

2016-2018 Strategic Plan Summary Report

June 2015



CRAIGRAPP, LLC

IMPROVING ORGANIZATIONS AND THE PEOPLE WHO LEAD THEM

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June 2, 2015

RE: FY 2016-2018 Strategic Plan- City of Cloquet

Dear Mayor Hallback,

I am pleased to present this FY 2016-2018 Strategic Plan and Summary Report to the City of Cloquet. The plan reflects the organization's commitment to strategic thinking, measurable results and the delivery of quality services.

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

I also want to thank Brian Fritsinger for the help and support provided during the process.

Yours truly,



Craig R. Rapp
President

CRAIGRAPP, LLC

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Executive Summary

On April 24 and 25, and May 28, 2015, the City of Cloquet's leadership team engaged in a teambuilding and strategic planning process. The three meetings yielded a draft strategic plan for the three-year period 2016-2018.

The strategic plan consists of a set of six *strategic priorities*, which are the highest priority issues for the next three years; a series of *key outcome indicators*, which describe desired outcomes linked to *Performance Targets*, which measure success; and a list of *strategic initiatives*, which define the actions that will be taken to ensure successful effort.

At the session on April 24th, the group discussed their operating philosophy, effective governance and their roles and responsibilities. At the second half of the session on April 24th, the group reviewed their operating environment and identified a list of challenges facing the community. Based upon those challenges, the group identified a set of strategic priorities for the performance period. This was followed on April 25th by the development of a set of key outcome indicators (KOI's) and performance targets for each priority, which defined desired outcomes and measurable success. On May 28th, the senior staff created a set of strategic initiatives and action plans to address the priorities and achieve the key outcomes.

The strategic plan is summarized on the following page:

City of Cloquet- Strategic Plan Summary 2016-18

Strategic Priority	Key Outcome Indicator (KOI)	Target	Strategic Initiatives
Financial Stability	Bond Rating	AA+	a) Create a debt policy
	LGA usage	Operational use at 50% by 12/2020	b) LGA operational reduction strategy
	Forecasted budget	Operating budget consistent __% of time	c) Create/establish budget monitoring plan
Economic Development	Retention rate	No net loss of businesses	a) Comprehensive business retention/outreach program
	New businesses	-New comm. ctr.- Hwy 33 S. open and operational -5 ac. bus. pk-sold -15k sq. ft. new office/mfg. Bus Park	b) Develop strategy-Hwy 33 corridor-spec. areas: -N. Hwy 33-Bus. Park -S. Hwy 33 & I-35
	Downtown reinvestment	-10% reduction-storefront vacancies -15 storefront renovations	c) Dwtm. Outreach to property owners
Community Vision	Focused Community Vision	Community approved vision in place by 8/31/15	a) Comp community vision process
	Strategic investments aligned w/ vision	100% of investments align w/ vision	b) Analyze investment-vision projects
Effective Governance	Decisions meeting deadlines	--90% of decisions made by identified deadline --100% participation in decision by all Councilpersons	a) Dev. a Council decision review process b) Process for 100% participation-all members
	Use of local option sales tax funds	Priorities completed by 9/1/15	c) Prioritize use of sales tax funds
	Collaboration w/ neighboring communities/loc. govts	--Merger analysis w/ Scanlon completed by 7/1/15 --Resolve BLASD JPA by 7/1/15	d) Develop collaboration approaches w/ neighboring communities & loc. govts
Infrastructure and Facilities	CIP	Adopted CIP to include buildings & parks and a funding strategy by 8/31/15	a) Develop comp. CIP and funding strategy
	Police facility	Ground broken by 12/31/18	b) Develop Police facility project plan-3.5 yr. build
	Public Works facility	Phase I completed-12/31/18	c) Develop a PW facility project plan – 2.5 yr. build
Operational Effectiveness	Policies and Procedures	Adopted & up-to-date Policy and Procedure manual –all depts	a) Dev. policy and procedure manual process
	Staffing & resource levels	All depts meet minimum staffing & resource needs	b) Conduct staffing analysis
	Internal succession	70% of all leadership positions filled internally	c) Create core resource standards-all depts. d) Establish leadership dev. program

City of Cloquet Strategic Planning Process

On Friday and Saturday, April 24-25, the Cloquet City Council, City Administrator and senior management team held a leadership retreat. The focus of the retreat was twofold: (1) a discussion of effective governance, and (2) a strategic review of the operating environment. The first half of the session on Friday included a discussion of leadership roles and responsibilities, best practices in governance, including the Carver Governance Model. The second half of the day focused on a group SWOT analysis, identification of community challenges, and the establishment of strategic priorities.

