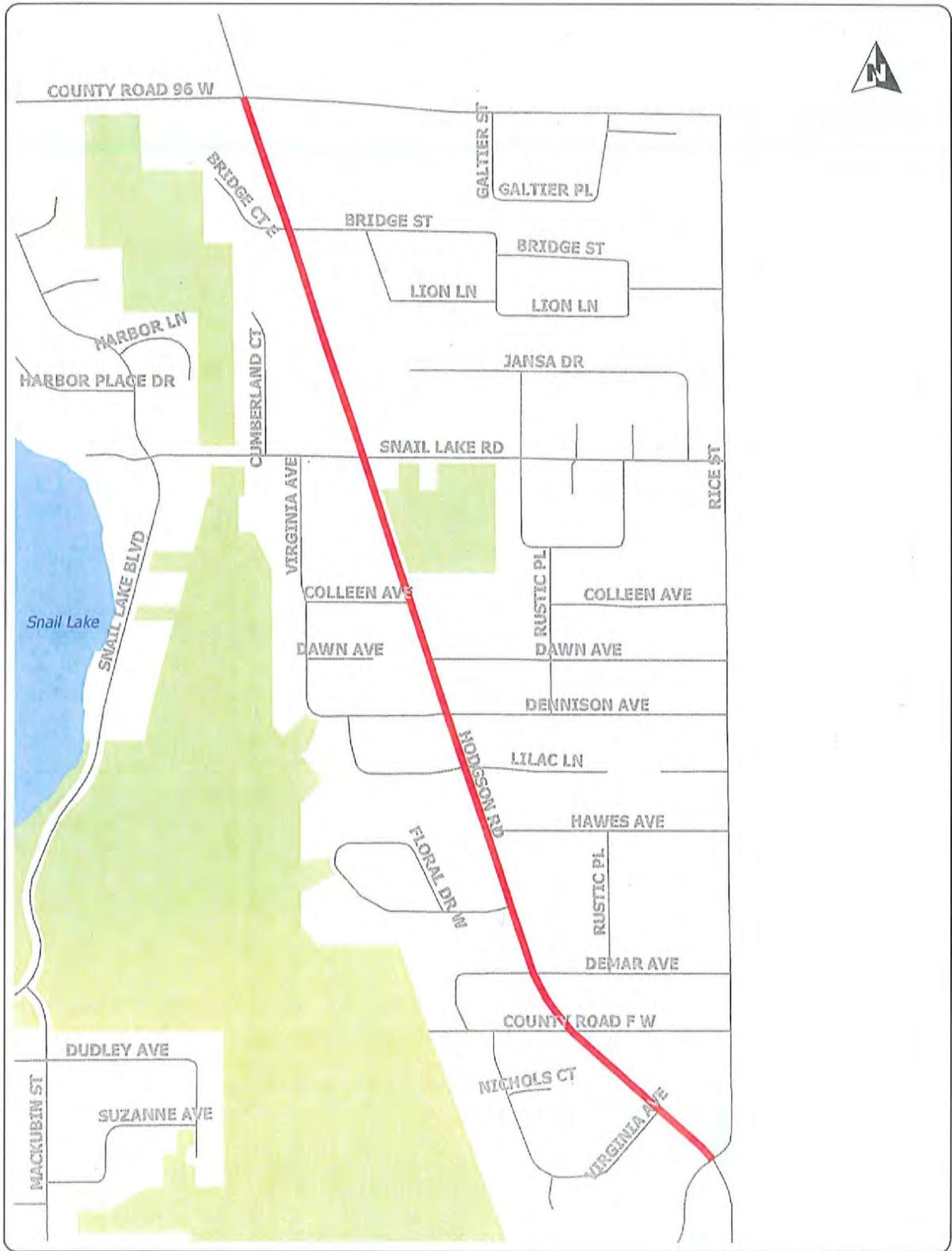
**Highway 49/Hodgson (H96-Gramsie)**

PWA 12

City participation in Ramsey County's reconstruction of Highway 49, from Gramsie Road to Highway 96. The proposed project would consist of road construction to modern suburban standards, and potentially include the installation of concrete curb and gutter, drainage improvements, sidewalks/trails, additional through and turn lanes, and relocation or rehabilitation of City-owned water main and sanitary sewers. The project would also include geometric revisions and permanent signalization of the Snail Lake Road intersection. Assessments for the project totaling \$75,000 are for storm sewer.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
MSA					\$ 218,000	
Street Lighting Fund					12,000	
Capital Improvement Fund					94,000	
Debt-Special Assessments					75,000	
Debt-Water Revenue					54,000	
Debt-Sewer Revenue					44,000	
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 497,000</b>	<b>\$ -</b>
<b>Uses</b>						
Traffic Signal					\$ 158,000	
Trail					94,000	
Water Main					54,000	
Sanitary Sewer					44,000	
Storm Sewer					107,000	
Street Lighting					40,000	
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 497,000</b>	<b>\$ -</b>

Per Ramsey County's County State Aid Highway (CSAH) cost participation policy and practices, corresponding to Minnesota Trunk Highway Turnback funding, the City will be required to fund portions of the costs related to right-of-way acquisition, parking and/or turn lanes, drainage improvements, city-owned utility upgrades or repairs and off-street pedestrian improvements. An understanding of the extent of the improvements and funding requirements of the City is being developed through participation in a corridor planning process that is expected to identify Highway 49 priorities.



**Sealcoat Streets**

PWA 1

Street sealcoating and crackfilling are performed annually throughout the City, per the recommendation of the City's Pavement Management Program. The work involves sealcoating and crackfilling one seventh of city streets each year (approximately 12.9 miles) with support from the Street Renewal Fund.

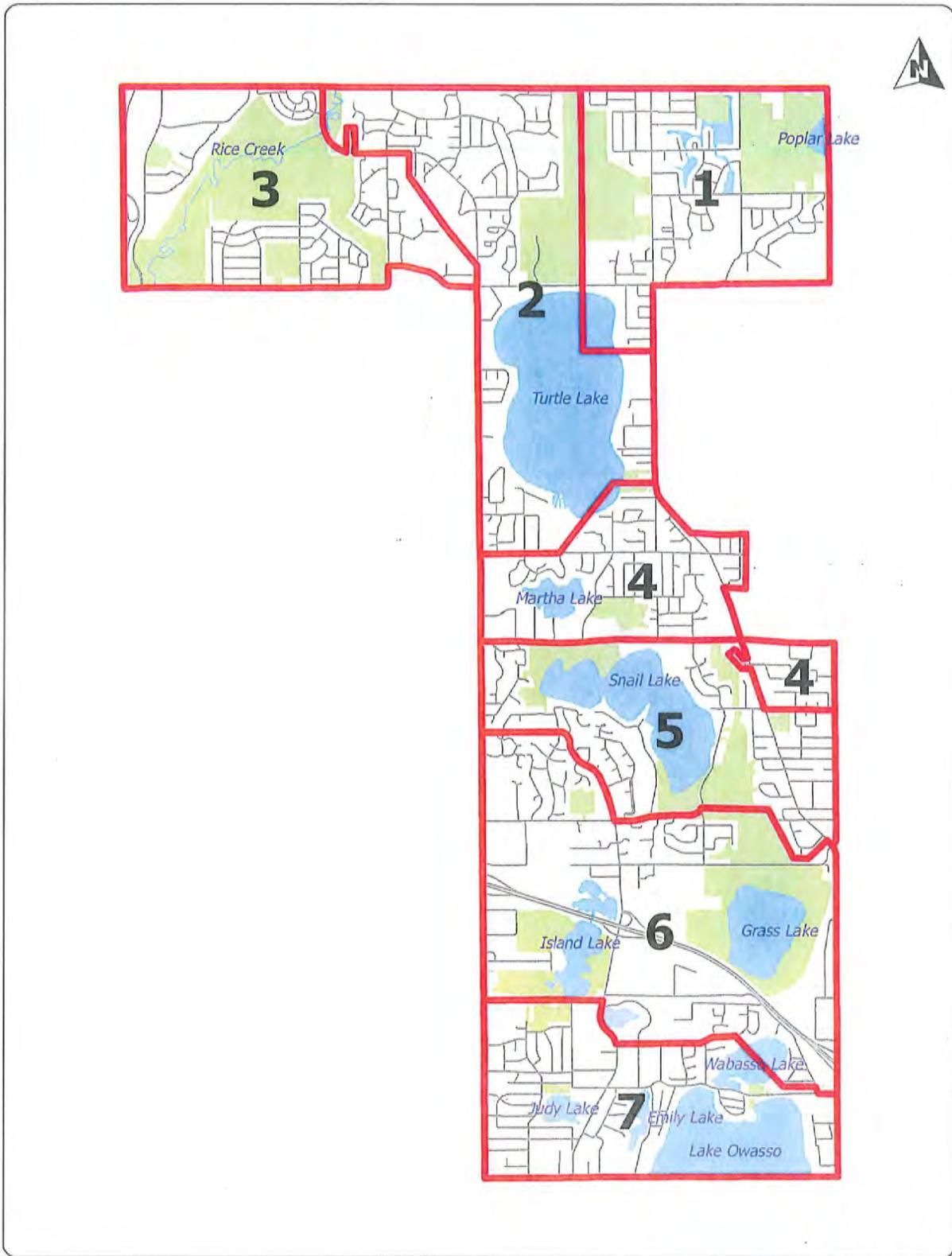
Planned street zones include:

- 2012 - zone 5 streets (205,688 SY)
- 2013 - zone 6 streets (208,273 SY)
- 2014 - zone 7 streets (210,503 SY)
- 2015 - zone 1 streets (210,299 SY)
- 2016 - zone 2 streets (210,133 SY)
- 2017 - zone 3 streets (211,595 SY)

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Street Renewal Fund	\$ 337,000	\$ 309,000	\$ 320,400	\$ 317,500	\$ 325,400	\$ 351,700
<b>Total Sources of Funds</b>	<b>\$ 337,000</b>	<b>\$ 309,000</b>	<b>\$ 320,400</b>	<b>\$ 317,500</b>	<b>\$ 325,400</b>	<b>\$ 351,700</b>
<b>Uses</b>						
Crack Fill Streets	\$ 19,000	\$ 19,000	\$ 19,000	\$ 21,000	\$ 21,000	\$ 21,000
Sealcoat Streets	305,000	277,000	288,400	296,500	304,400	315,700
Street Condition Survey	13,000	13,000	13,000			15,000
<b>Total Uses of Funds</b>	<b>\$ 337,000</b>	<b>\$ 309,000</b>	<b>\$ 320,400</b>	<b>\$ 317,500</b>	<b>\$ 325,400</b>	<b>\$ 351,700</b>

Street condition surveys (data collection measures used to evaluate street condition as part of the Pavement Management Program) are performed over 1/3 of city streets each year on a five-year cycle.

Sealcoating and crackfilling are two maintenance strategies used to prolong the useful life of streets. The Pavement Management Program estimates the future funding necessary for cost-effective management of streets and protection of street condition.



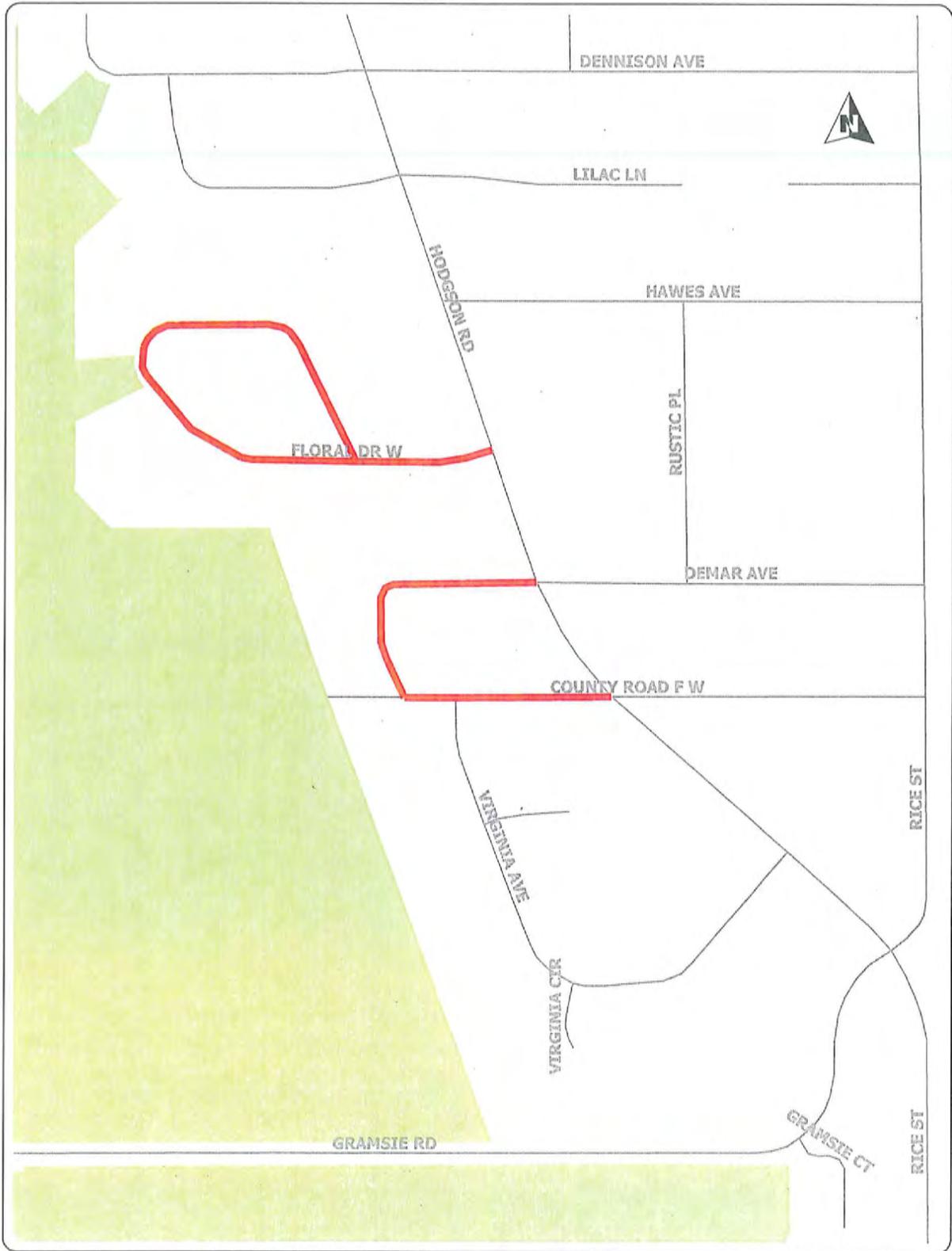
**County Rd F, Demar, Floral**

PWA 13

Complete reconstruction of the road surfaces and upgrades of County Road F, Demar, and Floral (West of Highway 49). The project would also include the addition of curb and gutter, replacement of cast iron water main, and the addition of storm sewer improvements. Assessments for the project totaling \$139,983 are for storm (\$28,759) and street (\$111,224).

