



SAINT PAUL
INNOVATION TEAM™

Capital Improvement Budget Process Redesign

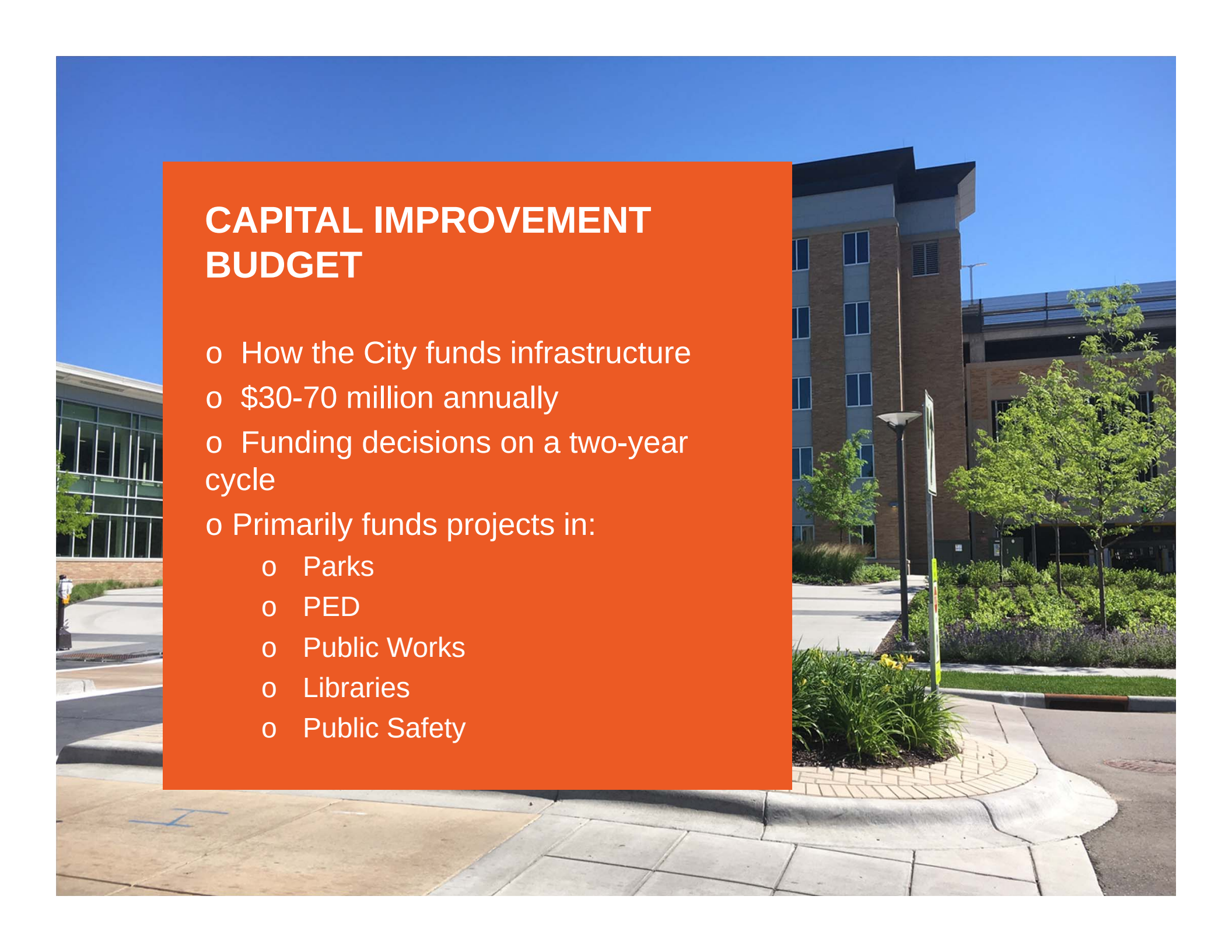
John McCarthy– Budget Director

Catherine Penkert – Senior Innovation Consultant

Office of Financial Services

April 19, 2017



The background of the slide is a photograph of a modern, multi-story building with large windows and a brick facade. In the foreground, there is a paved sidewalk with a landscaped area featuring green plants and a small tree. A street sign and a lamp post are also visible. The sky is clear and blue.

