



Regional Council of Mayors

July 11, 2011

Executive Director's Report

Caren Dewar welcomed Jeffrey Lunde, recently elected mayor of Brooklyn Park, to the Regional Council of Mayors. She also took the opportunity to encourage attendees to contribute to the ULI Young Leaders Group scholarship created in the name of Steve Lampi, previous mayor of Brooklyn Park.

METRO WATCH

State government shutdown impacts

Since most state government offices are in St. Paul, Mayor Chris Coleman said the shutdown has had an impact on local businesses. "Thousands of city residents are without a paycheck, and businesses that are dependent on government workers are impacted," he said. "From a city perspective, we are okay, but from a resident and humanitarian perspective, we are anything but okay."

Mayor Terry Schneider of Minnetonka said the 169 interchange work has stopped. "This could have huge impacts not just on our ability to get the project done without penalties, but to provide access," he said.

Although the Minnesota Zoo was able to reopen quickly, Apple Valley Mayor Mary Hamann-Roland said that had it stayed closed, it would have had a major negative impact on the city because of the number of residents who are employed at the zoo.

Mayor Sandra Krebsbach of Mendota Heights said that her city was having problems because electrical and plumbing inspections normally done by the state were halted, impacting construction. The city council is planning to pass an ordinance that would make the city responsible for those inspections, instead of using the state inspectors.

PRESENTATIONS

Framework for High Performance and Prosperity

Tor Dahl, chairman and CEO of Tor Dahl & Associates <http://www.tordahl.com/>, said that Minnesota can solve the state's economic problems—without raising taxes—in eight years.

“With no change in taxes, Minnesota’s current trend will lead to a \$43 billion gain in GDP by 2020,” Dahl said. “Lifting Minnesota from its current trend to a 5 percent annual growth rate will lead to an estimated gain of \$128 billion in 2020, with no new taxes.”

But this change takes planning and investment, Dahl said. He offered the example of Singapore, which moved from a Third-World economy to a First-World economy in just one generation, outpacing Minnesota in GDP/GSP. In the United States, only 2 percent of GNP is invested in innovation.

Dahl quoted a French economist, Jean-Baptiste Say (1767–1831): “If you want to break the back of a recession, you must pay people more, so sales will increase; lower prices, so sales will increase even more; and increase profits, so investors will invest. Productivity improvement is the only thing that can accomplish all these things simultaneously.”

On average, Dahl said, 92 percent of the work in a company is “improvable” in terms of productivity—and 8 percent is “perfect.” Becoming more productive means that 92 percent end up freeing resources, but he said it is important to guarantee that the workers will not lose their jobs. “Why not see what people actually do with the freed resources if you guarantee them that they will not lose their jobs?” he said. “They expand what they are doing cheaper, better or faster than anyone else by 55 percent.”

People hate to be unproductive, he said. “Two thirds of people’s negative stress and dissatisfaction happens when they are unproductive.”

Performance improvement is blocked by “logjams,” Dahl said. Organizational logjams can tie up about 3/4 the potential in manufacturing organizations and 1/2 the potential in service organizations.

Clusters: A Regional Asset

Stan Harpstead reported that the Medical Device Cluster Board, organized to support and strengthen the medical device industry in the Twin Cities, has started meeting monthly. He said the group has discovered that while the medical device industry in Minnesota is strong, “those in that cluster think that the rest of the region sees it as healthier than it is.”

Harpstead said leadership is critical in making connections between government and the businesses—and mayors are in the most appropriate position to interact with the leaders at medical device companies.

Harpstead said the board is looking at coordinating a communication plan for information about the medical device industry both for residents and political leaders and for the industry. “We’ve got the right people in the room now,” he said, “and the room is expanding.”

Greater MSP

Mike Langley, CEO of Greater MSP (Minneapolis-St. Paul Regional Economic Development Partnership), updated the mayors on the activities of Greater MSP <http://www.greatersp.org/index.php?src=>, an organization that grew out of the job-growth task force of the Itasca Project.

Greater MSP is a value-added resource for the region, Langley said. It is leading or partnering with existing organizations to:

- Set a strategic vision for regional economic development.
- Guide an economic development agenda.
- Brand and market the region, to both internal and external audiences.
- Attract new businesses to the region and retain and expand current businesses.
- Connect businesses with local resources and incentives.

Greater MSP currently is organizing regional strategy roundtable discussions in the 13 counties it serves; developing a brand and image collaborative with top regional marketing and public relations agencies; and beginning to build capacity for the organization.

Langley said 75 percent of Greater MSP’s funding is from private sources, 25 percent from the public sector. There currently are just under 50 investors, both public and private, but Langley said that ultimately there are likely to be more than 300 investors in the organization.

The marketing strategy is expected to roll out October 11, Langley said. Target audiences are business decision makers, talented workers, visitors and residents of the 13-county area.