Effective Governance, Roles and Responsibilities

During the first half of the Friday session, the City Council-City Administrator team reviewed and discussed the role of governance—first participating in an interactive discussion of roles and responsibilities, and then examining the Carver Policy Governance model. The Carver model was presented as a best practice example. The group discussed how they compared to the best practices. It was generally agreed that the leadership team functioned reasonably well, but that were generally an inexperienced group, so it provided a good model for the future.

Strategic Plan Development—Reviewing the Environment, Setting Priorities

On the evening of April 24, the senior management team joined the Council and City Administrator to begin the strategic planning process. Strategic planning 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 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 team engaged in a review of their Mission, Vision and Values. A broad discussion about the City's value proposition, organizational culture, and "Why", informed the process. The group brainstormed key concepts for new statements. It was agreed that the group would reconvene in the following months to finalize new Mission, Vision and Value statements using the concepts generated in the retreat. Concepts identified for each:

Mission Statement:

- Provide essential services
- Safety/safe community
- Create/provide desirable place to live, work, play
- Efficient public services
- Fiscally responsible

Vision Statement concepts:

- Strategic investments
- Expectations
- Aspirational approach
- Crown jewels-to enhance
- Appearance
- Progressive
- Community support

Value Statement concepts:

- Work ethic-strong
- Honesty
- Do the right thing (ethical)
- Respectful
- Supportive
- Fairness
- Creativity
- Morale
- Conservative-fiscal
- Open-minded
- Responsive
- Independent
- Decisive

Following the mission, vision and value discussions, the group conducted an assessment of the environment within which the City operates. 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 City Administration in advance of the planning session. The SWOT process revealed the most frequently mentioned characteristics in each area:

STRENGTHS

- Knowledgeable/educated staff
- Financially/fiscally sound
- Public rapport/working relationships
- Available resources-budgetary capital equipment, policies/code

WEAKNESSES

- Culturally resistant to change
- Staffing levels
- Council experience and availability
- Money is a limited resource
- Inability to prioritize

OPPORTUNITIES

- Growth and economic development
- Sales tax
- Implement studies
- Tourism and recreational opportunities
- Public involvement

THREATS

- Money
- Turf wars with adjacent municipalities
- Demographics (age, income, etc.)
- Economic (employers, mill town)
- Crime perceptions
- Labor strife/workforce (jobs-workers modification)
- Low public participation
- Politics
- Aging utilities/buildings

The group then engaged in an exercise using the summarized SWOT data. They compared strengths with opportunities and weaknesses with threats, to determine which opportunities would maximize strengths, and which weaknesses would be exacerbated by the threats. This effort helped to crystalize the current challenges and opportunities facing the community. The results of this analysis are listed below:

STRENGTHS-OPPORTUNITIES

(Make good things happen)

- Sales tax projects-tourism, etc.
- Implement studies
- Public involvement
- Economic development/growth

WEAKNESSES-THREATS

(Keep bad things from happening)

- Money-aging/crime/politics
- Culture-politics/labor strife/public participation
- Staffing-money/crime perception
- Council experience-policies
- Prioritize-low public participation

This led to the identification of a broad set of issues and/or challenges facing the community:

ISSUES/CHALLENGES

- Financial instability
- Public involvement
- Community cohesiveness
- Resistance to change (status quo)
- Political collaboration/cohesion
- Crime perception/reality
- Protecting good paying jobs
- Job growth
- Infrastructure maintenance
- Community image
- Decision-making prioritization
- Clarifying mission, vision

Once the current challenges were identified, the group discussed the issues that were most important over the next three years. From that discussion, a set of six Strategic Priorities emerged. They are:

STRATEGIC PRIORITIES

1. Financial Stability
2. Economic Development
3. Community Vision
4. Effective Governance
5. Infrastructure and Facilities
6. Operational Effectiveness

Defining the Strategic Priorities

In order to clarify the meaning of each priority in the context of Cloquet, the group identified key concepts for each. The concepts are listed below, and will be used by the group to establish the final definitions.

1. Financial Stability

- Predictability, adequate reserves, no major increases/decreases, bond rating improvement, reduced dependence on LGA, no deficit spending, no risk/no reward

2. Economic Development

- Business retention, redevelopment, reinvestment, expansion, diversification, workforce development, job creation, strategic alliances, strong EDA

3. **Community Vision**

- Strategic investments, expectations, aspirational approach, crown jewels-to enhance, appearance, progressive, community support

4. **Effective Governance**

- Decisiveness, adequate staff levels, alignment with vision, leadership, clear mission, clear roles and responsibilities, backbone-make tough choices, participation

5. **Infrastructure and Facilities**

- Decide/prioritize, selective strategic investments, maintain what we have, understand what we have, future needs-understand/accommodate, doesn't hamper effectiveness/support mission

6. **Operational Effectiveness**

- Staff levels/capacity, efficiency, effectiveness, meeting community needs and expectations, service levels, experienced management, workforce training and development, clear expectations-staff, growth-staffing linkage

Determining Success: Defining the Key Outcome Indicators

After identifying strategic priorities, the group focused on developing a set of Key Outcome Indicators (KOI's). KOI's define what the city will monitor and includes a description of successful outcomes, expressed with measures and targets.

