

2012 STATE OF THE CITY

As we begin this new year, we can all take a great deal of pride in our City's many accomplishments and continue to look forward to Shoreview's bright future. We appreciate the high quality of life that is characteristic of Shoreview – great schools, a tremendous parks and trails system, a low crime rate, numerous lakes and open space areas, outstanding public services, a strong and supportive business community, and our highly recognized Community Center that provides something for everyone in the City. Achieving this high quality of life is the result of having a vision, setting goals, and a great deal of hard work on the part of individuals and community groups.

One of the buzzwords that you continue to hear in government circles is the “new normal”. This “new normal” is characterized as a time of slower economic growth, higher energy costs, slumping housing market, increased health care costs, and an aging and more diverse population. All levels of government have been challenged by these conditions and there are many seminars on how cities should “navigate the new normal”. These sessions will often focus on developing new ways of thinking about government services, finding more effective ways to deliver services, adapting services to deal with a changing population, and encouraging collaboration with other governmental entities.

I am pleased to report that, in a very real sense, Shoreview has been “navigating the new normal” for decades. Whether it's contracting for police and fire services at a much lower cost than most cities, modifying our employee health insurance program to a high deductible plan to save both the City and our employees' money, or finding a better method to resurface roads, Shoreview has been a leader in cost effective local government. In fact, the City portion of homeowner's property tax bills continues to be in the lowest 20% of 29 comparable cities in the metropolitan area. As a Council, we are extremely proud that we can continue to provide a “quality of life” that is among the highest in the metropolitan area at such an affordable cost to our residents.

Financial Condition

As a result of our strong financial planning efforts and a solid tax base, Shoreview continues to be in excellent financial condition. This resulted in the City's AAA

bond rating from Standard & Poor's. This is the highest bond rating available and was achieved as a result of sound financial management policies and practices, low debt levels, solid income levels of our residents and the expansion of our commercial/industrial tax base.

The City Council is also working hard to limit the growth in property taxes. The City's tax levy for 2012 decreased by about .5%. As noted earlier, the City share of a median value homeowner's property tax bill is significantly lower at \$765 than comparable cities where the average tax is \$980. The largest increases in the City's budget have been for public safety (police and fire) services and capital replacement funds for streets, buildings and other City assets.

The Lake Johanna Fire Department is in the process of implementing a new service model to better serve our community. They are now staffing stations with paid on-call firefighters to improve response time to both fire and medical emergencies. Currently, stations are staffed during all weekday daytime hours, Friday and Saturday evenings, and weekday evenings until 9 pm. In April 2012, weekday evening hours will be expanded to 11 pm and stations will also be staffed on Saturdays from 8 am – 5 pm. Although this model is more costly in the short run, the Fire Department leadership believes it is more sustainable and will help maintain a more cost effective paid on-call department for many years into the future. During 2012, we also plan to transition our animal control services from a contract provider to the Ramsey County Sheriff's Department.

Economic Development

Although economic development and redevelopment has been slowed the past few years by the struggling economy, we are encouraged by some recent development activity that will be occurring over the next few years.

Earlier this year, Wells Fargo completed a \$20 million dollar addition to their data center building in the Rice Creek Corporate Park. Also, Cummins Power Generation is nearing completion of interior renovations at their new corporate headquarters, located at I-694 and Victoria Street. It is anticipated that more than 800 employees will be relocated to this site within the next few months.

One of the things we learned from our community survey is that residents would like more dining and restaurants in Shoreview. It is gratifying to report that the Stonehenge Retail Center will be constructed just south of I-694 and east of Lexington. This new retail center, which is part of a larger development plan for the site, will feature both Chipotle and LeeAnn Chin restaurants. The developer expects to announce other tenants, which may include another restaurant, for this retail center in the next several weeks.

We are looking forward to the planned construction of The Cascades, a 105-unit senior housing development on Hodgson Road just north of Highway 96. This senior housing project will provide a variety of housing types, including 30 independent living units, 43 assisted living units, and 32 memory care units, which greatly expands options for seniors who would like to remain in Shoreview. Completion is expected in 2013.

In addition, the City was recently awarded a \$655,000 grant from the Metropolitan Council to assist in the redevelopment of the Midland Terrace apartments located on Victoria Street just south of County Road E. This redevelopment project will include the removal of the older retail center, relocation of Owasso Street to align with County Road E and construction of a more contemporary market rate apartment building. The roadway realignment and preliminary work on the project is expected to occur in 2012, while the construction of the new apartment building is expected to begin in 2013.

Maintaining Quality Neighborhoods

The City Council, along with the Economic Development Authority, has continued to focus on maintaining and encouraging reinvestment in our many quality residential neighborhoods. A year ago, we created the Shoreview Home Energy Improvement Loan Program. As part of this program, residents can obtain loans for energy related home improvements including windows, siding, mechanical systems, etc. To date, this new fund has provided 10 loans to Shoreview homeowners.

Based on our community survey, we know that our residents are increasingly concerned about the appearance of yards and homes in their neighborhoods. Our City staff is continuing to respond to code complaints, and is also conducting

pro-active code enforcement through the SHINE program. Our Community Development staff also license and inspect all rental properties on a regular basis to insure that they are complying with our housing maintenance code; and they also monitor blighted and foreclosed properties.