“Collaborative regional leadership is key to our success,” Langley said.

INITIATIVES UPDATES AND FOLLOW-UP DISCUSSIONS

Environment Committee

Mayor Debbie Goettel said the Environment Committee is working with the Green Step City program through the Minnesota Pollution Control Agency to measure the carbon footprint not of individuals and companies, but of the cities themselves.

greenstep.pca.state.mn.us/files/GS_presentation_May2011.ppt “We’re thinking of carbon footprint as an economic engine,” she said. The committee also expects to find ways to look at a city’s water footprint, working with the University of Minnesota.

Cross-Jurisdictional Collaboration (XJC)

In a follow-up to the presentation from the June meeting on cross-jurisdictional collaboration, several mayors said they already are involved in some XJC operations.

Mayor Nick Ruehl of Excelsior said that for mayors in smaller communities, XJC “is a way of life for us.” His city has had a number of joint powers operations, but has begun discussions about “going to a level deeper” on sharing services, possibly with the Minnetonka School District.

Mayor Sandy Martin of Shoreview said five cities that share common borders in her area have been meeting monthly. “When we know each other, we are more likely to see the opportunities for sharing services,” she said.

MAYORS’ UPDATES

Falcon Heights: The city is about to pass an ordinance giving domestic partnership benefits to city employees.

Brooklyn Park: The city is looking at its waste removal program for savings and efficiency.

Burnsville: Mayor Elizabeth Kautz reported that although there was a 0 percent increase in wages for union employees in 2010, the employee unions have come in with proposals for 2012 that also have a 0 percent increase. "Communication with them is constant, so they understand where we are at," she said.

Woodbury: Elected city officials are having their first joint meeting with the county.

Apple Valley: The city is beginning to explore the future possibilities for the Cedar Avenue corridor, with bus rapid transit.

Richfield: The new city hall has opened and the old building will be razed in four to six weeks. Mayor Debbie Goettel said that the former Lyndale Garden Center and the closed K-Mart sites on Lyndale Avenue seem to have creative buyers.

Shoreview: The city renovated a 36-year-old maintenance center, winning LEED certification for the newly renovated building. "We went from ramshackle to state of the art," said Mayor Sandy Martin.

Edina: Mayor Jim Hovland said the city is still in conversations with Simon Malls about Southdale. "We're trying to get them to have a broader vision than just triage," he said.

COMING UP

There will be no August RCM meeting. The next RCM meeting will be held on Monday, September 12, 2011 from 11:30 am to 1:30 pm. RCM meetings are held on the second Monday of every month at Dorsey & Whitney.

ATTENDEES

The following individuals were in attendance on July 11, 2011:

Mayors

Chris Coleman	City of St. Paul
Mary Giuliani Stephens	City of Woodbury
Debbie Goettel	City of Richfield
Mary Hamann-Roland	City of Apple Valley
Jim Hovland	City of Edina
Tim Hultmann	City of Long Lake
Marvin Johnson	City of Independence
Dean Johnston	City of Lake Elmo
Elizabeth Kautz	City of Burnsville

Sandra Krebsbach	City of Mendota Heights
Peter Lindstrom	City of Falcon Heights
Jeffrey Lunde	City of Brooklyn Park
Sandy Martin	City of Shoreview
Lili McMillan	City of Orono
Nick Ruehl	City of Excelsior
R.T. Rybak	City of Minneapolis
Terry Schneider	City of Minnetonka
John Sweeney	City of Maple Plain
Nancy Tyra-Lukens	City of Eden Prairie
Janet Williams	City of Savage
Gene Winstead	City of Bloomington

Guests

John Bailey, Envision Minnesota; Cecile Bedor, City of St. Paul; Erin Dady, City of St. Paul; Beth Elliott, ULI Young Leaders Group; Andrea Ferstan, United Way Twin Cities; Jenna Fletcher, Trust for Public Land; Kevin Frazell, League of Minnesota Cities; Hector Garcia, CLAC; Loretta Hazlett, Tor Dahl Associates; Michael Huber, Blue Cross Blue Shield; Todd Klingel, Minneapolis Regional Chamber; Michael Langley, Greater MSP; Larry Lee, City of Bloomington; Jay Lindgren, Dorsey & Whitney; Kim Lindquist, City of Rosemount; Kevin McHenry, Metro Cities; Ted Mondale, Greater MSP; Burke Murphy, Regional Cluster Initiative; Marc Navinski, City of Coon Rapids; Bruce Nordquist, City of Apple Valley; Carol Pletcher, Pletcher, Inc.; Elizabeth Ryan, Family Housing Fund; John Schmitz, City of Woodbury; Robert Schreier, City of Brooklyn Park; Dennis Spalla, United Health Group; Jeremy Hanson Willis, City of Minneapolis

ULI Minnesota Staff

Caren Dewar, Cathy Capone Bennett, Katie Anderson, Linda Picone