The KOI's provide organizational focus by establishing a limited set of desired outcomes and performance targets for achievement for each strategic priority. The alignment created between KOI's and Strategic Priorities is important, not only for clarity, but also for maintaining a disciplined focus on the desired results.

Key Outcome Indicators, and Performance Targets, by priority are:

1. **Financial Stability**

- a. KOI: Bond rating; TARGET: AA+
- b. KOI: LGA usage; TARGET: operational use to 50% by 12/2020
- c. KOI: Forecasted budget; TARGET: Operating budget within 10% of adopted budget

2. **Economic Development**

- a. KOI: Business retention rate; TARGET: No net business loss
- b. KOI: New businesses; TARGET: (1) new commercial/retail center-Hwy 33 open; (2) 5 acres business park-sold; (c) 15,000 sq. ft. new office/manufacturing in Cloquet business park

- c. KOI: Downtown reinvestment; TARGET: (1) 10% reduction-storefront vacancies; (2) 15 storefront renovations;

3. Community Vision

- a. KOI: Focused community vision; TARGET: Community approved vision in place by 8/2015
- b. KOI: Strategic investments aligned with vision; TARGET: 100% of major investments aligned with vision

4. Effective Governance

- a. KOI: Decisions meeting deadlines; TARGET: 90% of decisions made by identified deadline
- b. KOI: Local option sales tax usage; TARGET: Priorities completed by September 1, 2015
- c. KOI: Collaboration with neighboring communities and local governments; TARGET: (1) Major analysis with Scanlon completed – July 15, 2015; (2) BLASD JPA resolved July 1, 2015

5. Infrastructure and Facilities

- a. KOI: CIP (streets/utilities/buildings/parks); TARGET: Expanded CIP –to include buildings and parks—plus funding strategy, adopted by 8/31/15
- b. KOI: Police facility; TARGET: Ground broken 12/31/18
- c. KOI: Public Works facility; TARGET: Phase I completed 12/31/18

6. Operational Effectiveness

- a. KOI: Policy and procedure manuals; TARGET: Policy and procedure manuals in all departments- updated and adopted
- b. KOI: Staffing and resource levels; TARGET: All departments meet minimum staff and resource needs
- c. KOI: Internal succession; TARGET: 70% of all leadership positions filled internally

Implementing the Vision: Developing Strategic Initiatives and Action Plans

To successfully address the strategic priorities and achieve the intended outcomes expressed in the KOI's, it is necessary to have a focused set of actions, including detailed implementation steps to guide organizational effort. The City of Cloquet will accomplish this through development of strategic initiatives for each priority. 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 KOI's.

The senior staff, during a strategic planning session on May 28, developed a set of strategic initiatives, along with detailed action steps:

1. **Financial Stability**

- a. Create a debt policy
- b. Develop an LGA operational reduction strategy
- c. Create/establish a budget monitoring plan

2. **Economic Development**

- a. Develop a comprehensive business retention/outreach program
- b. Develop a strategy for Highway 33 corridor-specific areas: 1) North Hwy 33-business park; 2) South Hwy 33 & I-35
- c. Conduct outreach to downtown property owners

3. **Community Vision**

- a. Develop a comprehensive community vision process
- b. Analyze financial investments and correlate with vision projects

4. **Effective Governance**

- a. Develop a Council decision review process
- b. Create a process for achieving 100% participation of all Councilors
- c. Prioritize use of sales tax funds
- d. Develop collaboration approaches with neighboring communities and local governments

5. **Infrastructure and Facilities**

- a. Develop a comprehensive CIP and funding strategy
- b. Develop a Police facility project plan for a 3.5 year build
- c. Develop a Public Works facility project plan for a 2.5 year period

6. **Operational Effectiveness**

- a. Create a policy and procedure manual process for organization
- b. Conduct a staffing analysis-entire organization
- c. Establish core resource standards – all departments
- d. Establish a leadership development program

Strategic Planning Participants

The strategic plan was developed with the hard work and dedication of many individuals. The City Council, with its foresight and dedication 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 community. The senior staff supported the City Council and also engaged in new ways of thinking.

