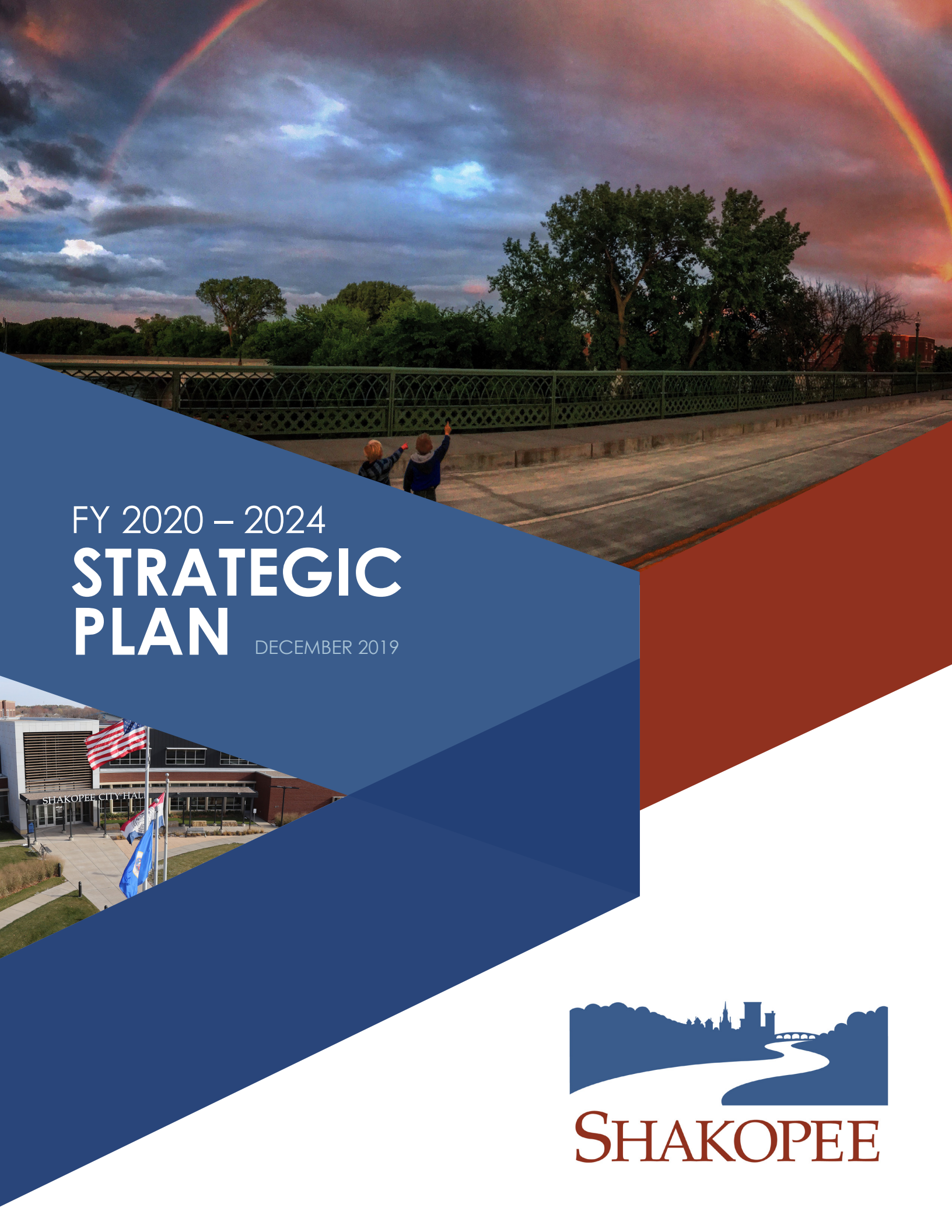




FY 2020 – 2024
**STRATEGIC
PLAN** DECEMBER 2019





RAPP CONSULTING GROUP

December 2019

RE: FY 2020-2024 Strategic Plan – City of Shakopee

Dear Mayor Mars,

I am pleased to present the 2020-2024 Strategic Plan and Summary Report to the City of Shakopee. The plan reflects the organization's priorities, commitment to measurable results and the delivery of quality services.

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

I particularly wish to thank City Administrator Bill Reynolds and Assistant City Administrator Nate Burkett for their help and support during the process.

Yours truly,

Craig R. Rapp
President

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EXECUTIVE SUMMARY

From August through November 2019, the City of Shakopee engaged in a strategic planning process. The process resulted in a strategic plan covering 2020-2024.

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

The planning effort began with an examination of the operating environment via an environmental scan, and a SWOT analysis. On September 25th and 30th, 2019, the City Council and senior management team held strategic planning sessions. They drafted the organization's vision, mission and values to guide their work. They then developed a set of priorities, key outcomes and performance targets.

Based upon those priorities, the senior management team met on October 25th, 2019 to identify a set of strategic initiatives and begin development of detailed action plans. The strategic priorities, key outcome indicators, performance targets and strategic initiatives are summarized here and on the following page.



strategy

The Plan

Four Strategic Priorities

- 1 FINANCIAL STABILITY
- 2 ENHANCE COMMUNITY STRENGTHS
- 3 EFFECTIVE PUBLIC SERVICES
- 4 COMMUNICATION

STRATEGIC PLAN SUMMARY 2020–2024

City of Shakopee

Strategic Priority	Desired Outcome	Key Outcome Indicator	Target	Strategic Initiatives
Financial Stability	Stable tax rate	-Tax rate	-Rate change equal to/lower than implicit price deflator annually	a) Develop a long-term financial plan
	Diverse revenue sources	-Non-property tax revenue	- __% increase in non-property tax revenue yearly -Reduce financial burden of entertainment destinations by __\$ by __	b) Develop a grant decision-making process c) Improve 5-yr. CIP prioritization process d) Explore methodologies for capturing tourism revenue (ticket surcharge)
	Adequate funding of CIP	-Long-term plan budgets	- __% of high-priority CIP projects funded by __ (date) __	
Enhancing Community Strengths	Make big ideas a reality	-Funded and executed projects	-Cultural trail completed by __ -Innovation center completed by 2022 - River utilization Phase I by 2024 -Gateways/west end started by __2021__	a) Develop & execute long-term plans b) Evaluate econ dev policies re: higher wage jobs c) Refine business promotion & attraction process d) Improve culture & tourism marketing
	Enhance quality of employment/jobs	-Average wage -Median income	-Avg. median income increased by 10% by __ -Avg. hourly wage \$26/hr. by __	e) Explore collaborative partnerships for tourism and events
	Successfully maximize entertainment options for tourism & visitors	-Increased holding power	-Increase # of overnight stays + ADR from __ to __ _Increase events by __ from __to__ by __ _Increase participation in public events from __to__ by __	
Effective Public Services	Stable workforce	-Turnover rate -Internal hiring rate	-Yearly turnover rate __% or lower - __% of internal candidates selected for supervisory openings (5 yr. avg.)	a) Develop 15 yr. CIP b) Conduct staffing study c) Develop service level standards
	Effective infrastructure planning	Plans in place	Prioritized infrastructure plan and funding philosophy adopted by __	d) Develop impact review process
	Adequately service the demands of growth	-Studies -Staffing ratios	By __, determine level of staffing needed in 3 depts _Determine service delivery standards in 3 depts by __	e) Create comprehensive performance management program
Communication	More voices engaged in decision-making process	- # of participants -Diversity of participants	__% increase in segments of the community participating in decisions by __	a) Develop & implement strategic communications plan b) Develop strategies to reach underserved populations
	Increase community trust of the City	-Survey results-trust	__% increase in community trust from 20 __ -20 __	c) Pursue branding and image efforts consistent w/ vision
	A positive image of the city/community	-Survey results - image	__% increase in opinion re: image from 20 __ -20 __	

OUR VISION

Shakopee is a place where people want to be! A distinctive river town, with a multitude of business, cultural and recreational opportunities in a safe, welcoming and attractive environment for residents and visitors.

OUR MISSION

Our mission is to deliver high quality services essential to maintaining a safe and sustainable community. We commit to doing this cost-effectively, with integrity and transparency.