Community Center, Parks and Trails

The Shoreview Community Center continues to be the most popular attraction in Shoreview. When the Community Center opened in 1990, its goal was to serve as the social, cultural and recreational gathering place for the community. As a member of the design task force that helped plan the building in the late 1980's, I can proudly say that the Community Center has not only met this goal, but greatly exceeded all expectations. More than half a million customers visit the Community Center each year. However, when attractions like the Tropics Indoor Water Park, Tropical Adventure Indoor Playground, and a state-of-the-art fitness center are combined with affordable daily admission and membership rates, it should not be surprising that the Community Center continues to be the best place in the Twin Cities for family fun and fitness. For residents who are interested in better health and wellness in the coming year, I encourage you to consider a membership at your very own Community Center. State of the art exercise equipment, classes, and personal trainers are there to assist you with your goals.

The City's Park and Recreation staff does an outstanding job planning a variety of recreation programs, as well as special events and activities at the Community Center. In 2012, we look forward to a return of the extremely popular Farmers' Market that runs from mid-June through October. The always popular Concert in the Commons summer music series will also be back on Wednesday evenings this summer. Many families also enjoy the Friday Night Outdoor Flicks and the Dive-In movies at the Community Center.

Our largest and most popular community event, the Slice of Shoreview, will be held from July 27-29 at Island Lake County Park. The theme for this year's event will be announced at the Taste of Slice event that will be held on February 23 at the Community Center. Through the hard work of our Sister City Association and the Shoreview Northern Lights Band, we will be hosting a visit from the Musikcorps Band from Einhausen, Germany. Thirty-nine band and family

members will be enjoying a visit to Shoreview and the performance of a joint concert.

Our City park system continues to be well utilized by residents and various youth athletic associations, however, it is starting to reach an age where several of the parks need some updating and improvements. About two years ago, the City completed a significant renovation of Sitzer Park, one of the oldest parks in the City's system. During 2012, we anticipate making improvements to both Bucher and Wilson parks. Bucher Park is scheduled for some major updates including new playground equipment. At Wilson Park, the playground area is expected to be replaced and relocated, the hockey rink will be relocated, and a picnic shelter will be constructed. These improvements at Wilson Park are consistent with a Master Plan update that was completed in the mid-2000's.

The City's trail and sidewalk system is our most widely used recreational resource in the City. According to our community survey, nearly 50% of Shoreview residents use the trail system on a weekly basis. During 2011, Ramsey County paved the crushed limestone trail through the Grass Lake Open Space area making it far easier to navigate on bicycle or rollerblades. Our Bikeways and Trails Committee and our City staff continue to look for opportunities to expand the trail system as part of various road or park improvement projects that are scheduled in the City.

Environmental Initiatives and Other Projects

The City is maintaining its focus on environmental issues in the community. While much of our focus is on water quality since there are eleven lakes and numerous wetland areas located in the City, we are increasingly concerned about the urban forest. In July, the Emerald Ash Borer was discovered in the Shamrock Park neighborhood in northwest Shoreview. The Emerald Ash Borer is one of the most destructive tree pests and it has killed millions of ash trees in 15 states. Shoreview is the fourth community in the metro area where this beetle has been discovered. Our Council, in conjunction with the Environmental Quality Committee, is in the process of developing a management plan and updating our ordinance to address this threat to our urban forest. The City held an informational meeting regarding the EAB in August, and hopes to hold another community meeting on this topic to

provide information to homeowners about various methods to combat the spread of the EAB.

The City also successfully transitioned to a new recycling provider, Allied Waste, last January. Although the number of residents that recycle is at an all-time high, recycling volume and tonnage has dropped due to fewer households receiving newspapers. In response to requests from many residents, we will be able to recycle many more plastics, including items such as yogurt, margarine, and cottage cheese containers, plastic bags, and juice boxes as part of the 2012 curbside recycling program. Check out our website to see a more complete listing of items that can now be recycled.

We were also pleased to learn that the expansion and renovation of the City's 35 year old Maintenance Center received the LEED (Leadership in Energy and Environmental Design) Gold certification by the Green Building Council. The City's Maintenance Center was the first in the nation to be certified Gold under the 2009 LEED rating system and was only the fifth City facility in the state to be LEED certified.

Our Environmental Quality Committee is also continuing its annual speaker series in 2012. The speaker series will run from January through April on the third Wednesday of the month and will cover topics ranging from rain gardens and attracting birds to your yard to public transit.

Conclusion

The City Council and I are committed to insuring that our government process is open and accessible, and that our residents are well informed. We televise all of our regular City Council and Planning Commission meetings, have increased the number of ShoreViews issues from four to six per year, and are expanding the amount of information and content on our website as part of our effort to provide residents with more timely information. As I have done since first elected Mayor in 1996, I will continue to hold office hours on most Tuesdays from 3-5 p.m. to discuss residents' issues and concerns.

I was very honored this year to receive the C.C. Ludwig Award for outstanding service and leadership from the League of Minnesota Cities. While it is always

nice to receive recognition, this award says far more about the type of community that we have in Shoreview. From my colleagues on the City Council who contribute countless hours to make Shoreview a better place to live, work and play; to our commission/committee members who provide sound recommendations and advice to the Council; to our outstanding City staff who provide high quality service and programs to our residents; and finally, and most important, to all of our residents who demonstrate “community spirit” throughout the year – we have all helped to make Shoreview a premier suburb in the Twin Cities area.

It has been an honor and privilege to serve as your Mayor. Thank you for listening, I look forward to working with you during the upcoming year.