Elected Officials

Dave Hallback, *Mayor*

Jeff Rock, *Councilperson-Ward 1*

David Bjerkness, *Councilperson-Ward 2*

Roger Maki, *Councilperson- Ward 3*

Kerry Kolodge, *Councilperson-Ward 4*

Steve Langley, *Councilperson-Ward 5*

Lara Wilkinson, *Councilperson-at-Large*

City Administration-Department Staff

Brian Fritsinger, *City Administrator*

Nancy Klassen, *Finance Director*

Steve Stracek, *Police Chief*

James Prusak, *Public Works Director*

Mary Lukkarila, *Library Director*

Holly Butcher, *Community Development Director*

APPENDIX I

SWOT Analysis Data

In order to clarify the strategic challenges confronting the community, the City Council and senior staff conducted a review of the current operating environment using a SWOT analysis methodology.

SWOT stands for Strengths, Weaknesses, Opportunities and Threats. The internal strengths and weaknesses and the external opportunities and threats were assessed. This was done in two parts: (1) in advance of the retreat, all participants completed a SWOT questionnaire; and (2) the group participated in a facilitated process that used the questionnaire results as the basis for analysis and decision-making.

The following pages contain the complete information contained in the questionnaire responses.

SWOT Results – Strengths

- Experienced management and staff.
- Police Department is transforming at a rapid pace.
- Due to numerous studies recently completed, we understand our reality.
- Financially sound organization.
- Good staff. Financial sound.
- Experienced, hard-working staff
- Excellent City Administrator
- City Council that is dedicated to running Cloquet in a fiscally-sound manner, while still providing excellent services to our residents
- The City has a top-notch City Administrator and an equally capable Finance Director. These two positions provide a great deal of stability and predictability (in a good sense).
- The Dept. Heads are dedicated, and provide the City Council with good information, which allows us the ability to make better-informed decisions
- I believe our cities greatest strength is its people. We all for the most part want our city to be better.
- Financial stability
- Thoughtful, knowledgeable, responsive city staff
- Generally positive rapport with the public
- At present: special resources for unique improvements (half-percent sales tax funds)
- Forward-thinking approach and willingness to undertake changes.
- Full service city that offers its residents the opportunity to enjoy a library, parks, streets, etc.
- Fiscally responsible, planning ahead for financing city services.
- Strong Guiding Policies and Code
- Its Employees
- Community Support
- Conservatism
- Departmental Leadership
- Good/Modern Equipment
- Public Access to Staff
- Cooperative Spirit Internally and Externally
- We have a leadership team with significant work experience and knowledge

- We have cohesion as a team and a respectful work environment
- We have collaborated well within the community and have great working relationships that support growth and success

SWOT Results – Weaknesses

- Inexperienced council.
- Council availability to participate in committees/initiatives.
- Over commitment – too many goals (need to be more realistic).
- Inability to prioritize and commit to projects.
- Pace of infrastructure investment and improvement is limited by the model under which we operate, limited capacity-need to consider the advantages of using consultants for design of road and utility projects.
- Switching from reactive to strategic.
- The culture of many of the residents is to keep things the way they are. This has been ingrained for decades. New ideas and progress come hard. The City Admin, Dept. Heads and Council have been averse to taking on this culture in a way that will make real changes for the better.
- Lack of personnel to take on projects. Many are highly visible projects.
- As a City, we are afraid to spend money. However, I do see a little movement in that area lately.
- The City lacks Ordinances that deal with residential, commercial and rental properties, fire codes, inspections and other issues that combat residential/rental and commercial blight.
- As of right now we seem to be lacking in prioritizing our projects.
- Lack of facility space and poor condition of some buildings
- Overworked City Administrator (I think we have help coming fairly soon, but this is important)
- Inability to keep city streets in good condition
- Public resistance to change/spend/grow (only a certain contingent of residents)
- Limited resources in terms of money and staffing
- Enforcing consistency within the application of policy (with inconsistency often being driven by the council)
- Staffing is not back to what it was prior to 2003 cuts.
- Its Employees
- Adaptability and Willingness to Change
- Over Commitment

- Growing Sense of Personal Agenda's
- Accessing Resources Available to City of Cloquet
- Conservatism
- Celebrating Successes/Tooting our own Horn/CAT-7 Programming
- Human Resources - Staffing
- Vision
- Takes Forever to Accomplish Anything
- Changing Technology/Social Media
- We lack adequate human resource support
- Our IT system often needs service and there is little ability to control our budget related to this expense
- We could do a better job of identifying and staying true to a common mission and goals
- We are challenged with motivating line staff and getting the best work product out of them
- Inadequate succession planning

SWOT Results – Opportunities

- Taking advantage of the sales tax opportunities and ability to leverage additional funding.
- Determine if consolidation with Scanlon is viable.
- Strong economy.
- City sales tax projects.
- I am sensing a change in the population in the area of voters willing to pay increased property taxes for better services and amenities. This is by no means a groundswell, but it appears different than in past decades. We need to capitalize on that slight change in public support. Examples are the ½% Local Option Sales Tax and Middle School Votes.
- The positive changes in the state and national economies give us a chance to catch-up on capital projects and things lost during the great recession.
- Hiring new personnel as current employees retire. Tap into the technology-savvy workforce that is out there.
- Economic development and job creation
- Get more public involvement (like we have now regarding riverfront development)
- More public events to bring people to Cloquet
- Retail development
- Economic development (hwy 33, business park, etc.)