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fund	\$ 22,229					
Street Renewal Fund	493,471					
Street Lighting Fund	30,000					
Debt-Special Assessments	139,983					
Debt-Water Revenue	425,963					
Debt-Sewer Revenue	109,800					
Debt-Surface Water Revenue	310,477					
<b>Total Sources of Funds</b>	<b>\$ 1,531,923</b>	<b>\$ -</b>				
<b>Uses</b>						
Street	\$ 626,924					
Water Main	425,963					
Sanitary Sewer	109,800					
Storm Sewer	339,236					
Street Lighting	30,000					
<b>Total Uses of Funds</b>	<b>\$ 1,531,923</b>	<b>\$ -</b>				

These improvements would be consistent with the City's street/infrastructure efforts in recent years, and in accordance with the City's street renewal and assessment policies.



**Street Rehabilitation**

PWA 4

Rehabilitation of street segments throughout the City:

- 2013 includes Municipal State Aid streetsegment Royal Oaks Drive (from Sherwood Road to County Road J), Fernwood Street (from County Road J to Lexington Avenue), Oakwood Drive (from Sherwood Road to Long Lake Court) and local street segments at various locations throughout the City. The actual locations will be based on recommendations from the City's Pavement Management Program, established as part of the street rehabilitation plan adopted as part of bonding requirements, and coordinated with other infrastructure installations and upgrades.
- 2016 includes rehabilitation of the Municipal Aid Street segments Victoria Street (Lexington Avenue to County Road F) and Gramsie (Victoria Street to Gramsie Court).

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Debt-Property Taxes		\$ 2,500,000			\$ -	
MSA		700,000			1,550,000	
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ 3,200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,550,000</b>	<b>\$ -</b>
<b>Uses</b>						
Street		\$ 3,200,000			\$ 1,550,000	
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ 3,200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,550,000</b>	<b>\$ -</b>

This project will be modeled after Shoreview's 2006-2008 Street Rehabilitation initiative, and address resurfacing needs at various locations in the City.



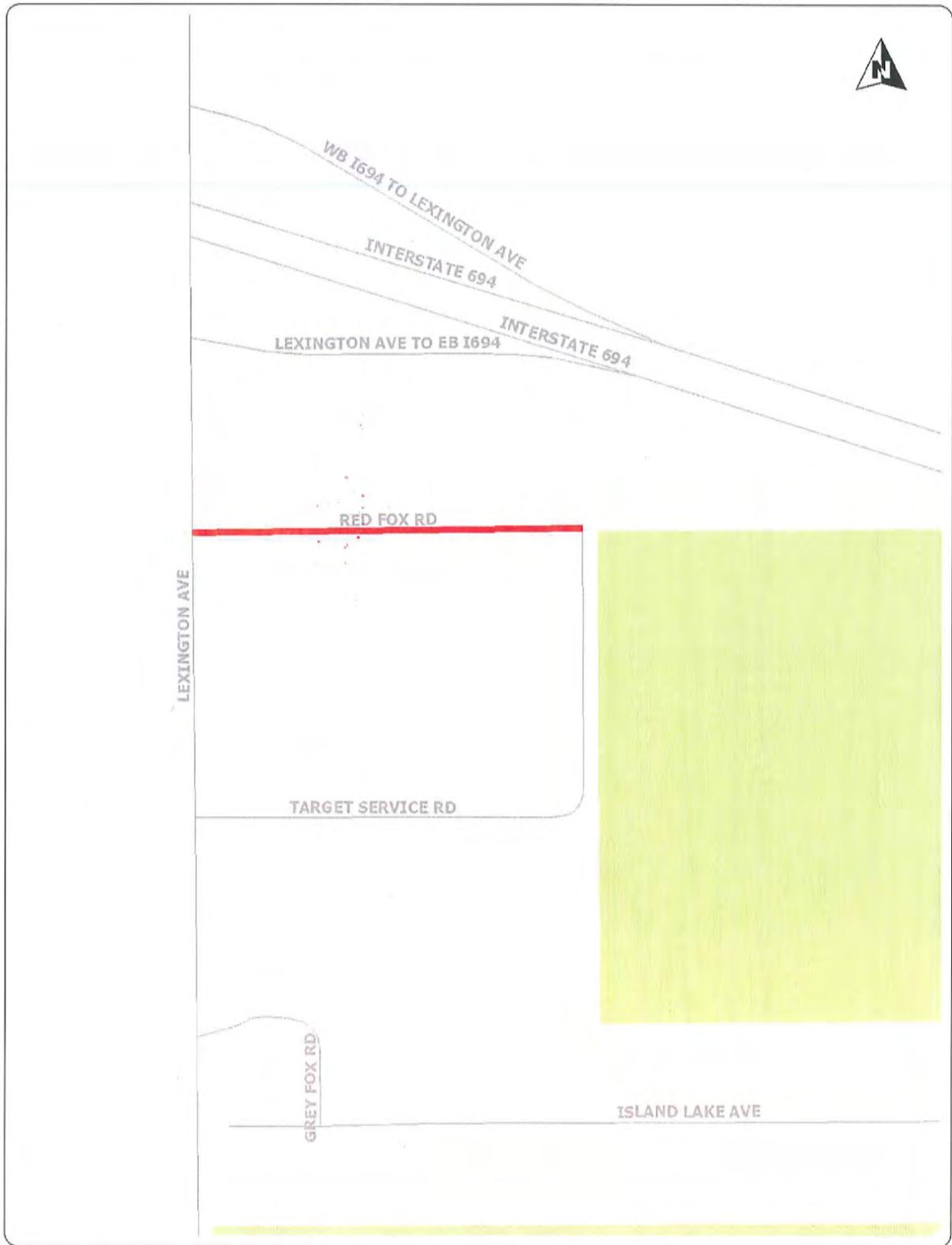
**Red Fox Road Reconstruction**

PWA 23

Road reconstruction , watermain, sanitary sewer, and storm water improvements related to the widening of Red Fox Road from Lexington Avenue east to the cul-de-sac. A right turn lane from northbound Lexington Avenue to eastbound Red Fox Road would also be required as part of this project.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Street Renewal Fund		\$ 346,800				
Debt-Special Assessments		104,500				
Debt-Water Revenue		179,500				
Debt-Sewer Revenue		59,500				
Debt-Surface Water Revenue		626,200				
Street Lighting Fund		75,000				
Tax Increment		282,000				
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ 1,673,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Uses</b>						
Street		\$ 568,800				
Water Main		179,500				
Sanitary Sewer		59,500				
Storm Sewer		730,700				
Street Lighting		75,000				
Traffic Signal		60,000				
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ 1,673,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

These improvements are needed to address issues with traffic flow that cause congestion and delays on Red Fox Road, especially during peak traffic times.



**Hanson, Oakridge Neighborhood**

PWA 14

Complete reconstruction of the road surface and upgrades of Hanson Road, Oakridge Avenue, and the North half of Nottingham Place. The project would also include the addition of curb and gutter, replacement of cast iron water main, and the addition of storm sewer improvements. Assessments for the project, totaling \$146,000, are for storm (\$56,100) and street (\$89,900).

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Street Renewal Fund			\$ 537,000			
Street Lighting Fund			70,000			
Debt-Special Assessments			146,000			
Debt-Water Revenue			300,000			
Debt-Sewer Revenue			125,000			
Debt-Surface Water Revenue			257,000			
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,435,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Uses</b>						
Street			\$ 625,000			
Water Main			300,000			
Sanitary Sewer			125,000			
Storm Sewer			315,000			
Street Lighting			70,000			
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,435,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The improvements would be consistent with the City's street/infrastructure reconstruction efforts in recent years, and in accordance with the City's street renewal and assessment policies.



Hanson, Oakridge Neighborhood

PWA 00014

**Turtle Lane Neighborhood**

PWA 15

Complete reconstruction of the road surfaces and upgrade of Johns Road, Turtle Lane (East and West), Schifsky Road, and the addition of storm water improvements. Assessments for the project, totaling \$154,000, are for storm (\$48,400) and street (\$105,600).

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Street Renewal Fund				\$ 630,600		
Street Lighting Fund				70,000		
Debt-Special Assessments				149,200		
Debt-Water Revenue				320,000		
Debt-Sewer Revenue				135,000		
Debt-Surface Water Revenue				427,700		
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,732,500</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Uses</b>						
Street				\$ 735,000		
Water Main				320,000		
Sanitary Sewer				135,000		
Storm Sewer				472,500		
Street Lighting				70,000		
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,732,500</b>	<b>\$ -</b>	<b>\$ -</b>

The improvements would be consistent with the City's street/infrastructure reconstruction efforts in recent years, and in accordance with the City's street renewal and assessment policies.



Turtle Lane Neighborhood

PWA 00015

**Windward Heights Neighborhood**

PWA 16

Complete reconstruction and upgrade of road surfaces on Dawn Avenue, Rustic Place, and Colleen Avenue on the East side of Highway 49; and Dennison Avenue, Lilac Lane and Virginia Avenue on the West of Highway 49. The project would also include storm drainage improvements as well as replacement of cast iron water main and any necessary sanitary sewer repairs. Assessments for the project, totaling \$245,700, are for (storm \$100,100) and street (\$145,600).

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund					\$ 94,000	
Street Renewal Fund					1,254,400	
Street Lighting Fund					125,000	
Debt-Special Assessments					245,700	
Debt-Water Revenue					550,000	
Debt-Sewer Revenue					170,000	
Debt-Surface Water Revenue					499,900	
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,939,000</b>	<b>\$ -</b>
<b>Uses</b>						
Street					\$ 1,400,000	
Trail					94,000	
Water Main					550,000	
Sanitary Sewer					170,000	
Storm Sewer					600,000	
Street Lighting					125,000	
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,939,000</b>	<b>\$ -</b>

These improvements would be consistent with the City's street/infrastructure efforts in recent years, and in accordance with the City's street renewal and assessment policies. This neighborhood has no curb and gutter.



**Bridge, Lion Neighborhood**

PWA 26

Complete reconstruction of the road surfaces of Arner Avenue (Dale St to Mackubin St), Dale Street (96-Arner Ave), Dale Court N & S, Bridge Street (Hodgson Rd to Galtier St), and Lion Lane (Bridge St to Galtier St). The project would also include the addition of concrete curb and gutter, installation of watermain and services to Dale Court N & S, and installation of storm water collection and treatment systems. Assessments for the project, totalling \$184,720 are for storm (\$45,920), street (\$100,300) and water (\$38,500).

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Debt-Special Assessments						\$ 184,720
MSA						132,000
Debt-Water Revenue						41,500
Debt-Sewer Revenue						120,000
Debt-Surface Water Revenue						285,080
Street Lighting Fund						85,000
Street Renewal Fund						792,700
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,641,000</b>
<b>Uses</b>						
Street						\$ 981,000
Street Lighting						85,000
Water Main						80,000
Sanitary Sewer						120,000
Storm Sewer						375,000
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,641,000</b>

The improvements are consistent with the City's street/infrastructure efforts in recent years and in accordance with the City's street renewal and assessment policies. The streets in these areas do not have curb and gutter.



Bridge, Lion Neighborhood

PWA 00026

**Park Facility Replacements**

PKA 1

This project provides an allowance for park replacements, funded by the General Fixed Asset Replacement Fund. A description of planned costs by park is provided below.