OUR VALUES

INTEGRITY

We say what we mean, and we do what we say

BEST FOR THE COMMUNITY

We work on behalf of community interests, not individual interests

ACCOUNTABILITY

We are committed to achieving results, and accountability for our actions

INNOVATION

We strive to creatively improve our services and our community

WELCOMING, OPEN TO DIFFERENCE

We are receptive, we listen, and we are open to the differences of others

FAIR AND CONSISTENT

We are fair, consistent, and respectful in our service to the public

FUN

We enjoy what we do, and we have fun doing it

STRATEGIC PLANNING PROCESS

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

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

DEVELOPMENT

IMPLEMENTATION

Where we are

Where we're going

How we'll get there

What we'll do

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

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

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

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

Initiating the Process – Setting Expectations, Reviewing Current Situation

The strategic planning process began with a meeting of the senior management team and the consultant on August 13th, 2019. The meeting included an overview of strategic planning principles, previous planning efforts, and guidance for preparing an environmental scan. In addition, the team examined the City's current vision statement, discussed organizational value proposition, and how to address the lack of a mission statement and organizational values.

The group debated the merits of various organizational value propositions, and brainstormed concepts for mission and values statements. They established a timeline and assignments for the preparation of the environmental scan, and developed ideas for presenting the vision, mission and values discussion to the City Council at the strategic planning retreat in August.

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

On October 25th and 30th, 2019 the City Council and senior staff held strategic planning sessions to develop the strategic plan. As they addressed the question of “Where are we now?” the group was challenged to define the current organizational culture and its value proposition—understanding that an organization's culture, and the value proposition it puts forth provide the foundation for the way in which services are delivered and strategic direction is set.

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

FOUR CORE CULTURES

Control Culture

(example: Military - command and control)

Strengths: Systematic, clear

Weaknesses: Inflexible, compliance over innovation

Competence Culture

(ex: Research Lab – best and brightest)

Strengths: Results oriented, efficient

Weaknesses: Values, human element can be ignored

Collaboration Culture

(example: Family-teams)

Strengths: Manages diversity well, versatile

Weaknesses: Group think, short-term oriented

Cultivation Culture

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

Strengths: Socially responsible, consensus oriented

Weaknesses: Lacks focus, judgmental

THREE VALUE PROPOSITIONS

Operational Excellence

(ex: Wal-Mart, Southwest Airlines)

- They adjust to us (command and control)

Product/Service Leadership

(ex: Apple, Google)

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

Customer Intimacy

(ex: Nordstrom, Ritz-Carlton)

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



The group engaged in an extended discussion regarding the value proposition and its relationship to the culture. It was generally agreed that customer intimacy reflects much of the current approach and that in a small town that is inevitable. Operational excellence has been important and will continue to be important for operational stability. A number of members indicated that they felt that innovation/ service leadership was something they also demonstrated. Based upon the discussion, **operational excellence** was determined to be the primary value proposition, with **customer intimacy** as a secondary focus.



STRATEGIC PLANNING PROCESS

ASSESS CURRENT ENVIRONMENT

- Senior Management Review
- Previous Plan status
- Vision/Mission/Values
- Environmental Scan
- Stakeholder engagement
- SWOT Analysis

SET PRIORITIES, TARGETS

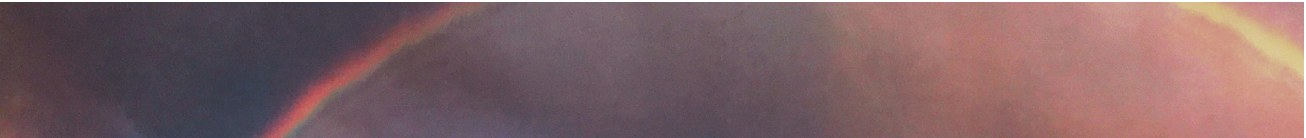
- Strategic Planning Retreat
- Operating Environment
 - Culture, Value Proposition
 - Vision/Mission/Values
 - Internal SWOT
- Challenges, Priorities
- Outcomes, KOI's, Targets
- SWOT Analysis

IMPLEMENT THE PLAN

- Implementation Session
 - Strategic Initiatives
 - Action Plans
- Refine details
- Final Review, Approval

The group then directed their attention to their mission, vision and values statements. They agreed that they needed to develop a vision statement, beyond the general work done in conjunction with the comprehensive plan. They spent time debating their purpose and long-term aspirations for the community. They examined statements from other communities. A brainstorming process ensued, resulting in the identification of key concepts the group favored for the vision. These were then used by the consultant over the succeeding weeks to create a statement which is listed on the following page.

The group then turned its attention to their mission and organizational values. Similar to the process used for the vision statement, the group reviewed sample statements, discussed their beliefs, considered the decision regarding value proposition and organizational culture, and identified concepts that reflected their consensus. These were used by the consultant to draft a mission statement and a list of values. The mission and value statements are listed below.



MISSION STATEMENT

Our mission is to deliver high quality services essential to maintaining a safe and sustainable community. We commit to doing this cost-effectively, with integrity and transparency.



VISION STATEMENT

Shakopee is a place where people want to be! A distinctive river town, with a multitude of business, cultural and recreational opportunities in a safe, welcoming and attractive environment for residents and visitors.



VALUES

INTEGRITY

We say what we mean, and we do what we say

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We work on behalf of community interests, not individual interests

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Reviewing the Environment, Setting Strategic Priorities

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

STRENGTHS

- Fiscal stability
- Growth oriented
- Customer-service oriented
- Leadership and staff
- Downtown riverfront

WEAKNESSES

- Staffing
- Communication
- Budget
- Relationships
- Prioritization
- Lack of vision/direction
- Planning (goals/strategic)
- Diversity
- Inconsistent policies and procedures
- Community engagement

SWOT Analysis

- Engaging and collaborating with partners (SMSC, businesses, diverse population)
- Continued growth and development
- Staff investment
- Embracing our history
- Riverfront and downtown
- Leveraging existing plans and resources

OPPORTUNITIES

- Council stability
- Staff stability
- Community division/perception
- External relationships
- Unknown economic future
- Implementation of plans
- Impacts of taxation
- Infrastructure concerns
- Broad public safety

THREATS



A welcoming and attractive environment for residents and visitors

The group used this information to identify those opportunities that would be helped the most by the organization's inherent strengths and which external threats were most likely to exacerbate their weaknesses.

STRENGTHS LEVERAGING OPPORTUNITIES

(Make good things happen)

- Continued growth and development
- Invest in staff: training/education, add staff as necessary, competitive pay, technology
- Implement/embrace big ideas
- Comp Plan & Parks Plan
 - Downtown
 - Riverfront
 - Gateways
- Engage and expand collaboration with our partners

WEAKNESSES EXACERBATED BY THREATS

(Keep bad things from happening)

- Staff instability
- Lack of internal and external communication
- Fiscal uncertainty
- External relationships
- Lack of planning & follow-through
- Council stability
- Lack of diversity

Following this exercise, the group examined the results, and then engaged in additional brainstorming to identify the strategic issues and challenges facing the organization.



STRATEGIC ISSUES/CHALLENGES

- Redevelopment
- Growth and development
- Staff development
- Downtown development
- Riverfront
- Gateways
- Partner collaboration
- Staff instability
- Communication--internal and external
- Fiscal uncertainty/stability
- External relationships
- Planning and follow-through
- Council stability
- Diversity

Based upon the challenges and issues identified, a facilitated discussion ensued to determine the highest priorities for the strategic planning period. The following priorities emerged as the most important over the next three years.