- Transformative improvements, through parks projects, infrastructure improvements, code changes for better control of blighted properties (i.e.: rental housing licensing/inspection)
- Construction of new middle school
- Solid continued leadership through talented city staff and their ability to identify resources and opportunities for improvement
- Forward movement on data from studies.
- Location near two major highways and the St. Louis River are great opportunities for future business growth and tourism.
- Community growth
- Implementation of Various Studies
- Getting “Passerby’s” to Stop in Community
- Regional Recreation/Trails/Library
- Implementation of Sales Tax
- Growth of FDLTCC
- Growth of Hospital/Health Care
- We have a growing community with many opportunities to try new things and expand our assets and services
- New positions within the organization allowing us to bring in fresh ideas and new energy
- We have a great opportunity to draw in tourists by expanding recreational opportunities including biking, hiking, river use, improving our dining and theater/entertainment offerings

SWOT Results – Threats

- School referendum passing, what is community’s tolerance for spending? Will city projects be viewed as similar priorities?
- Tribal independence. Limited relationship with Fond du Lac Reservation – potential collaborative opportunities lost.
- Limited community involvement.
- Limited relationship with legislative delegation.
- Dependence on LGA – future uncertainty.
- Competition from surrounding communities for economic development opportunities.
- Retirements.
- School and CAFD building projects
- Another fiscal crisis at the state or national level.

- Labor strife
- Lack of a cohesive City Council
- Crime.
- Financial barriers
- Public push-back against progressive initiatives
- Potential loss of funding through future LGA cuts
- Potential implications of FDL Class-1 Air Quality Redesignation
- Cuts in LGA from state may come
- The possibility of one of our three mills closing/Sippi, USG, Jordan Brands
- The likelihood that the Fond du Lac Chippewa Tribe will be taking over Air Quality standards covering a wide area, including Cloquet
- Other taxing authorities levying high amounts affects the City's decision on how much to levy.
- County not working closely with City leaders to accomplish mutual goals and/or assist the City in succeeding with its goals.
- Lack of business development/diversity of development
- High property taxes
- Politics/Council changeover
- Further LGA reform
- Health Insurance premium costs
- FDL Class I Air Designation
- Crime Perceptions/Drugs
- Community Resistance to Change
- Carlton County
- Lack of Affordable Housing
- Lack of High Paying Jobs
- Expectations of Service Levels not Aligned with Reality
- Aging Infrastructure
- Legislative Leadership
- Tax Disparity in Urban/Rural
- Continued Deterioration of Downtown as a Place to do Business
- Little Community Participation/Few Champions
- Quality of life threats, aging buildings, crime issues, rental property growth

- Loss of large employers or downsizing staff numbers based on changes in market or other business threats

SWOT Results – Highest Priorities

- Prioritize needs, develop a strategy and execute projects – quit talking start doing.
 - Facilities
 - Infrastructure
 - Parks/Beautification
- Economic Development, focus on:
 - Business Park
 - Highway 33/I35 Development
 - Downtown Redevelopment
- Develop a communication strategy. We need to better control the message that is being delivered to the public about council business and city initiatives. This is especially necessary with new leadership and the number of projects we are considering.
- City sales tax projects
- Building study
- Economic development
- Balanced budget
- Parks Master plan
- Retail development in the I-35/Hwy 33 area (and Business Park)
- Deciding what to do about our facilities
- Prioritizing projects to be paid for by our sales tax receipts
- Continuing to do everything we can to get retail development near I-35 & Hwy 33
- Getting the rising crime rate under control.
- Getting the police department an adequate facility and the training/equipment they need to do there job properly.
- Prioritizing the spending of the 1/2-cent sales tax and getting the parks projects underway.
- Sound financial planning for the long term
- Implementation of ½-percent sales tax projects
- Big-picture planning (facilities, police, sales tax, community vision, etc.)
- Improve city facilities
- Results evident from use of the sales tax money
- Increase in new businesses
- Public Facilities

- Continued Development of Organizational Team/City Council/Staff
- Scanlon Merger/Consolidation
- Address community blight issues (business and residential)
- Develop a remarkable park system and improve our draw for tourism, sporting events, etc.
- Continue to grow our industrial, commercial, and retail base

APPENDIX VI
Strategic Initiatives-Action Plans

Strategic Priority 1: Financial Stability**Key Outcome Indicator: Bond Rating; Target: AA+****Initiative A: Debt Policy**