Commons costs include:

- 2012 - \$ 35,000 Commons area and highway 96 landscaping
- 2012 - \$ 10,000 backstop and overthrow fence
- 2013 - \$ 25,000 Commons area and highway 96 landscaping
- 2015 - \$ 20,000 outfield fencing

Rice Creek costs include:

- 2012 - \$ 7,455 wood fiber safety cushion for the playground
- 2015 - \$ 46,000 scoreboard replacement

Shamrock costs include:

- 2012 - \$ 10,000 concrete apron repairs

Wilson costs include:

- 2015 - \$100,000 relocate playground
- 2016 - \$ 20,000 fencing replacement

Repair and replacement allowances include:

- 2013 - \$ 50,000 ADA compliance changes in several parks
- 2017 - \$ 15,000 repair and replacement allowance

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund	\$ 62,455	\$ 75,000		\$ 166,000	\$ 20,000	\$ 15,000
<b>Total Sources of Funds</b>	<b>\$ 62,455</b>	<b>\$ 75,000</b>	<b>\$ -</b>	<b>\$ 166,000</b>	<b>\$ 20,000</b>	<b>\$ 15,000</b>
<b>Uses</b>						
Commons Park	\$ 45,000	\$ 25,000		\$ 20,000		
Rice Creek Park	7,455			46,000		
Shamrock Park	10,000					
Wilson Park				100,000	20,000	
Park Repair/Replacement Allow		50,000				15,000
<b>Total Uses of Funds</b>	<b>\$ 62,455</b>	<b>\$ 75,000</b>	<b>\$ -</b>	<b>\$ 166,000</b>	<b>\$ 20,000</b>	<b>\$ 15,000</b>

An allowance is included in the City's infrastructure replacement plan for routine repair and replacement of amenities in City parks. Periodic replacement of park improvements is necessary to maintain the appearance and condition of the parks.

**Park Facility Improvements**

PKA 2

Park improvements planned throughout the community, and supported by the Capital Improvement Fund, include:

Commons:

- 2012 - \$ 14,000 add concrete slabs for tables, benches and bleachers

Shamrock:

- 2013 - \$ 60,000 add trail segments

Wilson:

- 2015 - \$ 40,000 add picnic shelter

McCullough:

- 2017 - \$500,000 refurbish park

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Capital Improvement Fund	\$ 14,000	\$ 60,000		\$ 40,000		\$ 500,000
<b>Total Sources of Funds</b>	<b>\$ 14,000</b>	<b>\$ 60,000</b>	<b>\$ -</b>	<b>\$ 40,000</b>	<b>\$ -</b>	<b>\$ 500,000</b>
<b>Uses</b>						
Commons Park	\$ 14,000					
McCullough Park						500,000
Shamrock Park		60,000				
Wilson Park				40,000		
<b>Total Uses of Funds</b>	<b>\$ 14,000</b>	<b>\$ 60,000</b>	<b>\$ -</b>	<b>\$ 40,000</b>	<b>\$ -</b>	<b>\$ 500,000</b>

Periodic improvements to park facilities are necessary to keep the parks in good condition and an asset to the neighborhoods.

**Parking & Driveways/City-Owned Facilities**

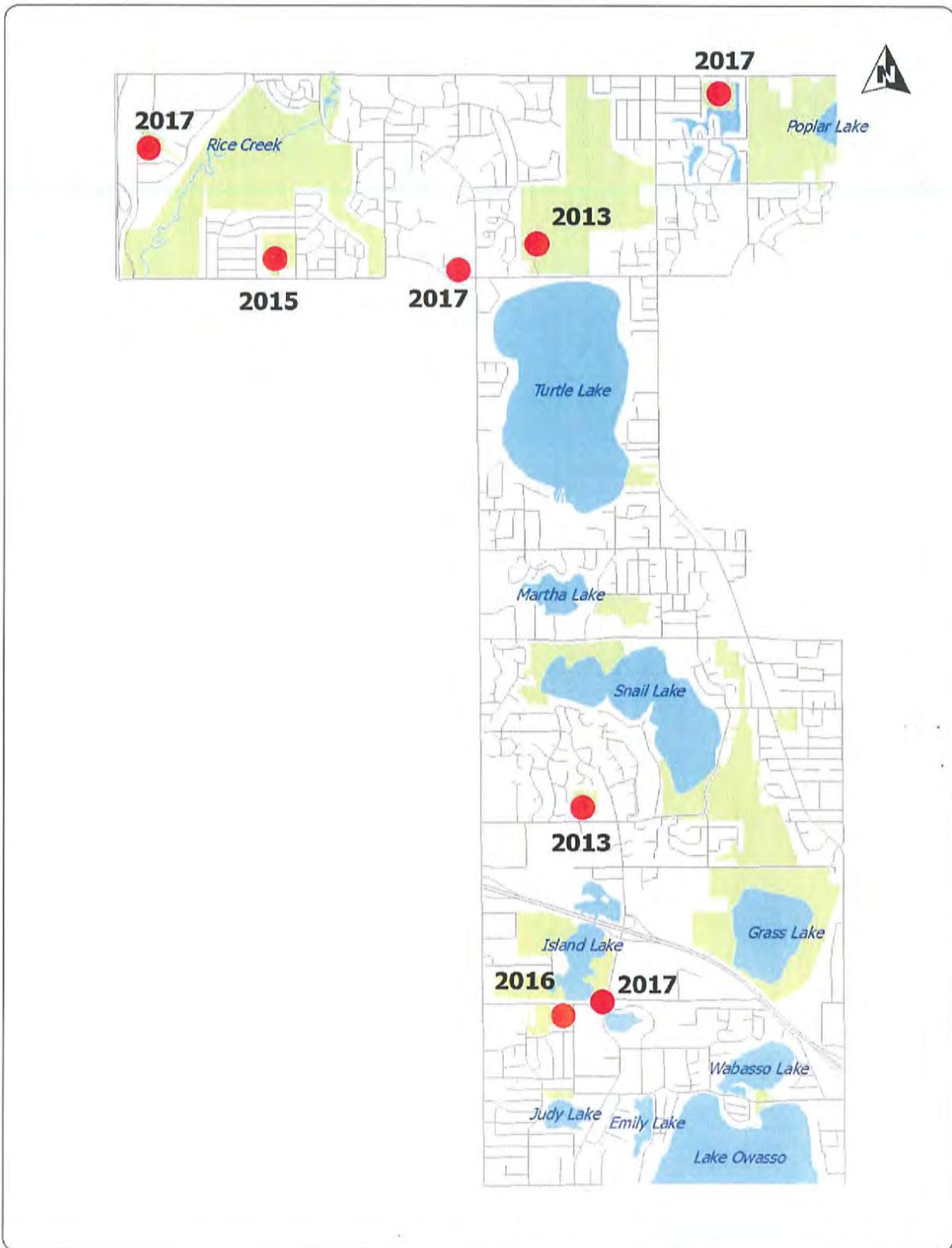
PWA 30

Sealcoating, rehabilitation or replacement of parking lots and driveways at City-owned facilities, including: City hall, community center, City parks and fire stations. Sealcoating of parking lots is completed in conjunction with the City's street sealcoating program. Planned costs include:

- 2013 - \$156,000 McCullough pavement rehabilitation
- 2013 - \$125,000 Wilson pavement replacement
- 2015 - \$ 77,000 Shamrock pavement rehabilitation
- 2016 - \$ 78,000 Theisen pavement rehabilitation
- 2017 - \$ 63,000 Bucher parking lot replacement
- 2017 - \$ 8,000 Rice Creek Fields sealcoat parking lot
- 2017 - \$ 1,400 Larson house sealcoat parking lot
- 2017 - \$ 6,700 Fire station #3 sealcoat parking lot
- 2017 - \$100,000 Fire station #4 pavement rehabilitation
- Note: \$42,893 of the cost for pavement sealcoating and rehabilitation at fire stations is paid by other contract cities)

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund		\$ 281,000		\$ 77,000	\$ 78,000	\$ 136,207
Other Local Government						42,893
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ 281,000</b>	<b>\$ -</b>	<b>\$ 77,000</b>	<b>\$ 78,000</b>	<b>\$ 179,100</b>
<b>Uses</b>						
Bucher Park						\$ 63,000
Theisen Park					78,000	
McCullough Park		156,000				
Shamrock Park				77,000		
Wilson Park		125,000				
Fire Station #3						6,700
Fire Station #4						100,000
Rice Creek Park						8,000
Repair/Replacement Allowance						1,400
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ 281,000</b>	<b>\$ -</b>	<b>\$ 77,000</b>	<b>\$ 78,000</b>	<b>\$ 179,100</b>

Sealcoating and crack filling are pavement management strategies that prolong the useful life of pavement. Shoreview's comprehensive infrastructure replacement plan, which is updated annually, provides for the replacement and maintenance of these areas.



**Tennis & Basketball Court Pavement**

PKA 6

Periodic sealcoat and/or color coat of tennis and basketball courts in City parks. Planned costs include:

- 2013 - \$35,000 Bucher court resurfacing
- 2014 - \$35,000 McCullough court resurfacing
- 2015 - \$15,000 Theisen court resurfacing

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund		\$ 35,000	\$ 35,000	\$ 15,000		
Total Sources of Funds	\$ -	\$ 35,000	\$ 35,000	\$ 15,000	\$ -	\$ -
<b>Uses</b>						
Bucher Park		\$ 35,000				
McCullough Park			35,000			
Theisen Park				15,000		
Total Uses of Funds	\$ -	\$ 35,000	\$ 35,000	\$ 15,000	\$ -	\$ -

An allowance is included in the City's comprehensive infrastructure replacement plan for routine repair and replacement of park amenities. Routine replacement of court surfaces is necessary to maintain the appearance and condition, as well as to preserve the use for residents.

**Park Building Rehabilitation**

PKA 7

Provide an allowance for park building replacements. Planned costs include:

Commons:

- 2013 - \$30,000 picnic shelter replacement

McCullough:

- 2014 - \$22,000 park building and picnic shelter roof replacement

Shamrock:

- 2014 - \$10,000 picnic shelter roof replacement

Lake Judy:

- 2015 - \$ 5,000 picnic shelter roof replacement

Sitzer:

- 2016 - \$50,000 convert park building roof to metal

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund		\$ 30,000	\$ 32,000	\$ 5,000	\$ 50,000	
Total Sources of Funds	\$ -	\$ 30,000	\$ 32,000	\$ 5,000	\$ 50,000	\$ -
<b>Uses</b>						
Commons Park		\$ 30,000				
Lake Judy Park				5,000		
McCullough Park			22,000			
Sitzer Park					50,000	
Shamrock Park			10,000			
Total Uses of Funds	\$ -	\$ 30,000	\$ 32,000	\$ 5,000	\$ 50,000	\$ -

An allowance for park building repairs and replacements is included in the City's comprehensive infrastructure replacement plan. Periodic repair and replacement is necessary to maintain the condition of park buildings.

**Bucher Park Rehabilitation**

PKA 4

An allowance for the renovation of Bucher Park includes the following costs:

- \$ 90,000 - Playground equipment replacement
- \$ 50,000 - Park replacements
- \$ 30,000 - Preliminary design costs (2012)
- \$370,000 - Improvements and new features

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund		\$ 140,000				
Capital Improvement Fund	30,000	370,000				
<b>Total Sources of Funds</b>	<b>\$ 30,000</b>	<b>\$ 510,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Uses</b>						
Bucher Park	\$ 30,000	\$ 510,000				
<b>Total Uses of Funds</b>	<b>\$ 30,000</b>	<b>\$ 510,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Periodic improvements to park facilities are necessary to keep the parks in good condition and an asset to the neighborhoods.

**Wading Pool Replacement**

PKA 5

Renovation and updating of the outdoor wading pool with a shallow water splash pool and mid-size interactive water play structure.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund					\$ 100,000	
Community Center Fund					150,000	
Capital Improvement Fund					250,000	
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ -</b>
<b>Uses</b>						
Pool/Whirlpool					\$ 500,000	
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ -</b>

This project will increase Community Center revenue between \$20,000 and \$40,000 per year and will increase the amenities in the pool area and the attraction for youth and families.

**Trail Rehabilitation**

PWA 20

Rehabilitation of the pavement surface on paved trails throughout the City. This project may consist of replacement of the pavement surface, or providing a protective coating, such as a sealcoat, to extend the life of the trail segments. Scheduled rehabilitation of paths located in these areas:

- 2012 - Northwest corner of the City
- 2013 - Northeast corner of the City
- 2014 - Theisen Park and along County Rd I, including replacement of the boardwalk at County Rd I
- 2015 - throughout the center section of the City's trail system (5 miles)
- 2016 - for trail segments to be determined in the future
- 2017 for trail segments to be determined in the future

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund	\$ 60,000	\$ 65,000	\$ 140,000	\$ 75,000	\$ 75,000	\$ 80,000
Total Sources of Funds	<u>\$ 60,000</u>	<u>\$ 65,000</u>	<u>\$ 140,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 80,000</u>
<b>Uses</b>						
Trail	\$ 60,000	\$ 65,000	\$ 140,000	\$ 75,000	\$ 75,000	\$ 80,000
Total Uses of Funds	<u>\$ 60,000</u>	<u>\$ 65,000</u>	<u>\$ 140,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 80,000</u>

To preserve the integrity and extend the life of bituminous trails and concrete sidewalks throughout the City's trail system. Replacement or rehabilitation of trail assets are planned in accordance with the City's comprehensive infrastructure replacement plan, updated annually.

## Fire Stations

ADM 1

A repair and replacement allowance for fire stations, intended to cover equipment, furnishings and minor maintenance items. The cost shown in the table below represents Shoreview's share of costs (59.8%). Specific items planned for each station include.