STRATEGIC PRIORITIES

FINANCIAL STABILITY

ENHANCED COMMUNITY STRENGTHS

EFFECTIVE PUBLIC SERVICES

COMMUNICATION

Defining the Priorities

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



Key Outcomes, Indicators, and Targets by Priority

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

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

Financial Stability

- a. **Outcome:** Stable tax rate
KOI: Tax rate
Target: Annual rate change equal to/lower than implicit price deflator
- b. **Outcome:** Diverse revenue sources
KOI: Non-property tax revenue
Target: __% increase in non-property tax revenue yearly; Reduce financial burden of entertainment destinations by __\$__ by __
- c. **Outcome:** Adequate funding of CIP
KOI: Long-term plan budgets
Target: __% of high-priority CIP projects funded by __(date)_



Enhanced Community Strengths

- a. **Outcome:** Make big ideas a reality
KOI: Funded and executed plans
Target: Cultural trail completed by __; Innovation center completed by __; River utilization Phase I by 2024; Gateways/west end started by 2021
- b. **Outcome:** Enhance quality of employment and jobs
KOI: Average wage; Median wage
Target: Average median income increased by 10% from __to__
- c. **Outcome:** Successfully maximize entertainment options for tourism and visitors
KOI: Increased holding power
Target: Increase # of overnight stays & ADR from __to__ by __; Increase events from __to__ by __; Increase participation in public events from __to__ by __

Effective Public Services

- a. **Outcome:** Stable workforce
KOI: Turnover rate; Internal hiring rate
Target: Yearly turnover rate ___% or lower; ___% of internal candidates selected for supervisory openings (5 yr. avg.)
- b. **Outcome:** Effective infrastructure planning
KOI: Plans in place
Target: Prioritized infrastructure plan and funding philosophy adopted by ___
- c. **Outcome:** Adequately service the demands of growth
KOI: Study results; Staffing ratios
Target: Determine level of staffing needed in 3 departments by 2024; Determine the service delivery standards in 3 departments by 2024

Communication

- a. **Outcome:** More voices engaged in decision-making process
KOI: _#_ of participants; Diversity of participants
Target: ___increase in segments of the community participating in decisions by ___
- b. **Outcome:** Increase community trust of the City
KOI: Survey results--trust
Target: ___% increase in community trust from 2020-2024
- c. **Outcome:** A positive image of the city/community
KOI: Survey results--image
Target: ___% increase in positive opinion regarding image from 2020-2024

STRATEGIC PLANNING PROCESS

ASSESS CURRENT ENVIRONMENT

- Senior Management Review
- Previous Plan status
- Vision/Mission/Values
- Environmental Scan
- Stakeholder engagement
- SWOT Analysis

SET PRIORITIES, TARGETS

- Strategic Planning Retreat
- Operating Environment
 - Culture, Value Proposition
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 - Internal SWOT
- Challenges, Priorities
- Outcomes, KOI's, Targets
- SWOT Analysis

IMPLEMENT THE PLAN

- Implementation Session
 - Strategic Initiatives
 - Action Plans
- Refine details
- Final Review, Approval

Implementing the Vision – Developing Strategic Initiatives and Action Plans

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

The City of Shakopee will accomplish this through a set of strategic initiatives. Strategic initiatives are broadly described, but narrowly focused activities that are aligned with the priorities and targeted to the achievement of outcomes expressed in the Targets. On October 25, 2019, senior staff and the consultant met to identify strategic initiatives. Following this session, staff teams worked to develop detailed action plans for each initiative.

Financial Stability

- Develop a long-term financial plan
- Develop a grant decision-making process
- Improve 5-yr. CIP prioritization process
- Explore methodologies for capturing tourism revenue

Enhanced Community Strengths

- Develop and execute long-term plans
- Evaluate economic development policies regarding higher wage jobs
- Refine business promotion and attraction process
- Improve culture and tourism marketing
- Explore collaborative partnerships for tourism and events

Effective Public Services

- Develop a 15 yr. CIP
- Conduct a staffing study
- Develop service level standards
- Develop impact review process
- Create comprehensive performance management program

Communication

- Develop and implement strategic communications plan
- Develop strategies to reach underserved populations
- Pursue branding and image efforts consistent with vision



Strategic Planning Participants

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

The City 's senior staff supported the City Council offered challenges to conventional thinking.

City Council

William Mars, *Mayor*

Jody Brennan, *Councilmember*

Angelica Contreras, *Councilmember*

Matt Lehman, *Councilmember*

Jay Whiting, *Councilmember*

Senior Staff

Bill Reynolds, *City Administrator*

Nathan Burkett, *Assistant City Administrator*

Lori Hensen, *City Clerk*

Steve Lillehaug, *Public Works Director/City Engineer*

Jeff Tate, *Police Chief*

Rick Coleman, *Fire Chief*

Michael Kerski, *Director of Planning and Development*

Darin Nelson, *Finance Director*

Jay Tobin, *Parks and Recreation Director*

Dave Kriesel, *Building Official*

Andy Hutson, *IT Director*

Alissa Frey, *HR Manager*

Kristin Doran, *Communications Coordinator*

Joy Sutton, *Grants and Special Projects Coordinator*

APPENDIX I

SWOT Results

Strengths

STAFF

- staff practice the “art of the possible” with innovative solutions
- passionate commitment to doing things right for the good of the community
- vast network of collaborative strategic partners allows achieving the otherwise impossible
- agility, flexibility, and responsibility (willing to lead, follow, or do whatever needs to be done)
- transparency
- unapologetic dedication to offering fair and equitable practices, procedures, and policies
- Excellent staff throughout the organization
- Little controversy when compared to other cities
- Professional development opportunities
- Financially stable city
- Strong leadership
- Environment exists to bring new ideas forward and to take risks
- Dedicated employees
- Very experienced and dedicated staff
- Fiscally sound
- Continued community growth
- Now stable council
- Award winning Comprehensive Plan setting the stage for 2040
- Park Plan in place for future park developments
- Long term payments through rents allows for capital replacements
- A lot of younger staff that are some of the best in the metro
- A motivated, committed and relatively young workforce, particularly midlevel employees
- Agile and modern information technology resources
- Freedom to take risks and explore alternative possibilities
- Comfortable financial position
- Public facilities and work environments
- Leadership/Experience
- Training or Resources to Training
- Positive History (within the community)
- Customer service centered
- Dedicated staff
- Sound financials

- Staff support from directors
- Forward thinking on the development and growth of the city
- Great employee minds that are forward thinkers in terms of technology
- Great people/employees that want to do a great job
- Budget typically allows us to do the projects that we feel will add value to our city
- Council gives employees ability to make experienced and educated decisions
- New buildings help with employee satisfaction
- Strong Leadership
- Fiscal Responsibility
- High Growth
- Committed to openness in government
- Moral Compass
- Culture of Innovation
- experienced staff
- customer orientated finances are in order

COUNCIL

- Engaged workforce
- Strong financial position
- Informed and experienced staff
- Experience administrator
- City Leadership
- Fiscal Stability
- Customer Service focus
- Management of organization by dept
- Our downtown
- Our riverfront
- creativity and innovative
- videos
- Employees
- fiscally responsible
- still growing and building
- open to conversations and questions
- Diversified tax
- Base, geographic location

Weaknesses

STAFF

- been doing so much for so long with so little that now expected to accomplish anything with nothing (not staffed appropriately
- in staff numbers to do jobs and appropriate grade)
- professional development for ALL not just the lucky few
- team building activities where vision, mission, etc. are discussed so everyone understands the “why”
- shortchange the budget for political reasons (the levy that will “sell” rather than the one we need)
- marketing (over promote few sound bites
- “tax cut” while failing more important messages “safety”)
- Some positions don't attract a lot of applicants
- Relationships with the county, school district and SPUC fluctuate
- Some of it's needed but the process can be messy
- tribalism
- Shakopee cheap
- things have always been done as cheaply as possible and now we are paying the price
- No long-term budgeting that would allow for bonding of some larger projects
- Silo staff in some areas
- No city was ever known as the tax cut city-That's not how you build stability
- Council seems sometimes focused on little things like oil changes when they should be thinking about the future
- Some council spend more time worrying about social media than the general public
- Apathy from the general public on most issues
- Lack of true messaging to residents and community identity and engagement
- Too political
- It's about what is best long term for community not about the next election
- SMSC relationship
- Lack of strategic vision and prioritization, e.g. continually changing targets and priorities
- Poor internal communication between departments
- Homogeneous department leadership
- Lack of community engagement
- Inconsistent following of processes and procedures
- Facilitating change due to financial constraints

- Slower response time due to approval process
- Breakdown in communication among directors, departments and employees
- Lack of completion of projects (projects are started and then, dissipate or employees told XYZ will happen, and it does not)
- Not competitive with other work environments
- = losing qualified candidates for open position (for example, no flex scheduling)
- No performance reviews
- Diversity in workplace, esp. in leadership positions
- Lack of citywide prioritization of projects
- Scheduling resources between departments
- Sharing of future department projects
- Transitional Identity issues between old and new Shakopee
- Lack of Strategic Direction from Council
- Association with SPUC with no ability to change
- rightsizing of staff for the current and growing community (e.g. not enough staff in some departments to deliver and lack of support to grow the staff adequately)
- lack of strategic planning connected to the city's goals
- SPUC is not the city, and the city gets the bad rap for SPUC's doings
- resilient economy