CAPITAL IMPROVEMENT BUDGET

- o How the City funds infrastructure
- o \$30-70 million annually
- o Funding decisions on a two-year cycle
- o Primarily funds projects in:
 - o Parks
 - o PED
 - o Public Works
 - o Libraries
 - o Public Safety

CIB PROCESS REDESIGN

CURRENT PROCESS

Current CIB Process	Managed by OFS Staff
October - January	Project proposals prepared and submitted
January – March	City Staff reviews proposals
March – May	Task Forces: Hear proposals, rank projects and inform CIB Committee
May – June	CIB Committee makes recommendations to Mayor
June – September	Mayor proposes funding decisions
September - December	Council finalizes and adopts budget

- 30+ year old process
- Complicated
- Time and Labor Intensive
- Highly Competitive



Redesigning process to focus more strongly on:

- o Equity and Inclusion
- o Strategic Investments
- o Fiscal Responsibility

CIB PROCESS REDESIGN

PROJECT GOALS

EQUITY AND INCLUSION

- o Maintain **conversation between the residents of Saint Paul and the City** on capital investments.
- o Select investments using an **equity lens**.

STRATEGIC INVESTMENTS

- o **Strategically align** CIB projects to reviewed City plans, including Parks' asset management strategy, PED Comp Plan, and Public Works' 5-year plan.
- o Include **informed and strategic community engagement**.

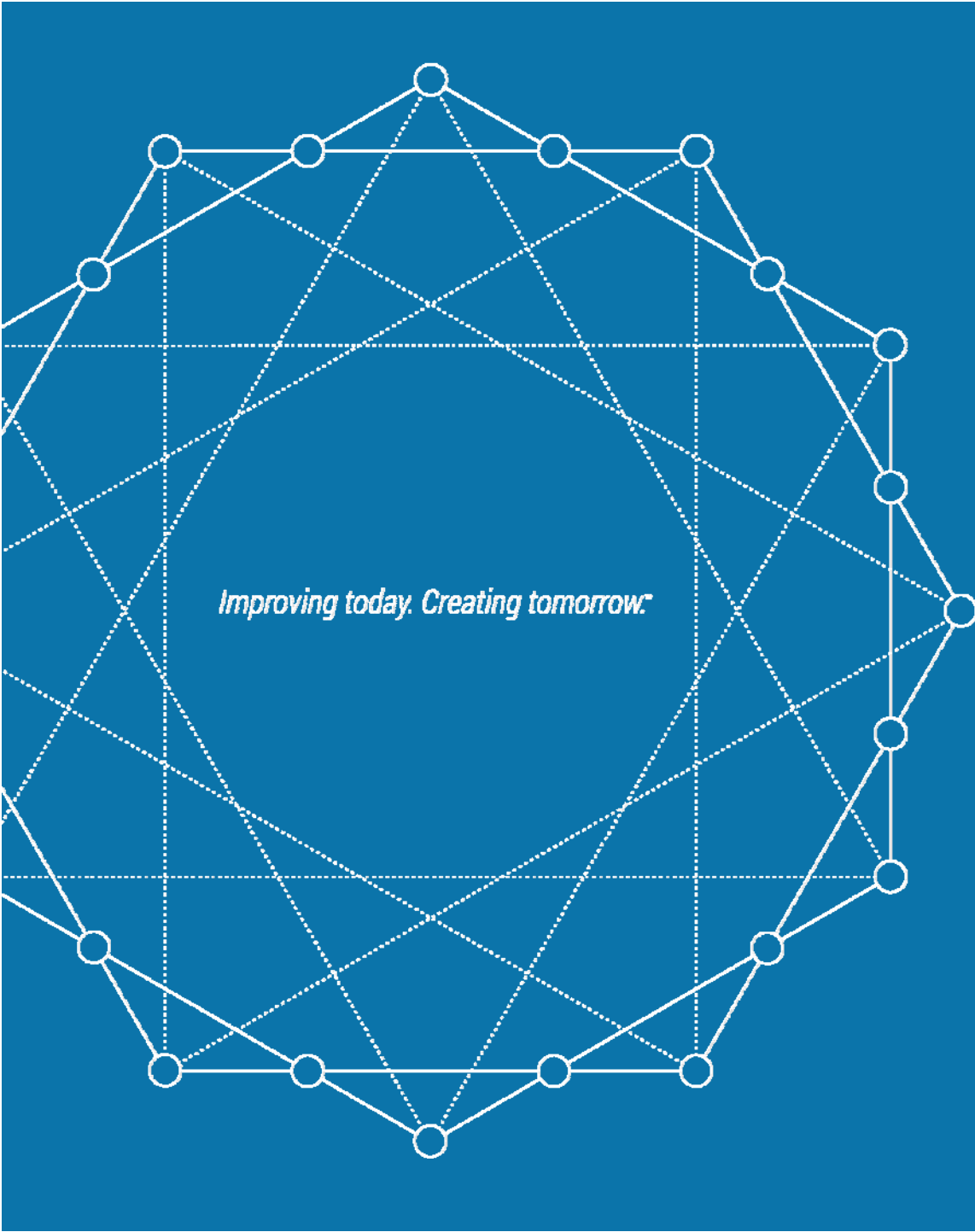
FISCAL RESPONSIBILITY

- o **Use facilities condition data** to create prioritized lists of capital investments.
- o Proactively **maintain existing infrastructure**.