Station #1 costs include:

- 2012 - \$ 1,196 Replace LCD TV

Station #2 costs include:

- 2012 - \$ 11,960 Paint bay walls and interior living area
- 2012 - \$ 906 Replace conference room table and chairs
- 2013 - \$ 65,182 Remodel station
- 2013 - \$ 2,691 Repair/stain wood fence
- 2014 - \$ 3,588 Paint bay walls and interior living area
- 2015 - \$ 8,372 Paint bay ceilings/walls
- 2016 - \$ 23,920 Replace roof

Station #3 costs include:

- 2012 - \$ 4,186 Replace LCD TV and ceiling tiles
- 2014 - \$ 8,970 Replace carpet
- 2014 - \$ 2,990 Upgrade SCBA air compressor to HP
- 2016 - \$ 22,724 Resurface bay floors
- 2017 - \$ 29,900 Replace roof over bays

Station #4 costs include:

- 2012 - \$ 22,437 Resurface bay floors and replace radio room chairs
- 2013 - \$238,602 Station addition, convert space for sleeping quarters
- 2015 - \$ 23,920 Replace concrete front apron
- 2016 - \$ 20,930 Emergency backup generator

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund	\$ 40,685	\$ 306,475	\$ 15,548	\$ 32,292	\$ 67,574	\$ 29,900
Total Sources of Funds	<u>\$ 40,685</u>	<u>\$ 306,475</u>	<u>\$ 15,548</u>	<u>\$ 32,292</u>	<u>\$ 67,574</u>	<u>\$ 29,900</u>
<b>Uses</b>						
Fire Station #1	\$ 1,196					
Fire Station #2	12,866	67,873	3,588	8,372	23,920	
Fire Station #3	4,186		11,960		22,724	29,900
Fire Station #4	22,437	238,602		23,920	20,930	
Total Uses of Funds	<u>\$ 40,685</u>	<u>\$ 306,475</u>	<u>\$ 15,548</u>	<u>\$ 32,292</u>	<u>\$ 67,574</u>	<u>\$ 29,900</u>

Routine repairs and replacements are necessary to maintain the condition and appearance of the buildings, and to protect the investment in the buildings. In addition, there is a need for replacement of equipment and furnishings within the fire stations.

**General Government Buildings**

ADM 6

Replacements, rehabilitation and improvements to municipal buildings, including the Council chambers, general government equipment and relocation and rehabilitation of the Guerin gas station.

Building includes:

- 2012 - \$28,000 Restoration of the Guerin gas station and relocation to a designated site (it is likely that some work on the project will begin in 2011)

Equipment includes:

- 2013 - \$45,000 Election equipment replacement (voting machines)

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund		\$ 45,000				
Capital Improvement Fund	19,985					
Grant	8,015					
<b>Total Sources of Funds</b>	<b>\$ 28,000</b>	<b>\$ 45,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Uses</b>						
Municipal Buildings	\$ 28,000					
Equipment-General		45,000				
<b>Total Uses of Funds</b>	<b>\$ 28,000</b>	<b>\$ 45,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Periodic replacement of camera and sound equipment is necessary to maintain functionality for broadcasting public meetings.

Election equipment replacements are coordinated with Ramsey County (the cost shown is Shoreview's share of election equipment).

The Guerin Gas Station is currently in poor condition and is stored in the maintenance center yard area. To make this structure available to the public, the City will need to identify a location and contribute toward the restoration cost.

**Community Center Rehabilitation**

CC 1

A repair/replacement allowance for mechanical systems and other building replacements provides for the following costs:

Gymnasium costs include:

- 2015 - \$ 21,000 repair gym ceiling and track

Building costs include:

- 2012 - \$ 11,100 HVAC/pool pump ventilation
- 2013 - \$ 60,000 fire alarm panel replacement
- 2015 - \$ 55,000 remodel parks front counter, remove wallpaper from office areas and repaint walls
- 2015 - \$400,000 gym sloped roof
- 2015 - \$ 50,000 hot water tank

Carpet/flooring costs include:

- 2014 - \$ 90,000 replace upper level carpeting (lobby and hall areas)
- 2017 - \$ 48,000 replace lower level carpeting
- 2017 - \$ 30,000 replace rubber floor in fitness studio #3

Repair/replacement allowances include:

- 2015 - \$ 25,000 allowance for repair/replacements
- 2016 - \$ 80,000 allowance for repair/replacements
- 2017 - \$ 55,000 allowance for repair/replacements

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund	\$ 11,100	\$ 60,000	\$ 90,000	\$ 551,000	\$ 80,000	\$ 133,000
<b>Total Sources of Funds</b>	<b>\$ 11,100</b>	<b>\$ 60,000</b>	<b>\$ 90,000</b>	<b>\$ 551,000</b>	<b>\$ 80,000</b>	<b>\$ 133,000</b>
<b>Uses</b>						
Gymnasium				\$ 21,000		
Mechanical Systems						
Municipal Buildings	11,100	60,000		505,000		
Carpet/flooring			90,000			78,000
Repair/Replacement Allowance				25,000	80,000	55,000
<b>Total Uses of Funds</b>	<b>\$ 11,100</b>	<b>\$ 60,000</b>	<b>\$ 90,000</b>	<b>\$ 551,000</b>	<b>\$ 80,000</b>	<b>\$ 133,000</b>

The age of mechanical systems and volume of use at the Community Center increase the need for mechanical system repairs and other building replacements. Completion of these repairs in a timely manner is necessary to maintain the appearance of the building, to protect the investment in the building, and to retain customers. An allowance is included in the City's infrastructure replacement plan so that routine and periodic repairs can be made without impacting the Community Center operating budget.

**Banquet Facility**

CC 2

A repair and replacement allowance for the banquet room facilities and furnishings. Planned costs are listed below.

Furniture costs include:

- 2012 - \$ 34,369 recover banquet chairs
- 2015 - \$ 15,000 replace meeting room chairs
- 2017 - \$102,000 replace banquet chairs

Equipment costs include:

- 2012 - \$ 27,442 replace Shoreview Room sound equipment

Banquet room repairs include:

- 2013 - \$ 15,000 miscellaneous repairs
- 2014 - \$ 90,000 movable walls for banquet and meeting rooms
- 2016 - \$ 15,000 miscellaneous repairs

Carpet replacement includes:

- 2014 - \$ 45,000 Shoreview Room carpet

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund	\$ 61,811	\$ 15,000	\$ 135,000	\$ 15,000	\$ 15,000	\$ 102,000
<b>Total Sources of Funds</b>	<b>\$ 61,811</b>	<b>\$ 15,000</b>	<b>\$ 135,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 102,000</b>
<b>Uses</b>						
Furniture	\$ 34,369			\$ 15,000		\$ 102,000
Equipment-General	27,442					
Banquet Room Repairs		15,000	90,000		15,000	
Carpet/flooring			45,000			
<b>Total Uses of Funds</b>	<b>\$ 61,811</b>	<b>\$ 15,000</b>	<b>\$ 135,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 102,000</b>

The volume of banquet room use, for weddings, receptions, Summer Discovery, and other activities causes wear and tear on the facility. Completion of these repairs in a timely manner is necessary to maintain the appearance of the facility, to protect the investment in the building and to retain customers. An allowance is included in the City's comprehensive infrastructure replacement plan so that routine and periodic repairs can be made without impacting the Community Center operating budget.

**Pool & Locker Room Areas**

CC 3

A repair and replacement allowance for the pool and locker room areas at the community center. Planned costs are listed below.

Pool/whirlpool replacement costs include:

- 2012 - \$ 30,000 pool heater
- 2012 - \$ 25,000 pool lights (above and below water)
- 2012 - \$ 19,250 pool grout
- 2012 - \$ 88,150 main pool sand filters
- 2013 - \$ 60,000 zero-depth beach water feature
- 2017 - \$ 20,000 miscellaneous pool items

Locker room replacements include:

- 2012 - \$ 12,000 tile and floor drains in locker rooms

Water slide repair/replacements include:

- 2012 - \$ 38,578 refurbish water slide
- 2012 - \$ 13,192 water slide stair repairs
- 2013 - \$150,000 water slide stairs

Repair and replacement allowances include:

- 2013 - \$ 12,000 water-walk exit and land pad replacement
- 2014 - \$ 25,000 repair leak & refurbish rock waterfall
- 2014 - \$ 20,000 replace pool deck furniture
- 2014 - \$ 19,000 replace zero-beach railings
- 2015 - \$ 20,000 refurbish shark attack
- 2017 - \$ 25,000 pool ceiling repainting

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund	\$ 226,170	\$ 222,000	\$ 64,000	\$ 20,000		\$ 45,000
<b>Total Sources of Funds</b>	<b>\$ 226,170</b>	<b>\$ 222,000</b>	<b>\$ 64,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ 45,000</b>
<b>Uses</b>						
Pool/Whirlpool	\$ 162,400	\$ 60,000				\$ 20,000
Locker Rooms	12,000					
Water Slide	51,770	150,000				
Repair/Replacement Allowance		12,000	64,000	20,000		25,000
<b>Total Uses of Funds</b>	<b>\$ 226,170</b>	<b>\$ 222,000</b>	<b>\$ 64,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ 45,000</b>

The volume of use of pool and locker room facilities throughout the year causes wear and tear on the facility. Completion of these repairs in a timely manner is necessary to maintain the appearance of the facility, to protect the investment in the building and to retain customers. An allowance is included in the City's comprehensive infrastructure replacement plan so that routine and periodic repairs can be made without impacting the Community Center operating budget.

**Furniture & Equipment**

CC 4

A repair and replacement allowance for community center furniture and equipment. Planned costs are listed below.

Fitness equipment replacement allowances include:

- 2012 - \$25,000
- 2013 - \$30,000
- 2014 - \$30,000
- 2015 - \$25,000
- 2016 - \$30,000
- 2017 - \$65,000

Furniture replacement costs include:

- 2014 - \$10,000 replace Wave Café seating area chairs
- 2014 - \$20,000 replace lower level plaza site furnishings
- 2015 \$70,000 refurbish modular office furniture (city hall)

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund	25,000	30,000	60,000	95,000	30,000	65,000
Total Sources of Funds	\$ 25,000	\$ 30,000	\$ 60,000	\$ 95,000	\$ 30,000	\$ 65,000
<b>Uses</b>						
Equipment-Fitness	\$ 25,000	\$ 30,000	\$ 30,000	\$ 25,000	\$ 30,000	\$ 65,000
Furniture			30,000	70,000		
Total Uses of Funds	\$ 25,000	\$ 30,000	\$ 60,000	\$ 95,000	\$ 30,000	\$ 65,000

The volume of use of the community center facility throughout the year causes wear and tear on furniture and equipment. Completion of these repair/replacements in a timely manner is necessary to maintain the appearance of the facility, to protect the investment in the building and to retain customers. An allowance is included in the City's comprehensive infrastructure replacement plan so that routine and periodic repairs can be made without impacting the Community Center operating budget.

**Community Center Improvements**

CC 10

Planned community center improvements and allowances for improvements to be determined in the future are listed below.

Building costs include:

- 2012 - \$25,000 expand Wave Cafe seating area
- 2013 - \$15,000 tint windows in pool and upper lobby (glare reduction)

Equipment-Community Center costs include:

- 2012 - \$10,018 add auto fryer for Wave Cafe
- 2013 - \$20,000 upgrade banquet room AV system

Improvement allowances include:

- 2014 - \$50,000 for items to be determined later
- 2015 - \$50,000 for items to be determined later
- 2016 - \$50,000 for items to be determined later
- 2017 - \$50,000 for items to be determined later

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Capital Improvement Fund	\$ 35,018	\$ 35,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
<b>Total Sources of Funds</b>	<b>\$ 35,018</b>	<b>\$ 35,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>
<b>Uses</b>						
Municipal Buildings	25,000	15,000				
Equipment-Community Center	10,018	20,000				
Improvement Allowance			50,000	50,000	50,000	50,000
<b>Total Uses of Funds</b>	<b>\$ 35,018</b>	<b>\$ 35,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>

To preserve the vitality of the Community Center and continue to generate income in support of operating costs, it is important to offer new experiences to customers through periodic changes to the community center facility.

**Community Center Addition**

CC 12

Construction of a community center addition is planned, to expand fitness and gymnasium activity areas. Support from the Community Center and Recreation Program Funds will be provided through a combination of lump-sum transfers in 2014, and an inter-fund loan in the amount of \$400,000 from the City's Sewer Fund. The loan will be repaid over a period of 5 years with interest (at the average rate of the City's investment pool annually) from the Community Center and Recreation Programs Funds.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Community Center Fund			\$ 300,000			
Recreation Programs Fund			300,000			
Capital Improvement Fund			400,000			
Inter-fund Loan			400,000			
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,400,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Uses</b>						
Municipal Buildings			\$ 1,400,000			
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,400,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

The addition will create additional space for fitness equipment, fitness classes, multipurpose classroom space for Summer Discovery and other recreational programs, and will provide space for expansion of the indoor playground.

**Water Systems**

PWA 5

This project includes improvements to the City's water system.

2013 costs include:

- \$180,000 - Construct a water booster station to increase the water pressure in the Weston Woods area. The booster station is to consist of underground pumps and associated piping. This project is in response to inadequate water pressures discovered in a recent update to the City's water distribution model, completed due to resident complaints of low water pressure in the area. The booster will correct inadequate water pressure for residential households and fire flow.

2014 costs include:

- \$ 40,000 - Update, upgrade and improve the SCADA system software for controlling the water system. An update/upgrade to the SCADA system is planned in accordance with the City's comprehensive infrastructure replacement plan, which is reviewed and updated annually.