COUNCIL

- organizational alignment/shared vision
- strategic focus
- sometimes we don't see out of the box
- Need more diverse opinions
- Need to be more inclusive
- We need enhanced communication with public
- Not planning longer term
- Having vision and following it long term
- Not embracing the riverfront
- Communication proactively verses reactively
- Councilmembers should represent city goals and council direction when out in the greater community
- The council goals and the council liaison roles should match
- the number of employees should grow as the city grows
- reputation
- Growing too fast, lack of other jurisdiction infrastructure
- high thinking lofty big thinking affecting tax relief

Opportunities

STAFF

- invest in staff for return on investment through performance
- tell the Shakopee story (marketing is a HUGE opportunity)
- add staff needed to accomplish goals and objectives
- right size (continuous analysis of the team needed to accomplish the mission)
- stop doing things just because we've always done it that way (i.e. mowing grass vice gardens)
- Take advantage of growth
- Put city in great shape for years to come
- Make sure staff is paid appropriately at all levels of the organization to stay competitive
- Invest in the right technology not just the latest and greatest
- Manage river front appropriately
- no building if it will flood
- growth
- We are a growing city that can set the standard for the metro area
- Capitalize on education
- Capitalize on the Minnesota River
- Capitalize on the downtown
- Engage the corporate community
- There are some huge companies here that feel like they are located "someplace else"
- Engagement of the community; They could be part of and participate in creating a remarkable city
- All of the things the community wants in the 2040 Comp Plan and the Parks Plan
- Deliver on some and we could be the next great community
- Better engagement and understanding of the
- SMSC community
- Diversity of the community
- SMSC relations
- Community vision presented in Envision Shakopee
- Changing demographics, increased inclusion for diverse and underrepresented populations
- Continued tax base growth
- Downtown and Minnesota River development opportunities
- Updated Technologies in various departments

- Economic and development growth (I see it as an opportunity and weakness)
- Diversity
- Customer Service
- Transparency and trustworthiness
- Collaboration with other cities
- Continued economic growth momentum within the city
- Great base of tools available for current and future projects
- Capitalize on growing reputation
- availability of land for development (annexation)
- continued redevelopment opportunities (downtown, Canterbury, etc.)
- vision and master planning (Envision Shakopee, Parks Master Plan) are in place, now we need the funding/implementation/continued support
- rich history of Shakopee: early settlement, Dakota Tribe

COUNCIL

- Learning and demonstrating best practices for local government
- mass communications
- Data based decision making
- Collaboration with other entity and governments
- Collaboration with food restaurants much needed
- Engaging the public
- Council speaking on the same page
- Council being supportive of staff
- Council being supportive of plans
- Staff needs clear direction
- Leadership collaboration with other organizations
- Strategies beyond 510 years
- Leveraging other Governmental organizations together
- build the relationship of Council and Board and commissions
- partnerships
- 169 and additional river crossings
- Focused govt, required services versus big thinking dreams

Threats

STAFF

- a small and vocal short-sighted minority sabotaging the efforts positively moving the needle
- disagreements on who Shakopee is now vs who Shakopee can be, so NOTHING happens
- need a little less conversation and a little more action on big ideas
- apathy
- Concerned Citizens Facebook misinformation spread via social media.
- Instability of elections in Shakopee for example, the next election could either bring back an old or a new loose cannon.
- Expanding too much with staff
- right size the organization.
- Additional land put into trust and off the tax rolls.
- ignorant politicians
- Apathy with a lot of the residents
- Not engaging the diverse community
- Need to grow the budget to meet the needs of a growing community.
- Not engaging the corporate community and having them feel they are part of the larger community.
- Not many of their management or even workforce live here.
- That needs to change or there is no long-term reason for many to remain.
- SMSC relations
- Millennial staff looking to other cities
- Inability to identify who Shakopee is/wants to be
- Increasing political and economic polarization
- Aging infrastructure system (many streets reaching 20to 30-year milestones)
- Lack of trust in government institutions
- Highway 169 limitations
- Unknown economic conditions
- Various changing laws, that affect our workflow/processes
- Economic and development growth
- Public relations
- Public perception/scrutiny
- Information technology
- constant threat of infiltration/hacking
- Public Safety

- Cyber-attacks/security
- -Public external technology convenience vs security
- City Council election changes
- slowing economic environment
- Reduced growth
- Recession
- Electoral Cleansing of the Council by Extremist
- disconnection with the county
- disconnection and battle with SPUC
- maintaining a sustainable vision

COUNCIL

- Choosing to execute the visionary plans we have
- Building relationships with partners and the community
- Ensuring new development is financially stable
- Need of good Eateries
- Hwy 169 expansion collaboration
- Fiscal management
- Stability of staff
- Implementation of long-term goals and plans
- Resolution of the SPU discord
- Affordable Housing in line with business community needs
- 169
- Drug Meth and Opioid
- Job Market
- Hiring qualified employees and offering a competitive pay and benefit package
- Cost of entertainment businesses on the city
- River crossing capacity
- transient tourist crime
- taxation impacts on existing affordable housing

Greatest challenges

STAFF

- elections
- budgeting to accomplish objectives identified in comp plan and parks plan
- agreement on scope of objectives to pursue
- commitment to accomplishing things outside of normal business that is politically hard
- staff turnover (particularly in Public Works)
- maintenance at the standard it is (City Hall Community Center Ice Arena Public Works)
- Managing growth and right sizing the organization
- Unknown what future city councils may look like
- are we going to go backwards?
- It could happen fast
- Keeping good people in the organization
- personnel
- technology
- cohesiveness
- How to we pay for things going forward after tax cuts
- Losing younger staff with enthusiasm
- Continued community apathy
- Identifying a clear vision for the future: Who are we?
- Who do want to be?
- What is important to us? (externally)
- Identifying a clear vision for accomplishing the community's priorities (internally)
- Maintaining staff morale and enthusiasm toward work and organization
- Financial Sustainability
- Succession Planning
- Evaluating Technology Needs
- Budget and taxes
- Economic and development growth
- Infrastructure
- Technology
- Public Safety
- Maintain growth
- Cyber Security
- Maintain strong city leadership
- Continuing to keep the organization politically stable
- Keeping and attracting talent for key positions

- delivering Canterbury Commons
- 5yr TIF plan
- community growth
- attracting higher paying jobs to the community

COUNCIL

- Partner relationships
- Cyber attacks
- Other tax charges not the cities taxes
- Cyber threats to IT infrastructure
- Division of the public
- Long term
- the aging of infrastructure
- Attracting a strong long-term workforce
- The impacts of our regional entertainment draws
- SPUC
- Media that is based on sensationalism reporting
- Social media
- Scott County Metropolitan Council
- Inaccurate/incomplete data reported by outside agencies in order to influence community and political influencers
- Multiple jurisdiction
- infrastructure not keeping up with hyper growth
- Future taxation
- impacts on existing affordable housing stock
- Crime from transient tourist populations

APPENDIX II

Environmental Scan

Shakopee Strategic Planning Environmental Scan

September 17, 2019



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What is a strategic plan?

- Strategic plan is the intersection between the aspirational (visionary) plans (comp plan, parks master plan) and the operational (budget, tactical)
- Comp plan has over 445 “strategies”
- Parks master plan has at least 200+ “strategies”
- Need a shared language around “strategy” - Priority-Outcome-KOI-Target-Initiative
- Need visionary plans translated to actionable and measurable items.

Strategic Plan

Where You are

Scan the environment

Conduct internal and external analysis (SWOT)

Develop Strategic Profile

Identify Strategic Challenges

Where You're Going

Define your Mission

Articulate Core Values

Set a Vision

Establish Goals

Identify Key Intended Outcomes

Business Plan

How You'll Get There

Develop Initiatives

Define Performance Measures

Set Targets & Thresholds

Cascade throughout organization

What You'll Do

Create Detailed Action Plans

Establish Accountability- Who, What, When

Identify Success Indicators

Provide Resources



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Mission, Vision, Values

Current Vision/Mission: to provide the opportunity to live, work and play in a community with a proud past, promising future, and small-town atmosphere within a metropolitan setting.

Values: some departments have clearly articulated values, there are some values in personnel policies. Values should be organization wide, too.