Actions	Measure of Success	Who's Responsible	Target Date
Research other Communities and Advisory information.	Copies of various debt policies and recommendations from GFOA and LMC.	Finance Director	Done
Create Rough Draft of Debt Policy.	Draft ready to be reviewed.	Finance Director	10-31-2015
Review and Discuss Debt Policy Draft with City Administrator.	Meeting between Finance Director and City Administrator.	City Administrator & Finance Director	11-30-2015
Revise Draft Debt Policy as Needed.	Debt Policy ready to be presented to Council.	Finance Director	12-31-2015
Debt Policy Approved.	Request for council action prepared and item put on agenda.	Council Finance Director	1-30-2016 or sooner if debt issued

Strategic Priority 1: Financial Stability**Key Outcome Indicator: LGA Usage; Target 50% by 12/2020****Initiative B: Develop LGA Operational Reduction Strategy**

Actions	Measure of Success	Who's Responsible	Target Date
History of LGA changes.	Worksheet showing City's LGA certified and actually received.	Finance Director	Done
Determine current % of operating budget covered by LGA.	Calculation of current %.	Finance Director	5-30-2016
Forecast LGA and other operational items.	Worksheet/graph with forecast.	Finance Director	5-30-2016
Develop options to shift LGA revenue away from operating budget.	Worksheet showing options.	Finance Director	5-30-2016
Monitor and adjust yearly or sooner if necessary.	Options incorporated into budget schedules.	Finance Director	Yearly during budget process

Strategic Priority 1: Financial Stability**Key Outcome Indicator: Forecasted Budget; Target Operating Budget Within 10% of Adopted Budget****Initiative C: Create/Establish a Budget Monitoring Plan**

Actions	Measure of Success	Who's Responsible	Target Date
Establish draft procedures for monitoring and reporting budget to actual results.	Draft document outlining the procedures for reporting budget variances.	Finance Director	11-30-2016
Review draft with City Administrator and Department Heads.	Draft presented at department head meeting.	City Administrator Finance Director Other Department Heads	1-30-2017
Budget entered into system more accurately by month.	Budget in system timed to actual month closer.	Finance Director	1-30-2017
Department Heads responsible for monitoring their budgets and explaining variance to the Finance Department.	Department Heads are reporting variances to Finance for inclusion in the monthly financial report to the City Administrator.	Department Heads	1-30-2017
Quarterly departments report to Council for over/under budget items for their departments if determined to be significant variances.	Quarterly reports to Council by Department Heads for significant variances.	Department Heads	End of Quarter 1, 2017 (May 2017) and quarterly thereafter.

Strategic Priority 2: Economic Development		Key Outcome Indicator:	Retention Rate Target: No Net Business Loss
Initiative A: Develop a Comprehensive Business Retention/Outreach Program			
Actions	Measure of Success	Who's Responsible	Target Date
Conduct ongoing BRE Visits (city, chamber, county)	Visit 3 businesses quarterly (1/month).	Kelly Zink Holly	09-30-2015
Conduct business exit interviews to ID issues experienced	Develop exit interview. Monitor media/local beat to analyze who is or has gone out of business, then ID who will take the lead in contacting the business to inquire / schedule exit interview.	Holly Kelly Connie	09-30-2015
Survey major businesses to ID supply chain vendors who may be interested in starting a business in Cloquet.	Initiate / outreach to different companies identified that are currently not here but were identified as a supply vendor need.	Holly EDA	12-31-2015
Ensure that Cloquet land and building opportunities are online	Quarterly scan Northland Connection property listings to ensure their accuracy.	Holly EDA	Ongoing
Ensure that regional economic development partners are aware of opportunities in Cloquet (e.g. APEX, Northspan, Entrepreneur Fund etc.)	Ongoing quarterly communications with agency contacts.	Holly EDA	9-30-2015

Strategic Priority 2: Economic Development

Key Outcome Indicator: New Businesses Target: 1 New Commercial/Retail Center – Hwy 33 Open; 5 Acres Business Park Sold; 15,000 Sq. Ft. New Office Manufacturing in Cloquet Business Park

Initiative B: Develop a Strategy for Hwy 33 Corridor. Specific Areas; 1) North Hwy 33 Business Park; 2) South Highway 33 and I-35

Actions	Measure of Success	Who's Responsible	Target Date
ID Strategies and Alternatives for the South Hwy 33 Development Site (City Project Area: DNR/Nelsons)	The EDA has reviewed the alternatives for the development objectives and identified a preferred development concept.	Holly EDA	09-30-2015
ID Strategies and Alternatives for North Hwy 33 Development Site (City Project Area: Cloquet Business Park)	The EDA and City Council have developed an overall City marketing plan that identifies strategies for Business Park marketing.	Holly EDA City Council	12-31-2015