2015 costs include:

- \$100,000 - Install natural gas/alternate power backup generator for Well 6. Well 6 is a stand-alone well, meaning the water is treated and pumped directly into the water system. All of the other wells pump to the reservoir where the water is treated.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Debt-Water Revenue		\$ 180,000	\$ 40,000	\$ 100,000		
Total Sources of Funds	\$ -	\$ 180,000	\$ 40,000	\$ 100,000	\$ -	\$ -
<b>Uses</b>						
Utility System Controls			40,000			
Water Miscellaneous		180,000		100,000		
Total Uses of Funds	\$ -	\$ 180,000	\$ 40,000	\$ 100,000	\$ -	\$ -

Improvements, rehabilitation, cleaning and inspection of the City's water system are planned in accordance with the City's Comprehensive Infrastructure Replacement policy, which is reviewed and updated annually.

**Water Treatment Plant**

PWA 17

The addition of a water treatment plant will address the issue of rising levels of iron and manganese in the City's wells. Water treatment will effectively remove dissolved iron and manganese from the City's water supply.

- 2014 Engineering consultant fees associated with design of the water treatment plant
- 2015 and 2016 Construction and engineering consultant fees associated with construction of the water treatment plant

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Debt-Water Revenue			\$ 1,000,000	\$ 4,000,000	\$ 4,000,000	
Total Sources of Funds	\$ -	\$ -	\$ 1,000,000	\$ 4,000,000	\$ 4,000,000	\$ -
<b>Uses</b>						
Buildings-Proprietary			\$ 1,000,000	\$ 4,000,000	\$ 4,000,000	
Total Uses of Funds	\$ -	\$ -	\$ 1,000,000	\$ 4,000,000	\$ 4,000,000	\$ -

The water in most of the City's wells has manganese levels higher than the secondary standards set by the EPA. Some wells are showing signs of high levels of iron as well. Iron and manganese are not considered harmful to health, but they can cause esthetic problems, as well as taste and odor issues within the water system. Increasing levels of iron and manganese is supported by the steadily growing number of customer concerns or complaints regarding the color and/or look and feel of the City's water.

**Sanitary Sewer Rehabilitation**

PWA 6

The repair or rehabilitation of high-maintenance or defective sanitary sewer segments located within the City through technology or construction techniques which are unavailable to City maintenance crews. For instance, the City is actively pursuing the use of trenchless methods, and/or pipe re-lining, as an alternative to excavating in existing

streets/neighborhoods.

- 2015 - \$500,000 for Floral Drive and Demar Avenue West of Hodgson, the Hanson Road/Oakridge Neighborhood, the Turtle Lane Neighborhood, Schifsky Road and miscellaneous areas throughout the City
- 2017 Spot sewer lining repairs in miscellaneous areas throughout the City

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Debt-Sewer Revenue				\$ 500,000		\$ 70,000
<b>Total Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ 70,000</b>
<b>Uses</b>						
Sanitary Sewer				\$ 500,000		\$ 70,000
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ 70,000</b>

Various sections of the City's sanitary sewer system are in need of repair or rehabilitation. Often, leaky and/or broken pipes and manholes are responsible for groundwater infiltration into the sewage system, resulting in higher sewage treatment costs for the City. The pipes and manholes in need of repair are also more likely to fail, resulting in sewage back-ups and resulting damage claims.

**Sewer Lift Stations**

PWA 3

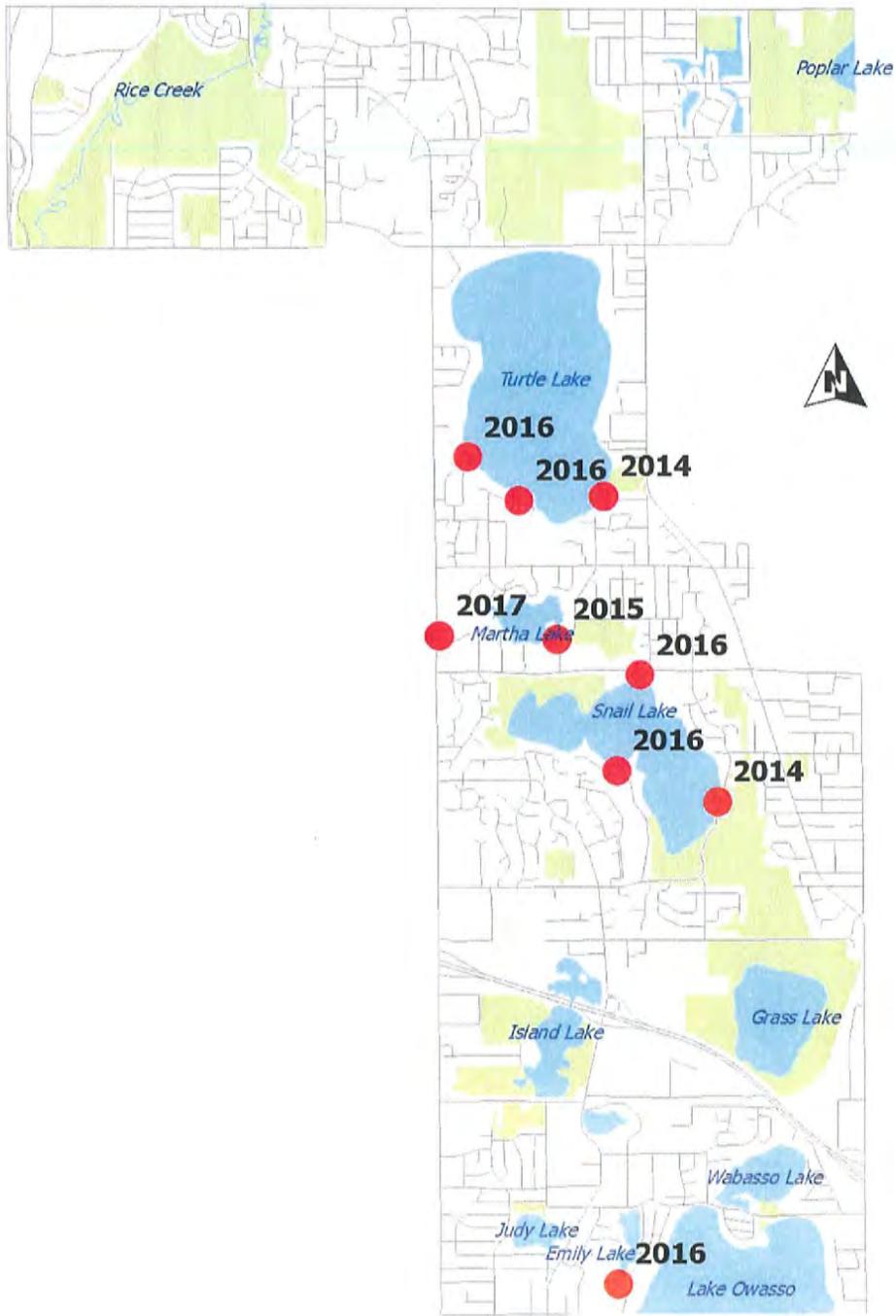
Sewer lift station improvements include updates and replacement of lift station equipment as well as system controls and monitoring capability.

Scheduled replacements and upgrades include:

- 2014 - update and improvement of controls and components at the Schifsky and Snail Lake lift stations
- 2015 - update, upgrade, and improve the SCADA system software for controlling and monitoring sanitary sewer lift stations
- 2016 - update 5 lift stations including: South Carlson, Reiland Lane, Turtle Lake, Dale & 96, and Oakridge.
- 2017 - update and improve controls and components at the North Lexington lift station

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Debt-Sewer Revenue			\$ 30,000	\$ 45,000	\$ 75,000	\$ 30,000
Total Sources of Funds	\$ -	\$ -	\$ 30,000	\$ 45,000	\$ 75,000	\$ 30,000
<b>Uses</b>						
Sewer Lift Station			\$ 30,000	\$ 45,000	\$ 75,000	\$ 30,000
Total Uses of Funds	\$ -	\$ -	\$ 30,000	\$ 45,000	\$ 75,000	\$ 30,000

Updates and improvements are planned in accordance with the City's comprehensive infrastructure replacement plan, which is reviewed and updated annually.



**Pretreatment Structures**

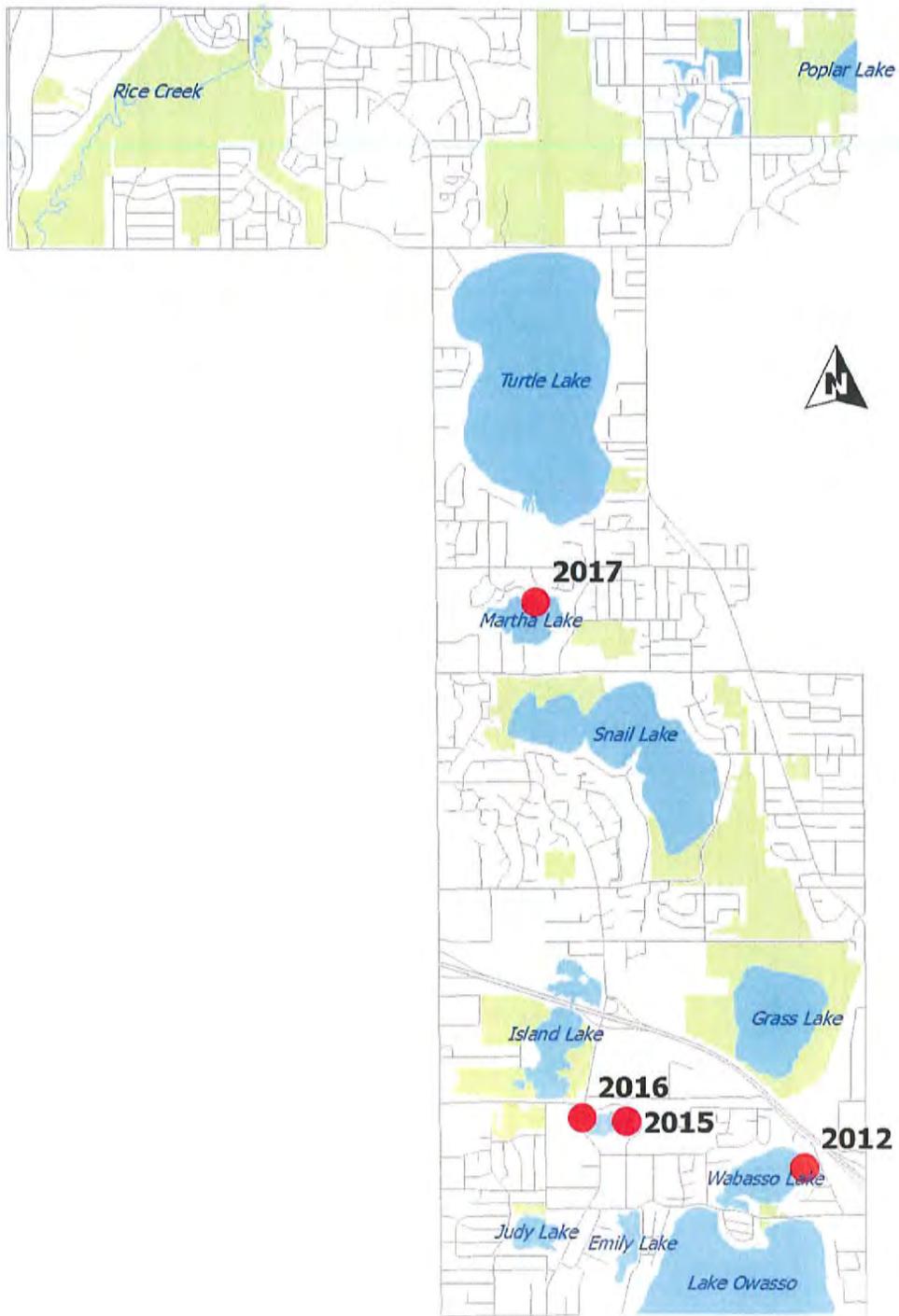
PWA 2

Construction of storm water pretreatment structures (within the road right-of-way) near the current location of storm water pipes that directly discharge run-off into lakes. The following improvements are planned:

- 2012 Storm sewer pipe retrofit to resolve direct discharge into Lake Wabasso
- 2015 - East shore of Shoreview Lake, subject to potential redevelopment of the adjacent multi-unit dwellings
- 2016 - Northwest shore of Shoreview Lake, subject to potential redevelopment of the adjacent multi-unit dwellings and strip mall
- 2017 Install storm water treatment structure on direct discharge into Lake Martha

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Debt-Surface Water Revenue	\$ 60,000			\$ 120,000	\$ 120,000	\$ 120,000
Total Sources of Funds	\$ 60,000	\$ -	\$ -	\$ 120,000	\$ 120,000	\$ 120,000
<b>Uses</b>						
Storm Sewer	\$ 60,000			\$ 120,000	\$ 120,000	\$ 120,000
Total Uses of Funds	\$ 60,000	\$ -	\$ -	\$ 120,000	\$ 120,000	\$ 120,000

Based on the City's Surface Water Management Plan, the projects have been identified to eliminate direct discharges and improve the quality of surface water run-off.



**Residential Street Lights**

PWA 7

Replacement of City-owned street lighting components each year. This work typically includes poles, luminaries, power sources, wiring, etc. in residential neighborhoods. Based on factors including age, material types, and reliability, the City will identify high priority areas and work with a lighting contractor on the selection and installation of the components.