- Fire Department: Pride, Honor, Integrity and Services
- Police Department: Safety, Honor, Pride, Integrity, Be Nice (the golden rule)
- Personnel Policy: Commitment to excellence, Customer service, supportive atmosphere, continuous improvement and innovation, delivering public value

Context, Comments and Questions

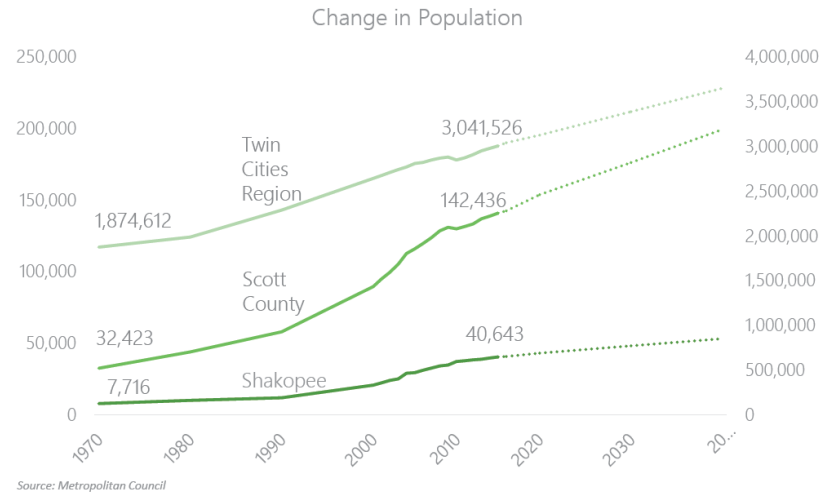
See the comprehensive plan for ideas about what the vision might “look” like.

Vision and mission should be separate – vision is where we are going, mission is who we are and how we work.

Baldrige offers values for consideration – see this [link](#)

A visionary idea from staff: All people throughout Shakopee will **live well**. Shakopee will strive to set the standard for excellence in public services, inclusive decision-making processes and equitable treatment in the community

Population & Households

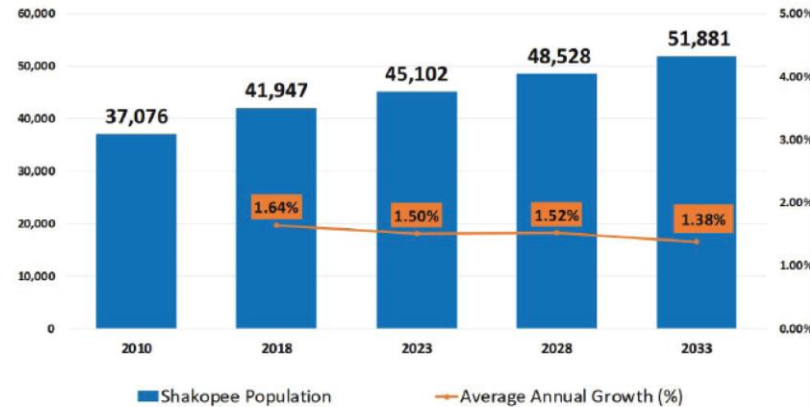


Forecast Year	Households	Population
2010	12,772	37,076
2020	15,400	43,900
2030	18,400	52,800
2040	21,600	62,300
2010-40 Growth	8,828	25,224

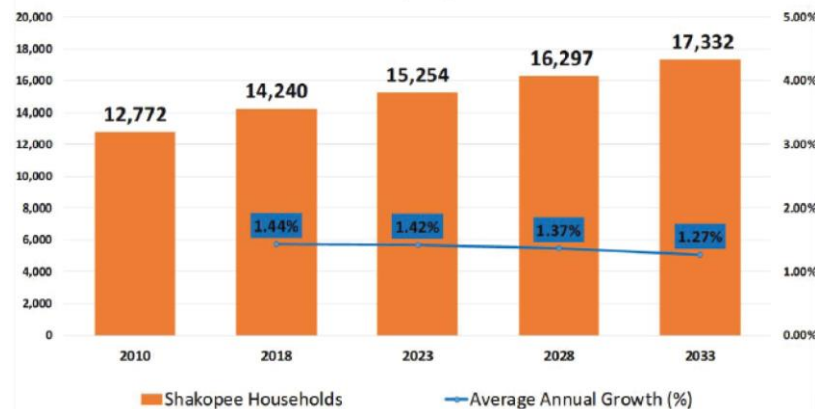


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Total Population / Avg Annual Growth



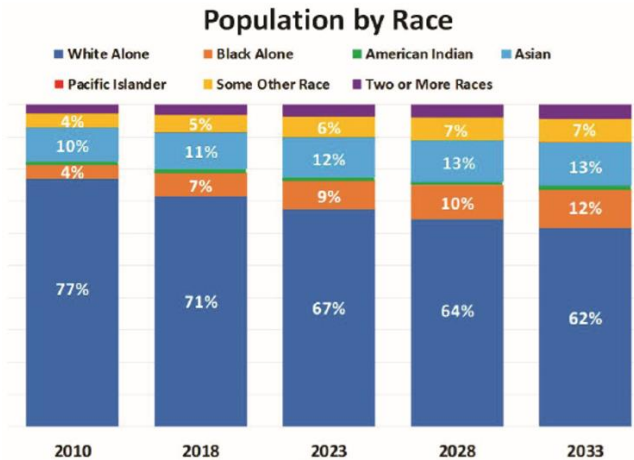
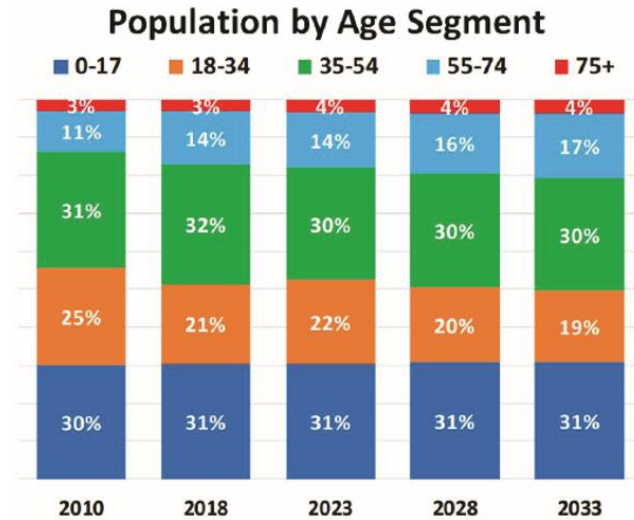
Total Households / Avg Annual Growth



Context, Comments and Questions

- Given the number of housing starts and housing in the pipeline; both population and household may grow faster than projected through 2020
- 50% of Shakopee's population has lived here less than 10 years. 75% less than 20 years.
- 77% of Shakopee residents intend to remain in Shakopee for at least the next five years.
- 80% are likely to recommend Shakopee to a friend.
- What programs/services/ infrastructure does the city provide that are driven primarily by population growth?
- What programs/services/ infrastructure does the city provide that are driven primarily by housing growth?
- Are population growth and household growth inherently tied to revenue growth? AND is that revenue growth enough to fund the growth in service demand?