Strategic Priority 2: Economic Development

Key Outcome Indicator: Downtown Reinvestment Target: 10%
Reduction Storefront Vacancies; 15 Storefront Renovations

Initiative C: Conduct Outreach to Downtown Property Owners

Actions	Measure of Success	Who's Responsible	Target Date
Hold property owner input sessions for Cloquet Avenue properties	ID major barriers needs and opportunities for Cloquet Avenue District and educate property owners on existing City programs and other tools or possibilities to accomplish goals (e.g. SSDs)	Holly EDA	9-30-2015
Hold property owner input sessions for West End Business properties	ID major barriers needs and opportunities for the West End Business District. Educate property owners on existing City programs and other tools or possibilities to accomplish goals (e.g. SSDs)	Holly EDA	9-30-2015
Review all Downtown barriers and needs identified in the input sessions with the EDA and Council.	Plan developed to encourage future revitalization and reinvestment in the downtown commercial areas by private interests.	Holly EDA City Council	6-30-2016

Strategic Priority 3: Community Vision

**Key Outcome Indicator: Focused Community Vision Target:
Community Approved Vision In Place by 8/2016**

Initiative A: Develop a Comprehensive Community Vision Process

Actions	Measure of Success	Who's Responsible	Target Date
Develop a community vision team or committee (Chamber of Commerce/City/Community/Business members/EDA)	Team in Place City Council appoint teams	City Council	11-30-2015
Identify our current stakeholders and who may be missing from team	Stakeholders identified	Community Vision Team	12-31-2015
Seek out unidentified, prospective stakeholders—look for buy-in	Verify stakeholders	Community Vision Team	1-30-2016
Review current processes in effect to draw and build on the methods.	Analysis of current processes used by the City, if any	Community Vision Team	2-28-2016
Compose a list of how we are currently connecting with the community	Analysis of current processes used by the City, if any	Community Vision Team	2-28-2016
Seek out other cities with similar characteristics and review what processes they are currently using	List of other Cities and techniques they use to engage the public identified	Community Vision Team	2-28-2016
Develop a strategy to engage community to gather input	City Council approve a strategy	City Council	3/30/2016

Strategic Priority 3: Community Vision

**Key Outcome Indicator: Strategic Investments Align With Vision
Target: 100% of Major Investments Aligned With Vision**

Initiative B: Analyze Financial Investments and Correlate with Projects

Actions	Measure of Success	Who's Responsible	Target Date
Analyze and compare our current spending to ensure it aligns with information/results from Community Vision Process	The City Council understands how the current budget correlates to the community vision	Community Vision Team/Finance/City Council	8-30-2016
Increase and direct our spending efficacy by analyzing expenditures for new, upkeep/repairs and new/growth	The City Council has realigned its 2017-2018 budget to match up with current vision	Finance/City Council	8-30-2016

Strategic Priority 4: Effective Governance

Key Outcome Indicator: Collaboration With Neighboring Communities and Local Governments; Target: Major Analysis with Scanlon completed by July 15, 2015 and BLASD JPA Resolves July 1, 2015

Initiative D: Develop Collaborative Approaches with Neighboring Communities/Local Governments

Actions	Measure of Success	Who's Responsible	Target Date
The City Council Create an Internal Ad Hoc Merger Committee	The committee membership is identified by the Council.	City Council	5-01-2015
Obtain Proposal for Preliminary Merger Consultation Services	The City has obtained at least one proposal for this service from a qualified firm.	Brian	6-05-2015
Present Merger Consultation Proposal to the Scanlon City Council	The Scanlon Council has received and taken action on the proposal.	Scanlon Mayor Johnson	7-01-2015
Present Merger Consultation Proposal to the Cloquet City Council	The Cloquet Council has received and taken action on the proposal.	Brian/City Council	7-01-2015
Complete the Preliminary Merger Analysis	The consultant has completed an analysis of the critical issues related to the merger and presented such findings to the City Council	Consultant/Brian/ City Council/Al C Department Heads	9-01-2015
Meet with BLASD to Identify the Final Proposed Project	The City Council has met with BLASD and agreed to a final project concept.	Brian/Jim P/ City Council	6-15-2015
Approval of a Joint Powers Agreement Between BLASD and City of Cloquet	A JPA has been approved and executed by both organizations.	Brian/Jim P/ City Attorney/ City Council	12-31-2015

Strategic Priority 5: Infrastructure & Facilities

Key Outcome Indicator: CIP (Streets/ Utilities/ Buildings / Parks; Target: Expanded CIP - To Include Buildings and Parks - Plus Funding Strategies Adopted by 8/30/2015