Replacement allowances reflect conversion of City-owned street lights to more efficient LED fixtures and the gradual replacement and transfer of ownership of Xcel lights to City-owned lights.

Allowances for street light replacements are as follows:

- 2013 - 22 lights
- 2014 - 22 lights
- 2015 - 21 lights
- 2016 - 21 lights
- 2017 - 32 lights

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Street Lighting Fund	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 235,000
Total Sources of Funds	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 235,000
<b>Uses</b>						
Street Lighting	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 235,000
Total Uses of Funds	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 235,000

To address the growing trend and costs associated with street lighting outages and repairs in residential neighborhoods. This project proposes to address street lighting needs on a neighborhood basis, as opposed to responding to customer complaints.

A substantial amount of residential development occurred in the 1970's and the 1980's, and the components typically used for street lighting in those neighborhoods are reaching the end of their useful life. For instance, hollow wood poles are subject to rotting and bird/insect damage, and direct-buried wiring (as opposed to wiring in conduit) causes increased lighting outages. The upgraded system (with metal or fiberglass poles, efficient luminaries and wiring) is expected to have lower operating costs, and a service life of at least 35 years.

## Fire Equipment

ADM 2

An allowance for the replacement of fire vehicles and equipment is planned for Shoreviews share (at 58.9% of the total cost) of fire equipment, as estimated by the Lake Johanna Fire Department.

Truck replacements include:

- 2012 - \$319,332 Fire rescue
- 2013 - \$ 83,720 Chief's vehicle and utility vehicle
- 2014 - \$ 76,544 Utility vehicle
- 2017 - \$469,430 Fire truck and chiefs vehicle

Information systems estimates cover one computer replacement each year and in 2014 includes mobile computers for shift trucks.

Self-Contained Breathing Apparatus (SCBA) equipment includes:

- 2014 - \$197,340 SCBA replacement

Rescue equipment includes:

- 2012 - \$ 5,083 Technical rescue and cold water rescue equipment
- 2014 - \$ 6,578 Helmet replacement
- 2015 - \$ 6,578 Helmet replacement
- 2016 - \$ 23,920 Technical rescue equipment

Miscellaneous equipment includes:

- 2013 - \$ 21,408 Ladder truck repairs, tire replacement and thermal imaging camera replacement
- 2014 - \$ 2,392 Replace enclosed trailer

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund	\$ 326,478	\$ 107,221	\$ 296,907	\$ 8,701	\$ 26,043	\$ 469,430
Total Sources of Funds	<u>\$ 326,478</u>	<u>\$ 107,221</u>	<u>\$ 296,907</u>	<u>\$ 8,701</u>	<u>\$ 26,043</u>	<u>\$ 469,430</u>
<b>Uses</b>						
Fire Vehicles/Equipment	\$ 319,332	\$ 83,720	\$ 76,544			\$ 469,430
Other Information Systems	2,063	2,093	2,093	2,123	2,123	
SCBA Equipment			197,340			
Equipment-Rescue	5,083				23,920	
Equipment-Miscellaneous		21,408	20,930	6,578		
Total Uses of Funds	<u>\$ 326,478</u>	<u>\$ 107,221</u>	<u>\$ 296,907</u>	<u>\$ 8,701</u>	<u>\$ 26,043</u>	<u>\$ 469,430</u>

Replacement of fire apparatus, rescue equipment and other equipment for the Fire Department is important to providing quality fire protection service to the community.

**Warning Sirens**

ADM 3

An allowance for the replacement/repair of warning sirens for each year is provided below.

- 2014 - \$18,000 Victoria St siren at the maintenance center
- 2015 - \$18,000 Victoria & 694 siren
- 2015 - \$ 9,000 Shoreview's share of Rice & Country Drive siren
- 2016 - \$ 9,000 Shoreview's share of Rice & Snail Lake Rd siren
- 2016 - \$18,000 Turtle Lake School siren
- 2017 - \$18,000 Lake Judy siren

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fixed Asset Fund			\$ 18,000	\$ 27,000	\$ 27,000	\$ 18,000
Total Sources of Funds	\$ -	\$ -	\$ 18,000	\$ 27,000	\$ 27,000	\$ 18,000
<b>Uses</b>						
Public Safety			\$ 18,000	\$ 27,000	\$ 27,000	\$ 18,000
Total Uses of Funds	\$ -	\$ -	\$ 18,000	\$ 27,000	\$ 27,000	\$ 18,000

Regular maintenance/replacement of sirens is necessary to maintain the effectiveness of the warning system.

### Computer Systems

FINA 1

An allowance for periodic upgrades and replacements to the City's information systems (hardware and software) is planned to ensure the continued effectiveness of the network. The five-year information systems plan has expanded in recent years to address system-wide technology needs, in part due to the increased integration between systems. As such, the plan provides for personal computers, printers (member card, desktop, multi-function, high-speed, CAD plotter/scanner), file servers, miscellaneous hardware/systems (card access, security cameras, image scanners, card scanners, mobile devices, building monitors, phone system, wireless capability), network storage, LAN infrastructure, LAN software (backup protection, server virtualization, email, calendar, etc.), and periodic upgrades and enhancements to specialized software (accounting, recreation, CAD, GIS, office, permits, etc.).

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
General Fund	\$ 800	\$ 500			\$ 800	
Cable Television Fund	21,700	1,920	17,500	11,000	12,500	5,000
Capital Improvement Fund	2,000		8,500	3,500	27,000	
General Fixed Asset Fund	110,260	106,000	108,500	111,000	108,000	189,000
Water Fund	3,000	500		800		3,800
Sewer Fund	3,000	500		800		3,800
Central Garage Fund	11,000				11,000	
<b>Total Sources of Funds</b>	<b>\$ 151,760</b>	<b>\$ 109,420</b>	<b>\$ 134,500</b>	<b>\$ 127,100</b>	<b>\$ 159,300</b>	<b>\$ 201,600</b>
<b>Uses</b>						
Computers	\$ 20,000	\$ 20,000	\$ 13,500	\$ 10,000	\$ 10,000	\$ 15,000
Printers	19,000	23,000	2,000	2,000	13,000	29,000
Servers	23,500		21,000	22,000	14,000	22,000
Security Systems	2,150	9,000	3,000	18,000	34,000	3,000
Recovery/Backup Systems	25,600		52,500		12,500	40,000
Communication Systems	12,500	19,000	7,000	22,000	7,000	2,000
LAN/Network	10,800	10,920	16,500	12,000	57,000	9,000
Imaging/Records Storage	15,200			10,000		5,000
Specialized Applications	12,110	16,000	9,000	20,000		67,000
Other Information Systems	10,900	11,500	10,000	11,100	11,800	9,600
<b>Total Uses of Funds</b>	<b>\$ 151,760</b>	<b>\$ 109,420</b>	<b>\$ 134,500</b>	<b>\$ 127,100</b>	<b>\$ 159,300</b>	<b>\$ 201,600</b>

The City's computer systems are used extensively by staff, and the range and amount of use is continuing to expand. Timely replacements are necessary to maintain the productivity of the network, to protect the various systems, to provide adequate redundancy in the event of an emergency, and to keep pace with technology. Personal computers are replaced every 4 to 6 years, depending on the level of use. Other hardware is replaced as necessary for the productivity of the applicable system.

**Central Garage Equipment**

PWA 18

Central Garage equipment is scheduled for replacement based on an evaluation of equipment condition, repair records, incidence of breakdowns, and changing operational needs. The cost of operation and replacement of all Central Garage equipment is recovered through annual rent charges (paid by funds and activities that use the equipment throughout the year). Maintaining an efficient and effective fleet of equipment is essential to consistent service delivery.

	2012 Estimate	2013 Planned	2014 Planned	2015 Planned	2016 Planned	2017 Planned
<b>Resources</b>						
Central Garage Fund	\$ 500,656	\$ 505,000	\$ 506,000	\$ 520,000	\$ 514,000	\$ 519,000
Water Fund	9,000	15,000	15,000	15,000	15,000	15,000
Sewer Fund	6,000	10,000	10,000	10,000	10,000	10,000
<b>Total Sources of Funds</b>	<b>\$ 515,656</b>	<b>\$ 530,000</b>	<b>\$ 531,000</b>	<b>\$ 545,000</b>	<b>\$ 539,000</b>	<b>\$ 544,000</b>
<b>Uses</b>						
Truck/s	\$ 220,036	\$ 155,000	\$ 342,000	\$ 440,000	\$ 190,000	\$ 230,000
Staff Vehicle/s	24,338	22,000	25,000			
Tractor/Mower/Loader/Cart	146,782	205,000		20,000		227,000
Street Repair Equipment		65,000				
Sweeper			60,000		200,000	
Sewer Cleaning Equipment	42,000					
Generator					45,000	
Bobcat (annual rotation)	32,500	33,000	34,000	35,000	36,000	37,000
Equipment-Central Garage	50,000	50,000	70,000	50,000	68,000	50,000
<b>Total Uses of Funds</b>	<b>\$ 515,656</b>	<b>\$ 530,000</b>	<b>\$ 531,000</b>	<b>\$ 545,000</b>	<b>\$ 539,000</b>	<b>\$ 544,000</b>

This project also provides for an annual equipment rotation for the bobcat skid steer, currently used by public works maintenance personnel in conjunction with excavating projects, pond maintenance, street patching, snow removal and tree planting/landscaping projects. The annual replacement (rotation) is cost effective because the annual cost to maintain the equipment (covering routine maintenance, tire repairs and replacements) continue to rise. The trade-in program for State and Local government agencies allows the City to trade in a piece of equipment that is 1-2 years old, and purchase a new piece of equipment using state purchasing contract pricing. The annual cost of repairs/replacements for the equipment is eliminated, and the City obtains a new bobcat skid steer for a net annual cost of approximately \$2,000. The City may elect to participate in the program each year, and is under no obligation to continue participation in the program in the future. This CIP project assumes using the annual rotation each year, and also assumes a net gain on the disposal of the equipment each year, because the trade-in value is high in the first 1-2 years.



*Community Benchmarks*

*How does Shoreview compare?*

September 2012

City of Shoreview, Minnesota  
4600 Victoria Street North  
Shoreview, MN 55126

## Introduction

Comparisons of taxes and spending among cities are a topic of interest as the City moves through the annual budget process. Benchmark comparisons are assembled for metro-area cities closest to Shoreview in size (using population levels), and for peer cities that generally receive high quality-of-life ratings from citizens in their respective community surveys.

The comparisons are useful to illustrate how taxes and spending compare to Shoreview, as well as to evaluate how Shoreview's ranking changes over time. This document provides a summary of the information in preparation for the annual budget hearing.

Statistical information is derived from two key sources:

1. League of Minnesota Cities (LMC) publishes a report each fall on City property values, tax levies, tax rates and state aid for the current year. The most recent report provides 2012 data.
2. Minnesota Office of State Auditor (OSA) publishes a report in the spring on final City revenue, spending, debt levels and enterprise activity for two years earlier. The most recent OSA report provides 2010 data.

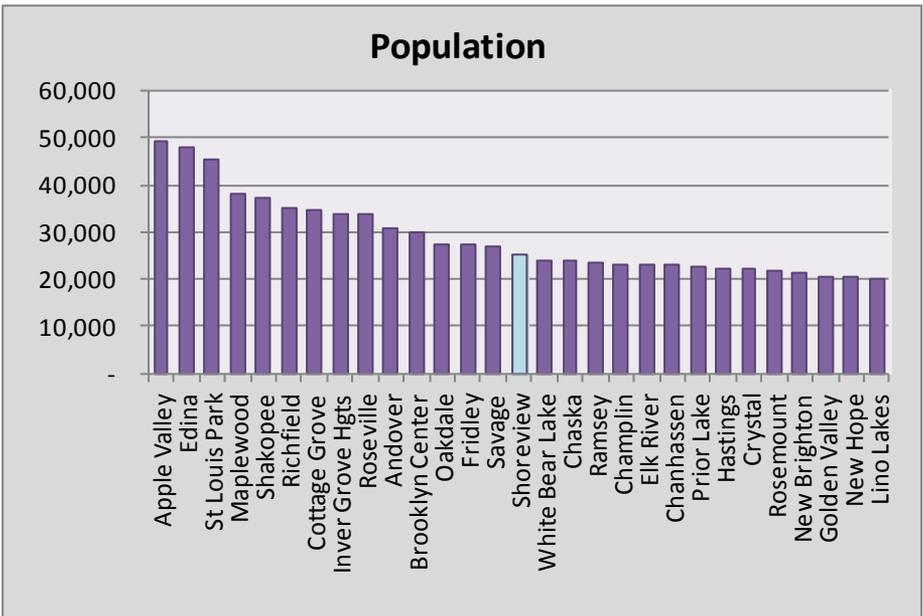
Shoreview uses both the LMC and OSA information to assemble two sets of data:

1. Comparison Cities - to illustrate how Shoreview ranks in relation to metro-area cities with population levels closest to Shoreview by selecting 14 cities larger and 14 cities smaller. These are cities with populations between 20,000 and 50,000.
2. MLC Cities - to illustrate how Shoreview ranks in relation to cities belonging to the Municipal Legislative Commission (MLC).

The 16 peer cities represented by the Municipal Legislative Commission (MLC) provide important comparisons because these cities have achieved high quality-of-life rankings from their residents in their respective community surveys, and they are often recognized as having sound financial management. In fact, most of the 16 cities have AAA bond ratings, as does Shoreview.