Age, Race and Ethnicity



2018 Demographic Comparison		Shakopee	Minnesota	U.S.A.
Population	Annual Growth Rate (2010-2018)	1.64%	0.83%	0.86%
	Projected Annual Growth Rate (2018-2033)	1.58%	0.87%	0.88%
Households	Annual Growth Rate (2010-2018)	1.44%	0.77%	0.79%
	Average Household Size	2.88	2.49	2.59
Age Segment Distribution	Ages 0-17	31%	23%	22%
	Ages 18-34	21%	23%	24%
	Ages 35-54	32%	25%	25%
	Ages 55-74	14%	23%	22%
	Ages 75+	3%	7%	7%
Race Distribution	White Alone	71.4%	82.2%	69.9%
	Black Alone	7.5%	6.4%	12.9%
	American Indian	1.2%	1.2%	1.0%
	Asian	11.4%	5.1%	5.7%
	Pacific Islander	0.0%	0.1%	0.2%
	Some other Race	5.4%	2.2%	6.9%
	Two or More Races	3.2%	2.8%	3.4%
Hispanic/Latino Population	Hispanic / Latino Origin (any race)	9.4%	5.0%	18.3%
	All Others	90.6%	95.0%	81.7%
Income Characteristics	Per Capita Income	\$36,821	\$35,566	\$31,950
	Median Household Income	\$87,562	\$65,887	\$58,100

Significantly higher than the National Average

Significantly lower than the National Average

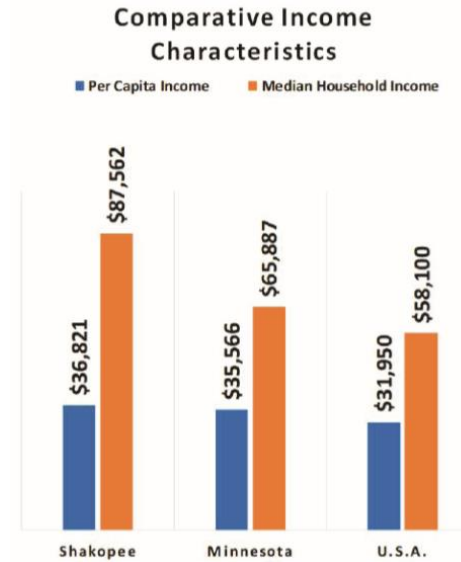
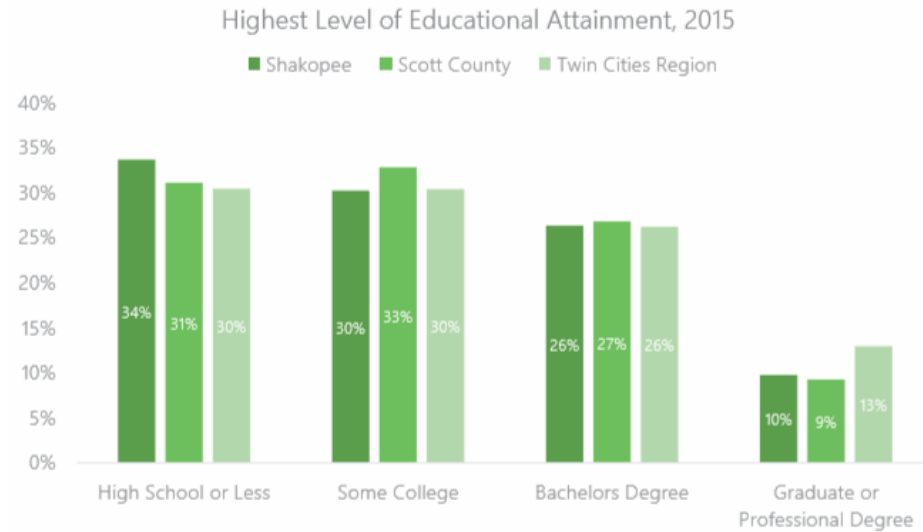
Context, Comments and Questions

- Shakopee is a somewhat younger community with a median age of 34 years compared to a metro median of 36 years
- Newer Shakopee residents (<5-10 years residence) tend to be families, approximately 40-50% non-white (community survey crosstabs)
- Students in the Shakopee school district self report as 40% of color (MN Student Survey)
- Shakopee will likely be younger and more diverse more quickly than these projections
- How are the demands of a younger population different than the demands of an older population?
- What programs/services/ infrastructure might we need to consider due to the increasing diversity in the community?



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Income and Education



Family Financial Outcomes Based on Education

Education*	Percentage of families	Median income (2013)	Median wealth (2013)	Wealth-to-income ratio**	Millionaires (family wealth)
No high school diploma	12%	\$22,320	\$37,766	1.43	1 in 110
High school diploma	50%	\$41,190	\$95,072	2.15	1 in 18
Two- or four-year degree	25%	\$76,293	\$273,488	3.45	1 in 4.6
Advanced degree	13%	\$116,265	\$689,100	5.58	1 in 2.6

NOTE: *Based on the education level of a family headed by someone 40 years of age or older. **This ratio shows how much wealth each group has per dollar of income. For example, the ratio for families without a high school degree was 1.43, which means that, on average, for every \$1 of income there was \$1.43 of wealth. The ratio is a measure of how efficient people are at turning income into wealth.

SOURCE: Boshara, Ray; Emmons, William R. and Noeth, Bryan. "The Demographics of Wealth: How Age, Education and Race Separate Thrivers from Strugglers in Today's Economy." Essay No. 2: Education and Wealth, Federal Reserve Bank of St. Louis, May 2015, pp. 4, 5, 9, and 13; <https://www.stlouisfed.org/-/media/Files/PDFs/HFS/essays/HFS-Essay-2-2015-Education-and-Wealth.pdf>.

Context, Comments and Questions

- 80% of households expect > \$50,000 in annual income in 2019
- Shakopee has similar rates of education among residents – but higher per capita and median incomes. Why is that? And what might it mean?
- Why is Shakopee's median household income 32% higher than the State but the per capita income is only 3% higher? Is that meaningful?



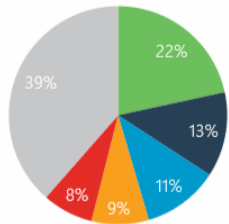
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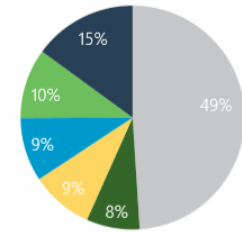
Employment

Shakopee Industry
Makeup (2015)



Food Service: 6%
Construction: 6%
Administration: 5%
Arts & Entertainment: 5%

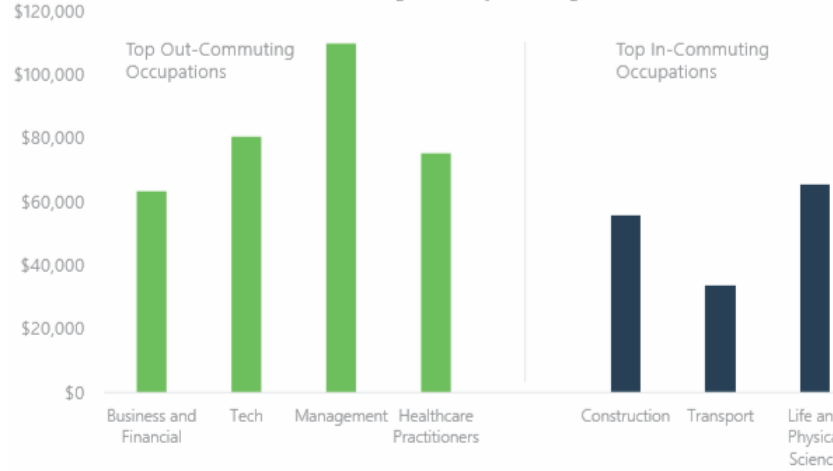
Twin Cities Region
Industry Makeup (2015)



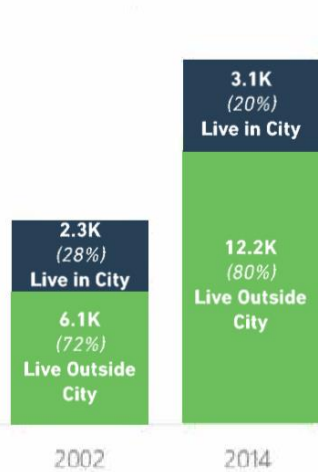
Professional & Technical Services: 7%
Finance: 6%
Administration: 6%
Management: 5%



Average Hourly Earnings



Shakopee Employees



Shakopee Residents



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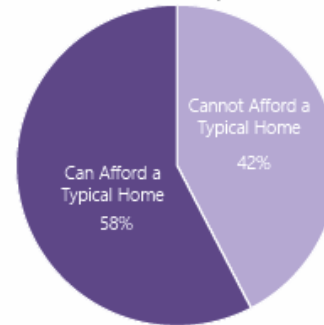
Context, Comments and Questions

- 56% rate employment opportunities favorably
- 60% rate Shakopee as a favorable place to work
- What are the reasons that people tend to commute out of Shakopee for higher paying occupations?
- What are the potential impacts due to an increasing number and percentage of residents commuting out of the city?
- Are there differences in what "commuter" residents want vs. "non commuter"?