Initiative A: Develop A Comprehensive CIP and Funding Strategy

Actions	Measure of Success	Who's Responsible	Target Date
Prioritize Infrastructure	City staff identifies its priority projects.	Parks Commission, Jim P/Caleb P Brian	7-10-2015
Draft to City Council	The City Council provide response to staff regarding priorities.	Jim P/Caleb P Brian City Council	7-21-2015
Funding Final	The priority projects are analyzed for funding opportunities and impact on levy and final proposed CIP developed.	Nancy Brian	8-07-2015
Final to City Council	The City Council approve the final 5 year CIP.	Brian/Nancy City Council	9-30-2015

Strategic Priority 5: Infrastructure & Facilities**Key Outcome Indicator: Police Facility; Target: Ground Broken 12/31/18****Initiative B: Develop Police Facility Project Plan for a 3-5 Year Build**

Actions	Measure of Success	Who's Responsible	Target Date
City Council Review/Accept Final BKV Facilities Study	City Council acceptance of study	City Council Brian	8-04-2015
Decision on Project Timing	City Council decision on project priority and timing	City Council	12-31-15
Funding Strategy	An acceptable funding strategy is presented to the City Council	Nancy Brian	9-2016
RFP Architect	City Council authorize and select architect	Brian City Council	3-2017
Building Design and Layout Committee Established	Committee established to work with architect on design	Committee	4-2017
Draft Plans Reviewed by City Council	Concept plan presented and accepted by the City Council	Committee/Brian City Council	6-2017
Final Plans Approved and Bid	City Council approves plan and authorizes bid	City Council Brian	12-2017
Bid Awarded and Ground Broken	Construction Started by 12-31-18	City Council Brian	12-2018
Project Completed	Project Completed by 12-31-19	City Council Brian	12-2019

Strategic Priority 5: Infrastructure & Facilities**Key Outcome Indicator: Public Works Facility; Target: Phase 1 Completed 12/31/21****Initiative C: Develop a Public Works Facility Project Plan for a 3.5 Year Build**

Actions	Measure of Success	Who's Responsible	Target Date
City Council Review/Accept Final BKV Facilities Study	City Council acceptance of study	City Council Brian	8-04-2015
Decision on Project Timing	City Council decision on project priority and timing	City Council	12-31-2015
Funding Strategy	An acceptable funding strategy is presented to the City Council	Nancy Brian	9-2016
RFP Architect	City Council authorize and select architect	Brian City Council	3-2020
Building Design and Layout Committee Established	Committee established to work with architect on design	Committee	4-2020
Draft Plans Reviewed by City Council	Concept plan presented and accepted by the City Council	Committee/Brian City Council	6-2020
Final Plans Approved and Bid	City Council approves plan and authorizes bid	City Council Brian	12-2020
Bid Awarded and Ground Broken	Construction started by 12-31-17	City Council Brian	12-2021
Projects Completed	Construction of Phase 1 Completed 12-31-18	City Council Brian	12-2022

Strategic Priority 6: Operational Effectiveness

**Key Outcome Indicator: Policy and Procedures Manual;
Target: Policy and Procedure Manuals in All Departments
Updated and Adopted**

Initiative A: Create a Policy & Procedure Manual Process for Organization

Actions	Measure of Success	Who's Responsible	Target Date
Research and Update Policies from other Cities, State Standards, etc.	Each department has conducted research of other similar departments to identify those policies/procedures that they use in those departments	Brian/ Department Heads/ Other Supervisors	10-31-2016
Identify Policies/Procedures Needed for all City Departments	The Department Heads have identified a list of mutually required policies/procedures	Brian/ Department Heads/ Other Supervisors	10-31-2016
Identify Policies/Procedures Unique to individual Departments	Each department has identified those policies and procedures that are unique to their department	Brian/ Department Heads/ Other Supervisors	10-31-2016
Identify a Schedule for Approval and Implementation	A realistic schedule for action is identified and agreed upon	Brian/ Department Heads/ Other Supervisors	12-31-2016

Strategic Priority 6: Operational Effectiveness

Key Outcome Indicator: Internal Succession; Target: 70% of All Leadership Positions Filled Internally

Initiative D: Establish a Leadership Development Program

Actions	Measure of Success	Who's Responsible	Target Date
Develop a Training Program for City Employees	A program that analyzes gaps, identifies talent pools, develops strategies, and implements strategies is identified and adopted	Human Resources/ Department Heads	3-31-2016
New Hires Should be Interviewed and Reviewed for Potential to Advance	The hiring process has been amended to strengthen focus on leadership and future advancement	Human Resources/ Department Heads	6-30-2016
Review Job Descriptions to Include Skill Sets Necessary for Promotion	All job descriptions are updated to include a section on leadership and future advancement	Human Resources/ Department Heads	6-30-2016