## Population

The graph below contains the 2011 population for each of the comparison cities. By design, Shoreview falls exactly in the middle. A similar graph with population levels for MLC cities is presented on page 13.



## City-Share of Property Taxes

The 2012 City-share of property taxes for a \$235,700 home (Shoreview's median value) is illustrated in the graph below. Shoreview ranks 5th lowest at \$731, and is about 24% below the average of \$961. It should be noted that for property tax purposes, the home value is reduced from \$235,700 to \$219,673 due to market value exclusion (MVE).



## Tax Levy Ranking

Shoreview's tax levy rank has improved in the last 10 years in relation to comparison cities. For instance, in the year 2002 Shoreview ranked 18, and has dropped 2 positions to rank 20 in 2012. Shoreview's tax levy was 21.2% below the average of comparison cities in 2002, compared to 23.7% below the average for 2012.

2002		
Rank	City	Levy
1	Edina	\$16,990,739
2	Apple Valley	15,157,362
3	St. Louis Park	14,272,112
4	Golden Valley	10,682,329
5	Richfield	10,231,685
6	Maplewood	9,645,563
7	Brooklyn Center	9,503,505
8	Inver Grove Hgts	8,922,888
9	Roseville	8,922,740
10	Cottage Grove	8,466,017
11	New Hope	7,488,634
12	Chanhassen	6,742,474
13	Rosemount	6,735,846
14	Savage	6,614,823
15	Oakdale	6,607,519
16	Hastings	6,576,242
17	Shakopee	6,500,394
18	Shoreview	5,979,013
19	Lino Lakes	5,902,284
20	Crystal	5,644,690
21	Andover	5,626,617
22	Fridley	5,613,258
23	Champlin	5,256,896
24	New Brighton	5,162,859
25	Elk River	5,118,217
26	Prior Lake	4,805,197
27	Ramsey	4,623,388
28	White Bear Lake	4,307,701
29	Chaska	2,051,788
Average		\$ 7,591,475
Shvw to Avg		-21.2%

2012		
Rank	City	Levy Before MVHC Cuts
1	Edina	\$25,641,719
2	St Louis Park	23,763,589
3	Apple Valley	20,223,318
4	Maplewood	17,167,391
5	Richfield	16,981,362
6	Golden Valley	16,410,340
7	Inver Grove Hgts	14,958,700
8	Shakopee	14,717,435
9	Savage	14,670,008
10	Roseville	14,137,295
11	Brooklyn Center	13,208,169
12	Cottage Grove	12,241,249
13	Hastings	11,746,070
14	Andover	10,448,972
15	Fridley	10,383,597
16	Rosemount	10,331,935
17	Elk River	10,275,572
18	Oakdale	9,880,974
19	Chanhassen	9,802,043
20	Shoreview	9,290,085
21	New Hope	9,229,295
22	Crystal	8,792,834
23	Ramsey	8,414,125
24	Prior Lake	8,285,601
25	Lino Lakes	8,227,487
26	New Brighton	7,289,559
27	Champlin	7,239,634
28	Chaska	4,880,331
29	White Bear Lake	4,665,427
Average		\$ 12,182,901
Shvw to Avg		-23.7%

## State Aid

Shoreview receives no local government aid (LGA) to help support the cost of City services. The table below shows the total LGA received by each comparison city, as well as the amount of LGA per capita. The highest city (on a per capita basis) is Crystal at \$65.69 of LGA per capita. Most comparison cities receive no LGA.

City	Local Govt Aid (LGA)	LGA Per Capita
Crystal	\$ 1,455,066	\$ 65.69
White Bear Lake	\$ 1,532,448	\$ 64.40
Richfield	\$ 1,218,346	\$ 34.58
Fridley	\$ 759,414	\$ 27.91
Brooklyn Center	\$ 411,378	\$ 13.67
New Hope	\$ 41,843	\$ 2.06
Chaska	\$ 37,441	\$ 1.58
Apple Valley	\$ -	\$ -
Edina	\$ -	\$ -
St Louis Park	\$ -	\$ -
Maplewood	\$ -	\$ -
Shakopee	\$ -	\$ -
Cottage Grove	\$ -	\$ -
Inver Grove Hgts	\$ -	\$ -
Roseville	\$ -	\$ -
Andover	\$ -	\$ -
Oakdale	\$ -	\$ -
Savage	\$ -	\$ -
Shoreview	\$ -	\$ -
Ramsey	\$ -	\$ -
Champlin	\$ -	\$ -
Elk River	\$ -	\$ -
Chanhassen	\$ -	\$ -
Prior Lake	\$ -	\$ -
Hastings	\$ -	\$ -
Rosemount	\$ -	\$ -
New Brighton	\$ -	\$ -
Golden Valley	\$ -	\$ -
Lino Lakes	\$ -	\$ -

## Tax Rates

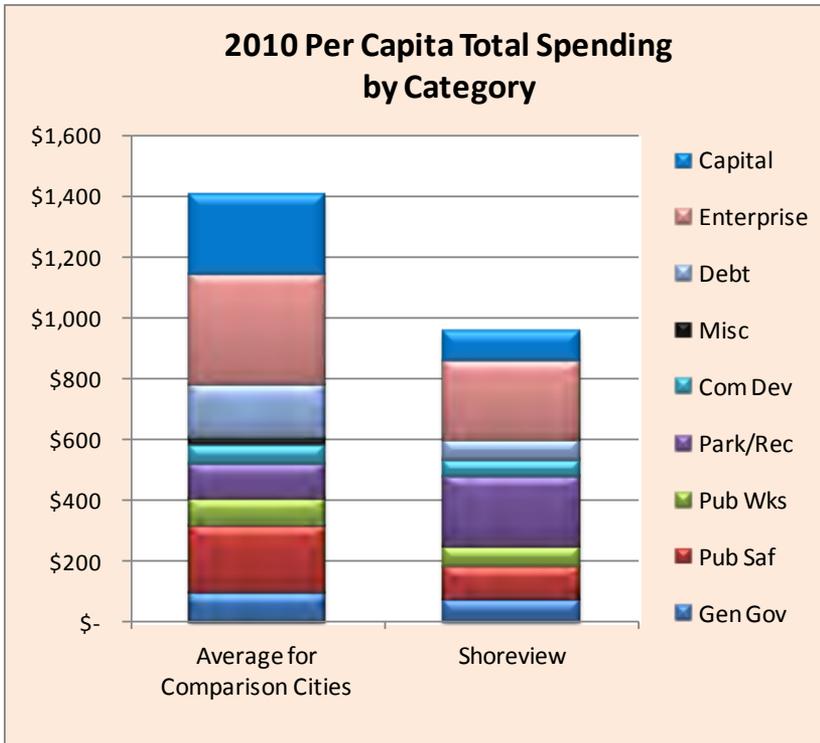
Tax rates provide a useful comparison because they measure both levies and values (the levy is divided by the taxable value to compute the tax rate). Shoreview's tax rate has remained relatively constant in the last 10 years, ranking 6th lowest in both 2002 and 2012. For 2012, Shoreview is about 22.4% below the average tax rate of 42.83%.

2002		
Rank	City	Tax Rate
1	Rosemount	59.55%
2	Hastings	58.66%
3	Brooklyn Center	57.71%
4	New Hope	53.79%
5	Lino Lakes	53.08%
6	Richfield	51.72%
7	Golden Valley	51.49%
8	Cottage Grove	47.41%
9	Apple Valley	45.94%
10	Inver Grove Hgts	45.23%
11	Elk River	43.60%
12	Crystal	43.36%
13	Champlin	42.36%
14	Oakdale	42.09%
15	Ramsey	41.58%
16	Prior Lake	39.89%
17	New Brighton	38.90%
18	St Louis Park	38.13%
19	Chanhassen	37.77%
20	Maplewood	35.44%
21	Savage	34.11%
22	Shakopee	33.98%
23	Andover	33.27%
24	Shoreview	30.40%
25	Fridley	29.99%
26	Roseville	29.41%
27	Edina	27.81%
28	White Bear Lake	27.37%
29	Chaska	19.84%
Average		41.17%
Shvw to Avg		-26.2%

2012		
Rank	City	Tax Rate
1	Hastings	66.08%
2	Brooklyn Center	64.36%
3	Richfield	60.81%
4	Golden Valley	55.80%
5	New Hope	55.11%
6	Crystal	51.34%
7	Savage	51.12%
8	Elk River	47.59%
9	Rosemount	46.99%
10	Inver Grove Hgts	45.36%
11	Ramsey	44.17%
12	Apple Valley	44.11%
13	Maplewood	44.06%
14	St Louis Park	43.87%
15	Lino Lakes	42.89%
16	Andover	42.26%
17	New Brighton	41.43%
18	Cottage Grove	41.29%
19	Champlin	41.20%
20	Fridley	39.62%
21	Oakdale	39.25%
22	Shakopee	36.66%
23	Roseville	33.45%
24	Shoreview	33.25%
25	Prior Lake	29.74%
26	Chanhassen	28.52%
27	Edina	26.25%
28	Chaska	25.49%
29	White Bear Lake	19.94%
Average		42.83%
Shvw to Avg		-22.4%

## Total Spending Per Capita

Data obtained from the OSA each year helps Shoreview compare total spending per capita. The graph below contrasts the average spending per capita in 2010 for comparison cities along side the per capita spending in Shoreview. Shoreview's total 2010 spending is about \$954 per capita, which is about 32% below the average of \$1,395.



## Spending Per Capita by Activity

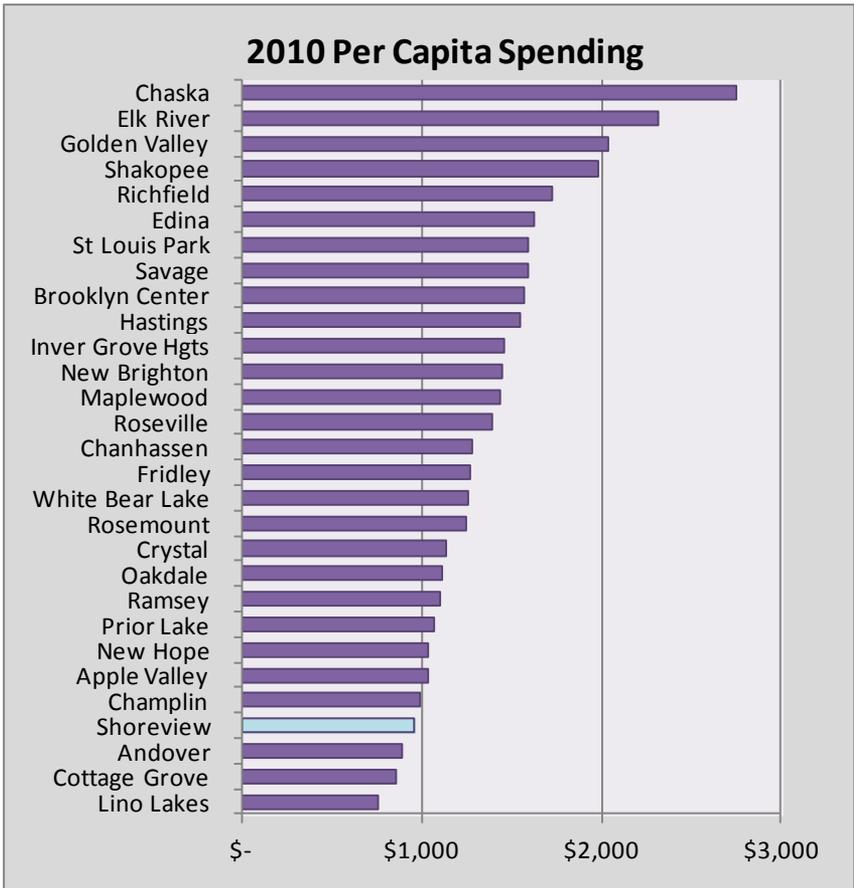
When reviewing spending in more detail, Shoreview is below average in all activities except parks and traditional utility operations (water, sewer, storm and street lighting).

- Parks and recreation spending is higher in Shoreview due to the Community Center and Recreation Program operations (largely supported by user fees and memberships).
- Utility spending is higher due to differences in how cities account for storm sewer and street light operations. For instance, some cities support these operations with property tax revenue.
- Public safety spending in Shoreview is the lowest for all comparison cities, at \$111.96 per capita, due to the efficiencies gained by contracting for both police and fire protection.
- Debt payments are 63% below average in Shoreview due to lower overall debt balances.

2010 Per Capita Spending	Average	Shoreview	Shoreview to Average	
			Dollars	Percent
General government	\$ 94.20	\$ 69.47	\$ (24.73)	-26.3%
Public safety	220.10	111.96	(108.14)	-49.1%
Public works	88.88	62.59	(26.29)	-29.6%
Parks	114.90	233.38	118.48	103.1%
Commun devel/EDA/HRA/Housing	60.29	52.61	(7.68)	-12.7%
All other governmental	16.29	3.44	(12.85)	-78.9%
Water/sewer/storm/st lights	232.08	259.75	27.67	11.9%
Electric	109.76	-	(109.76)	-100.0%
All other enterprise operations	22.65	-	(22.65)	-100.0%
Debt payments	175.20	65.17	(110.03)	-62.8%
Capital outlay	260.67	95.54	(165.13)	-63.3%
<b>Total All Funds</b>	<b>\$ 1,395.02</b>	<b>\$ 953.91</b>	<b>\$ (441.11)</b>	<b>-31.6%</b>

The graph below shows total 2010 spending per capita (spending divided by population) for all comparison cities. Spending levels range from a high of \$2,754 in Chaska to a low of \$760 in Lino Lakes.