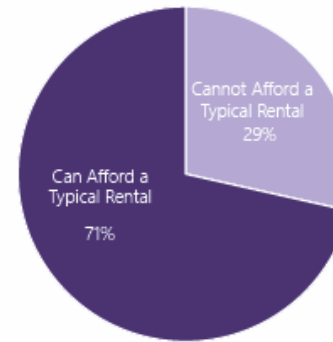
Housing

Shakopee Housing	Units in Shakopee	Percentage of Total
Total housing units	14,174	
Units affordable to households as a percentage of Area Median Income (AMI)		
≤ 30%	383	3%
31 – 50%	2,435	17%
51 – 80%	6,729	47%
Total housing units experiencing housing cost burden		
≤ 30%	1,054	7%
31 – 50%	841	6%
51 – 80%	1,357	10%
Publicly subsidized affordable units		
Publicly subsidized units (all)	396	3%
Senior housing	0	0%
Housing for people with disabilities	0	0%
All other subsidized units	396	3%

Shakopee Affordability of Home Ownership



Shakopee Affordability of Renting



Context, Comments and Questions

74% of residents NOT under housing stress

61% rate housing options favorably (11/12)

Increasing number of units being offered (new and pre-owned) at prices >225k are making housing in Shakopee less and less affordable

- What is the impact on city services/ programs/infrastructure when residents are under higher housing cost stress?
- What is the likely impact of higher housing cost stress on city finances?



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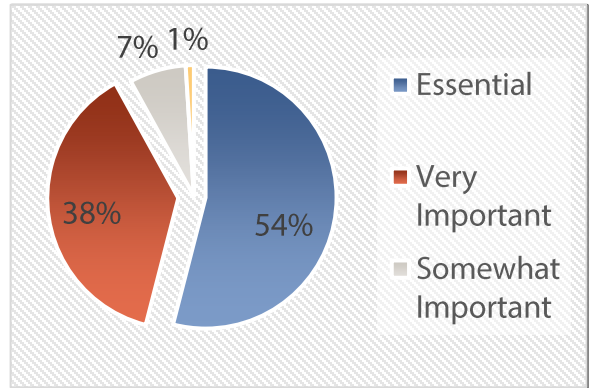
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Community Safety

- 92% say prioritizing overall feeling of safety in Shakopee is Essential or Very Important
- 64% positive overall feeling of safety in Shakopee 64% (18/18)
- 93% positive safe in neighborhood (14/14)
- 86% positive safe in downtown/ commercial areas during the day (13/14)
- 85% positive rating of police (15/21)
- 70% positive rating of crime prevention (14/16)
- 6.47%/per 100,000 crime rate
- 3,470 citations
- 49% case clearance rate
- 90% positive rating of fire dept (16/21)

Context, Comments and Questions



Is it important to ensure that people in the community are both actually safe and feel safe?

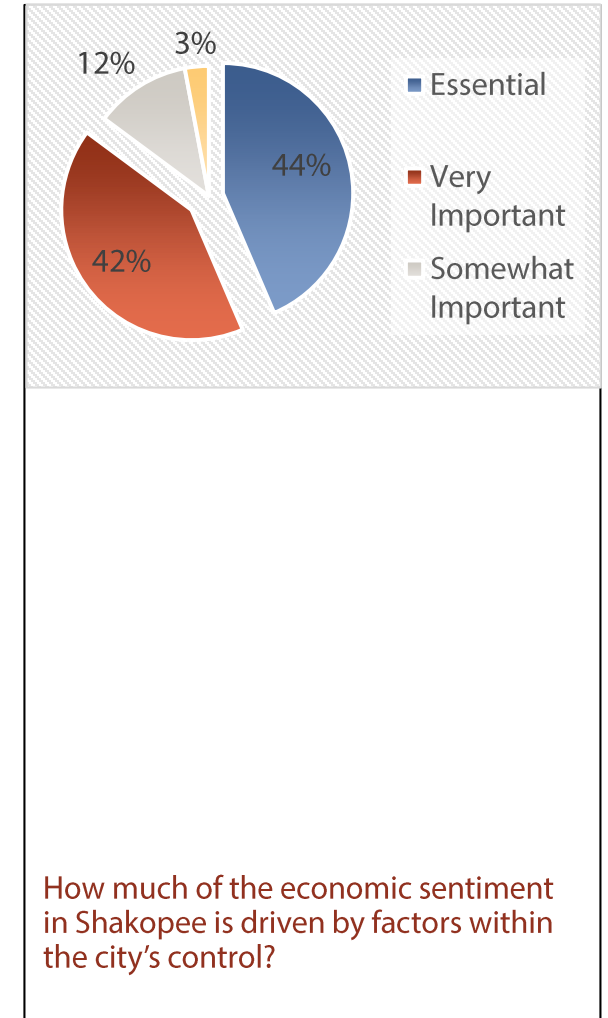
What does safety in the community mean to the average resident?

Is traffic/pedestrian/bicycle safety included in the average resident's perception of community safety?

Overall Economic Health

- 86% say prioritizing the overall Economic Health of Shakopee is Essential or Very Important
- 61% positive overall economic health (12/15)
- 53% positive overall quality of business and service establishments in Shakopee (14/16)
- 56% positive overall quality of employment opportunities (6/15)
- 2.4% unemployment rate (US average 3.9%, MN 3.4%)
- \$84,400 Median household income (+5.97% 2017-18, \$68,388 MN median)
- 18% of Residents who work in Shakopee
- 25,700 total employment in Shakopee (2020 estimate)
- 64% positive overall sentiment about economic development

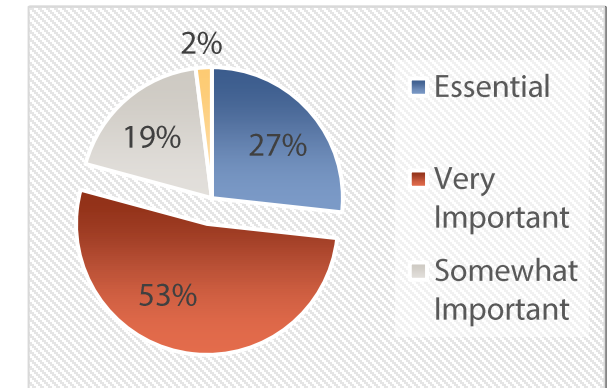
Context, Comments and Questions



Quality of Natural Resources

- 80% say prioritizing the quality of the Natural Environment is essential or very important
- 62% positive overall quality of open spaces
- 96% recycling rate
- 15.64 acres of parkland per 1,000 residents
- 77% positive overall quality of storm drainage (12/16)
- 83% positive overall quality of sewer services (15/16)

Context, Comments and Questions



What is the reason that the quality of natural environment is important to residents of Shakopee?

What are residents expecting that the city does to positively impact the natural environment? Or is the expectation that we make open space available?

What connection does it have to their wellbeing?



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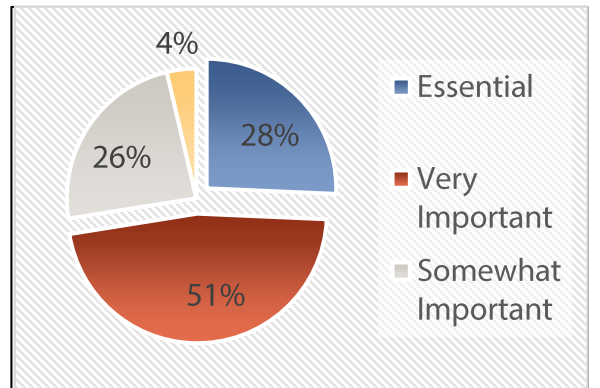
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Health and Wellness Opportunities

- 79% say prioritizing health and wellness opportunities is essential or very important.
- 79% positive quality of city parks (13/15)
- 70% positive quality of recreation programs (16/16)
- 80% positive quality of recreation facilities (5/15)
- 79% have visited a neighborhood or city park (16/16)
- 69% positive overall health and wellness opportunities (11/15)
- 5,514 community center members

Context, Comments and Questions



How are the expectations of residents going to change regarding health and wellness opportunities in the next couple of years?