Shoreview ranks 4th lowest at \$954 per capita, and is 32% below the average of \$1,395.



## Revenue Per Capita by Source

Shoreview is below average for every revenue classification in 2010 except charges for service and traditional utility revenue, and is about average for tax increment. Recreation program fees and community center admissions and memberships cause Shoreview to collect charges for service revenue well above average. Shoreview is 2nd lowest for special assessments and state aid (from all sources combined), while remaining more than 17% below average in property taxes.

2010 Per Capita Revenue	Average	Shoreview	Shoreview to Average	
			Dollars	Percent
Property tax	\$ 417.95	\$ 345.37	\$ (72.58)	-17.4%
Tax increment (TIF)	74.33	77.29	2.96	4.0%
Franchise tax	16.61	11.31	(5.30)	-31.9%
Other tax	1.62	0.59	(1.03)	-63.6%
Special assessments	50.90	8.32	(42.58)	-83.7%
Licenses & permits	26.42	20.01	(6.41)	-24.3%
Federal (all combined)	22.84	0.36	(22.48)	-98.4%
State (all combined)	64.22	15.15	(49.07)	-76.4%
Local (all combined)	14.09	2.38	(11.71)	-83.1%
Charges for service	123.71	209.55	85.84	69.4%
Fines & forfeits	8.46	1.31	(7.15)	-84.5%
Interest	17.37	5.34	(12.03)	-69.3%
All other governmental	32.20	8.00	(24.20)	-75.2%
Water/sewer/storm/street lighting	229.86	263.75	33.89	14.7%
Electric enterprise	118.84	-	(118.84)	-100.0%
All other enterprise	27.57	-	(27.57)	-100.0%
Total Revenue per capita	\$ 1,246.99	\$ 968.73	\$ (278.26)	-22.3%

The combined results for property tax and special assessments is striking because Shoreview's long-term strategy for the replacement of streets shifts a greater burden for replacement costs to property taxes and utility fees, and away from special assessments. Shoreview's Comprehensive Infrastructure Replacement Policy states that "the City, as a whole, is primarily responsible for the payment of replacement and rehabilitation costs".

Shoreview's policy further states "the maximum cost to be assessed for any reconstruction and/or rehabilitation improvements is limited to the cost of added improvements", meaning property owners pay for an improvement only once via assessments. This practice is uncommon among comparison cities.

In order to achieve this result, Shoreview estimates replacement costs for a minimum of 40 years and identifies the resources (tax levies and user fees) necessary to support capital replacement costs well in advance. To comply with the policy requirements, Shoreview prepares an annual Comprehensive Infrastructure Replacement Plan (CHIRP).

This practice would seem to suggest that property taxes would be significantly higher in Shoreview to generate the resources needed to fund capital replacements, yet the tables and graphs provided on previous pages in this document illustrate that Shoreview remains not only competitive but ranks consistently lower than comparison cities.

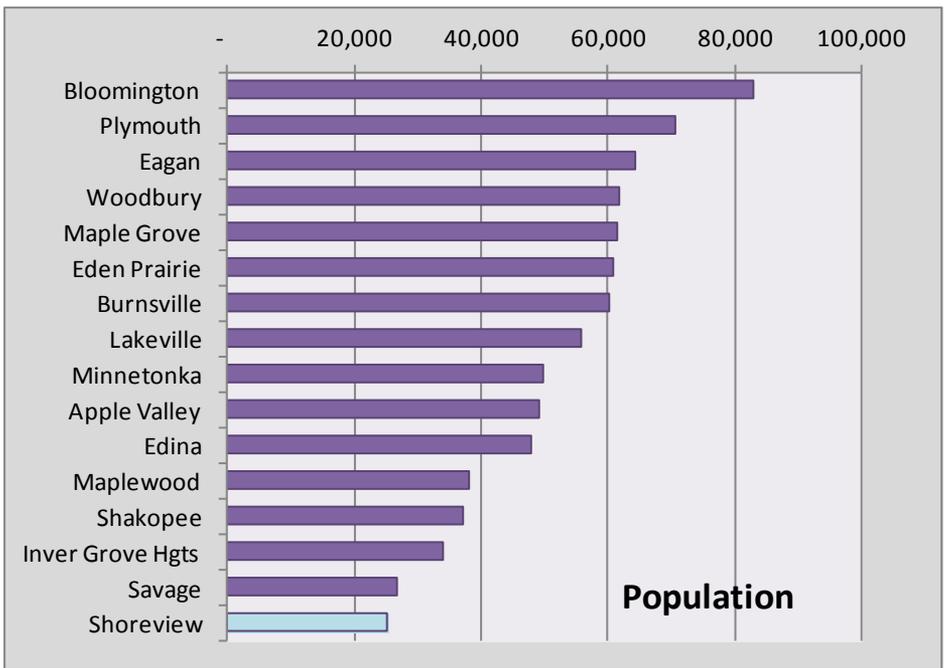
- Shoreview's 2010 spending per capita ranks 4th lowest
- Shoreview's assessment collections per capita are 2nd lowest among comparison cities
- Shoreview's share of the 2012 property tax bill, on a home valued at \$235,700, is 5th lowest
- Shoreview receives no state aid (LGA) to help pay for city services and reduce the property tax burden
- Shoreview's tax rate has remained stable and low in relation to comparison cities, ranking 24th among comparison cities in 2012 and in 2002

In short, Shoreview's long-term capital replacement planning has allowed the city to keep pace with replacement needs, and strongly limit the use of assessments while keeping property taxes lower than most comparison cities.

## Comparison to MLC Cities

Comparisons for the 16 cities belonging to the Municipal Legislative Commission (MLC) provide an important comparison because these peer cities generally achieve high quality-of-life rankings from their residents in their respective community surveys, and are often recognized as having sound financial management (and most have AAA bond ratings, like Shoreview).

Shoreview has the smallest population in the group, and is roughly half of the average for the group.



Market Value comparisons are most useful when viewed on a per capita basis, because the geographic size and total market value of each community can vary greatly. For instance, Bloomington has the highest total market value at \$131.9 million followed by Edina with total market value of \$83.0 million. Once the value is divided by population, Edina’s ranks highest at \$189,859 of value per resident, while Bloomington ranks 5th at \$116,560.

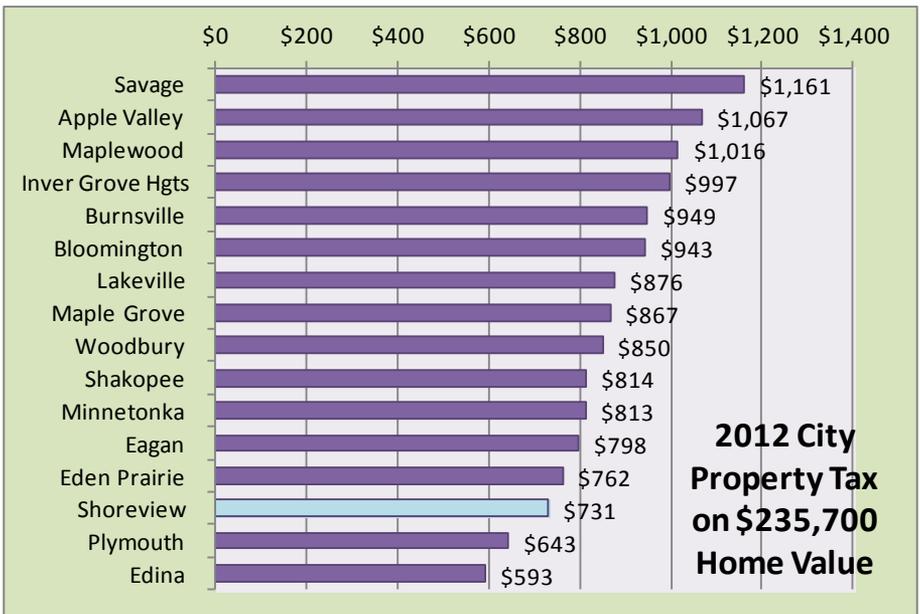
The graph below presents market value per capita for each MLC city. Shoreview is near the middle of the group (about 6.2% below the average of \$109,418).



Property Tax by Component Unit comparisons are perhaps the most revealing because taxes are compared for each type of component unit (i.e. city, county, school district and special districts).

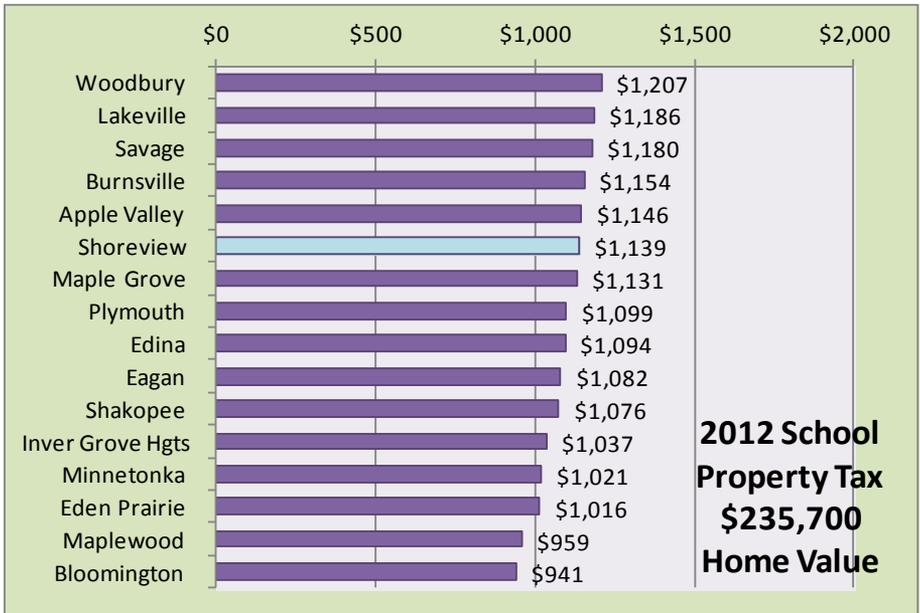
The next 5 graphs compare property taxes by the type of taxing jurisdiction, starting with the city share of the tax bill.

City taxes are presented below for a home valued at \$235,700 (Shoreview's median value). Shoreview ranks 3rd lowest at \$731, compared to a high of \$1,161 in Savage, and a low of \$593 in Edina. The average City tax for MLC cities is \$867.



School District property taxes are presented in the table below. It should be noted that the estimate for Shoreview assumes that the property is located in the Mounds View school district. Since MLC cities are located throughout the metro area, this illustration provides a comparison for a variety of school districts.

Property taxes in the Mounds View school district rank about 4% above the MLC city average.



Special Districts also vary throughout the metro area, depending on the watershed districts and local housing districts in each City. In Shoreview, special districts include the Regional Rail Authority, Metropolitan Council, Mosquito Control, Rice Creek Watershed and the Shoreview HRA. The special district tax bill in Shoreview breaks down as follows:

Regional Rail	\$ 95
Metropolitan Council	59
Mosquito Control	12
Rice Creek Watershed	52
Shoreview HRA	<u>6</u>
Total Special District Tax	<u>\$224</u>

The graph below presents an estimate for combined special district property taxes in each City. In Shoreview, the combined tax for these districts ranks 24% above the average of \$181.



County property taxes have the largest variance from the highest cities to the lowest cities.

- Ramsey County taxes are \$1,347, the highest for MLC cities. Cities in Ramsey County include Maplewood and Shoreview.
- Hennepin County cities are \$1,060, second highest for MLC cities (including the cities of Bloomington, Eden Prairie, Edina, Maple Grove, Minnetonka and Plymouth).
- Scott County taxes are \$852 (including the cities of Savage and Shakopee).
- Washington County taxes are \$706 (Woodbury).
- Dakota County is lowest at \$703 (including the cities of Apple Valley, Burnsville, Eagan, Inver Grove Heights and Lakeville).



Total taxes in Shoreview (for all taxing jurisdictions combined) rank 2nd highest among MLC cities (see graph below).



To further put the difference into perspective, the table below provides a side-by-side comparison of the total tax bill in Shoreview compared to the total tax bill in Eagan (the lowest MLC city). For the same value home, county property taxes are \$644 higher in Shoreview, school district taxes are \$57 higher, special district taxes are \$113 higher and City taxes are \$67 lower.

Jurisdiction	Shoreview	Eagan	Difference
County	\$ 1,347	\$ 703	\$ 644
School District	1,139	1,082	57
City	731	798	(67)
Special Districts	224	111	113
<b>Total</b>	<b>\$ 3,441</b>	<b>\$ 2,694</b>	<b>\$ 747</b>

## Summary

Additional information on the City's budget, tax levy and utility rates will be made available in late November on the City's website and at city hall through two other informational booklets:

- Budget Summary
- Utility Operations

The budget hearing on the City's 2013 Budget is scheduled for December 3, 2012 at 7:00 p.m., in conjunction with the first regular Council meeting in December.

Adoption of the final tax levy, budget, capital improvement program and utility rates is scheduled for December 17, 2012 (the second regular Council meeting in December).

This document was prepared by the City's finance department.