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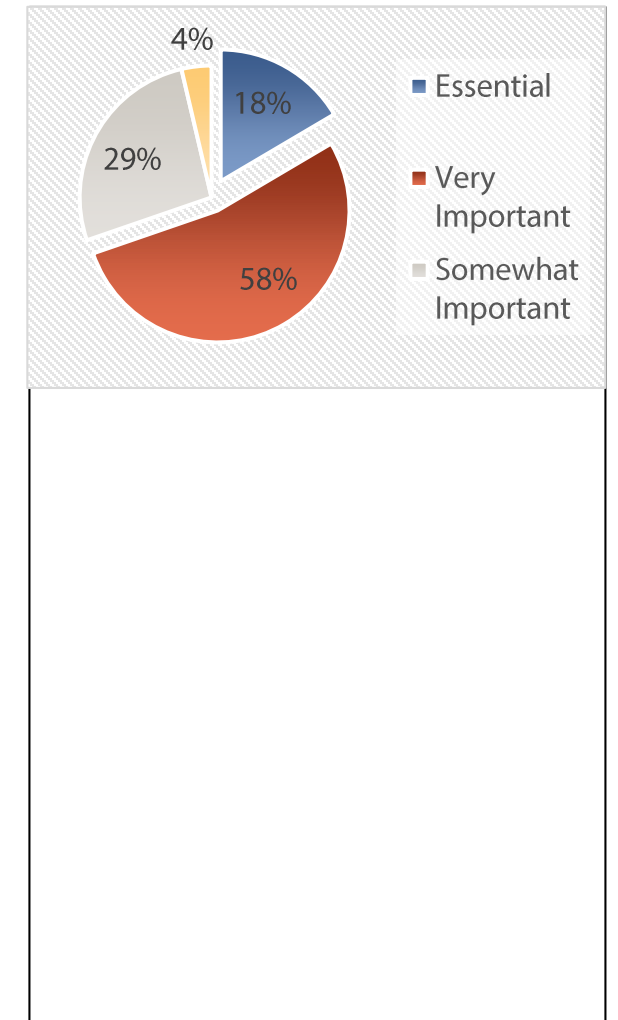
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Quality of the Built Environment

- 76% say prioritizing the quality of the built environment is essential or very important.
- 59% positive rating of the built environment (including design, buildings, parks and transport systems)
- 53% positive overall quality of new development
- 69% positive overall quality of public places for people to spend time

Context, Comments and Questions



Context, Comments and Questions

Transportation

- 75% positive overall ease of getting around (15/16)
- 71% positive availability of paths and trails (10/16)
- 80% positive ease of travel by car (10/16)
- 67% positive perception of snow removal (18/21)
- 158 street miles
- 18 plow events in 2018
- With about 2/3 of streets evaluated – average pavement index is just below 70

As the city grows and develops how will that impact transportation systems?

How many people would utilize public transit if services were more convenient or more robust?

How many people would bike or walk as a means of transportation if trail system was more robust?

If there were more people using public transportation, walking, biking, etc... how many vehicles could get off the road and what impacts would that have?



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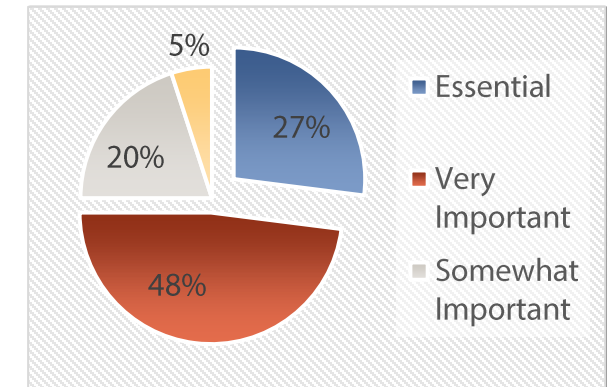
Sense of Community

- 75% say prioritizing the sense of community is very important or essential.
- 50% positive overall sense of community (14/17)
- 65% positive rating of community events (10/12)
- 80% positive recommend living in Shakopee to someone who asks (14/15)

	Percent positive	Rank	Number of communities in comparison
The overall quality of life in Shakopee	72%	20	21
Overall image or reputation of Shakopee	48%	17	17
Shakopee as a place to live	80%	17	17
Your neighborhood as a place to live	77%	15	16
Shakopee as a place to raise children	70%	15	16
Shakopee as a place to retire	44%	16	16
Overall appearance of Shakopee	73%	11	16

How important to you, if at all, are each of these aspects to preserve the "small town feel" in Shakopee?	Essential		Very important		Somewhat important		Not at all important	
Knowing and being friendly with your neighbors	32%	N=124	46%	N=181	20%	N=79	2%	N=10
Attending community events such as Rhythm on the Rails and the Holiday Parade	13%	N=49	33%	N=121	37%	N=134	17%	N=61
Informal gatherings in public spaces such as downtown, parks and the community center	13%	N=50	33%	N=126	43%	N=165	11%	N=43
Easy access to amenities such as parks, shopping, etc.	22%	N=88	50%	N=201	23%	N=90	5%	N=19
Feeling safe at home and in the community	71%	N=284	22%	N=90	5%	N=21	2%	N=7
Walkable neighborhoods	47%	N=187	40%	N=160	8%	N=33	4%	N=15

Context, Comments and Questions



Are sense of community and "small town feel" really the same thing?

What does "small town feel" mean? Is that something that Shakopee wants to continue to pursue, or hold on to?

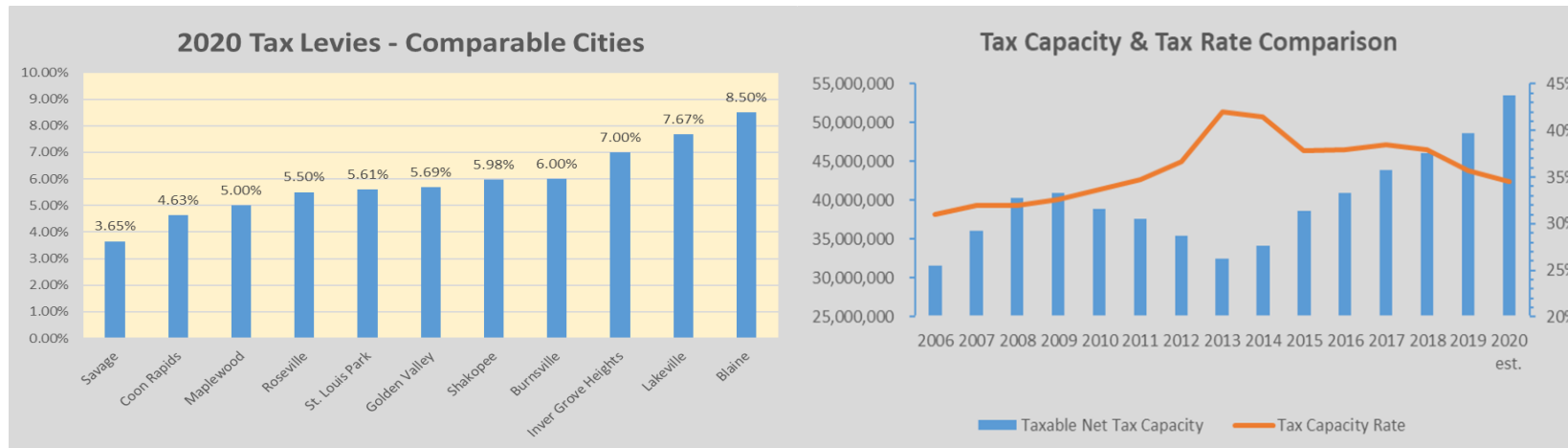


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Fiscal Stewardship



- 43% positive value of services for taxes paid (19/20)
- 42% positive cost of living in Shakopee (12/13)

Context, Comments and Questions

What is the relationship, if any between "low taxes" and "excellent/good value"?

How does the long term fiscal outlook change in the event of a recessionary period?



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Context, Comments and Questions

Organizational Excellence

- 47% positive overall confidence in Shakopee government
- 81% positive overall customer service by Shakopee (14/21)
- 72% positive employee engagement (+20-30% higher than average)
- 65% positive overall public information services
- +285,000 website visits annually
- +20,000 Facebook likes annually

How important is a trained, prepared, and equipped workforce?

What is the importance of transparency – both in actuality and in perception?
AND... what does transparency mean?

Next steps...

- Finish SWOT analysis survey NLT 10 am tomorrow
- 9/25 – 7 pm, Council Chambers: Strategic Planning retreat 1 with Consultant
- 9/30 – 7 pm, Council Chambers: Strategic Planning retreat 2 with Consultant
- 10/25 – Staff meeting with consultant
- 11/5 – Presentation of proposed Strategic Plan to Council