CIB PROCESS REDESIGN

WHY THIS YEAR?

- o **Unique opportunity in 2018-2019**
 - o Most funding previously committed to 2 projects:
 - o Scheffer Rec Center
 - o Fire Station 20 projects
- o **What does this mean for the 2018-2019 cycle?**
 - o No new outside proposals considered for 2018-2019
 - o Focus on maintaining existing infrastructure
 - o We will use this break to refresh the CIB process for future cycles
- o **New process will roll out in 2018 to make decisions for 2020-2021 budget cycle**



Improving today. Creating tomorrow.

CIB PROCESS REDESIGN

COLLABORATIVE PROJECT: ROLES

EXECUTIVE CHAMPION

- Deputy Mayor Beckmann

PROJECT SPONSOR

- John McCarthy, OFS Budget

PROJECT TEAM LEADERS

- John McCarthy, OFS Budget
- Abdiwahab Ali, OFS Budget

PROJECT TEAM MEMBERS

- OFS Budget
- Parks Design
- Council Aides
- Council Community Engagement

STEERING COMMITTEE

- Deputy Mayor Beckmann
- Directors of Parks, PED, Public Works, OFS

ADVISORY COMMITTEE

- Councilmembers Stark and Brendmoen

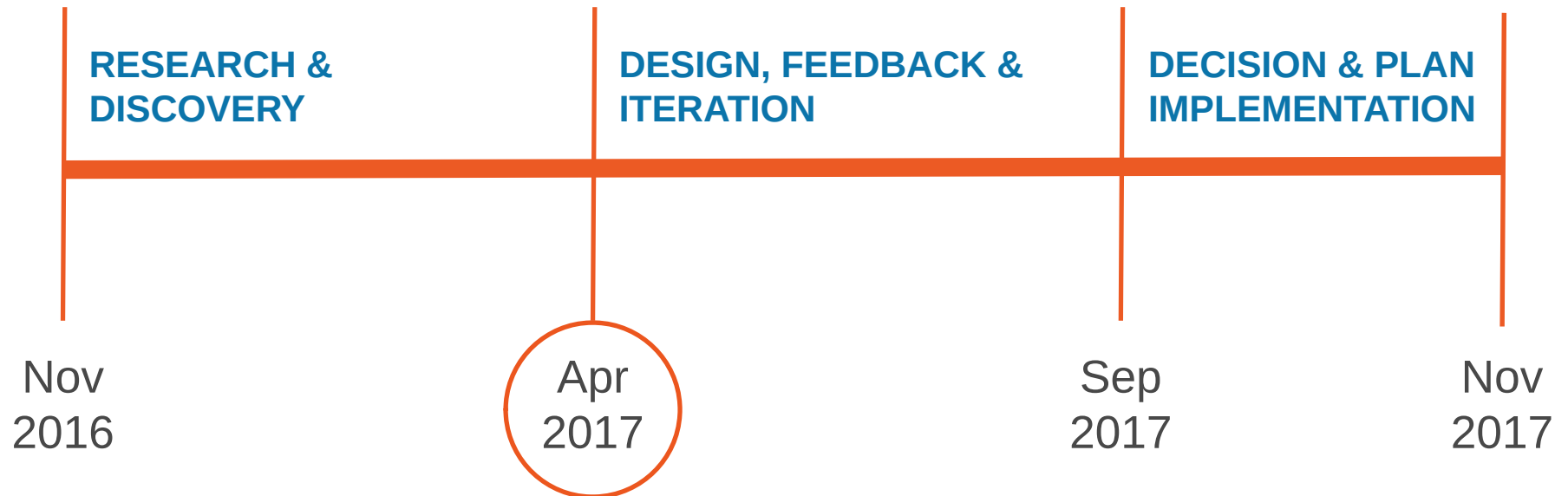
SUBJECT MATTER EXPERTS

- CIB Committee – current and former members
- District Councils
- Key department staff
- Other community organizations

INNOVATION CONSULTANT

- Catherine Penkert

CIB Process Redesign Timeline



- Stakeholder mapping
- Communication planning
- Outreach to District Councils and CIB Committee
- Interviews with 6 cities
- Development and analysis of current state process map

CIB PROCESS REDESIGN

WHAT WE HAVE LEARNED THUS FAR

- o Starting from a position of strength
 - o Saint Paul's current approach rates high for community engagement relative to many other cities
 - o Example of government sharing power with residents by giving them ability to recommend budget decisions to Mayor
 - o Parks and Public Works are nationally accredited organizations
 - o City's AAA Bond rating

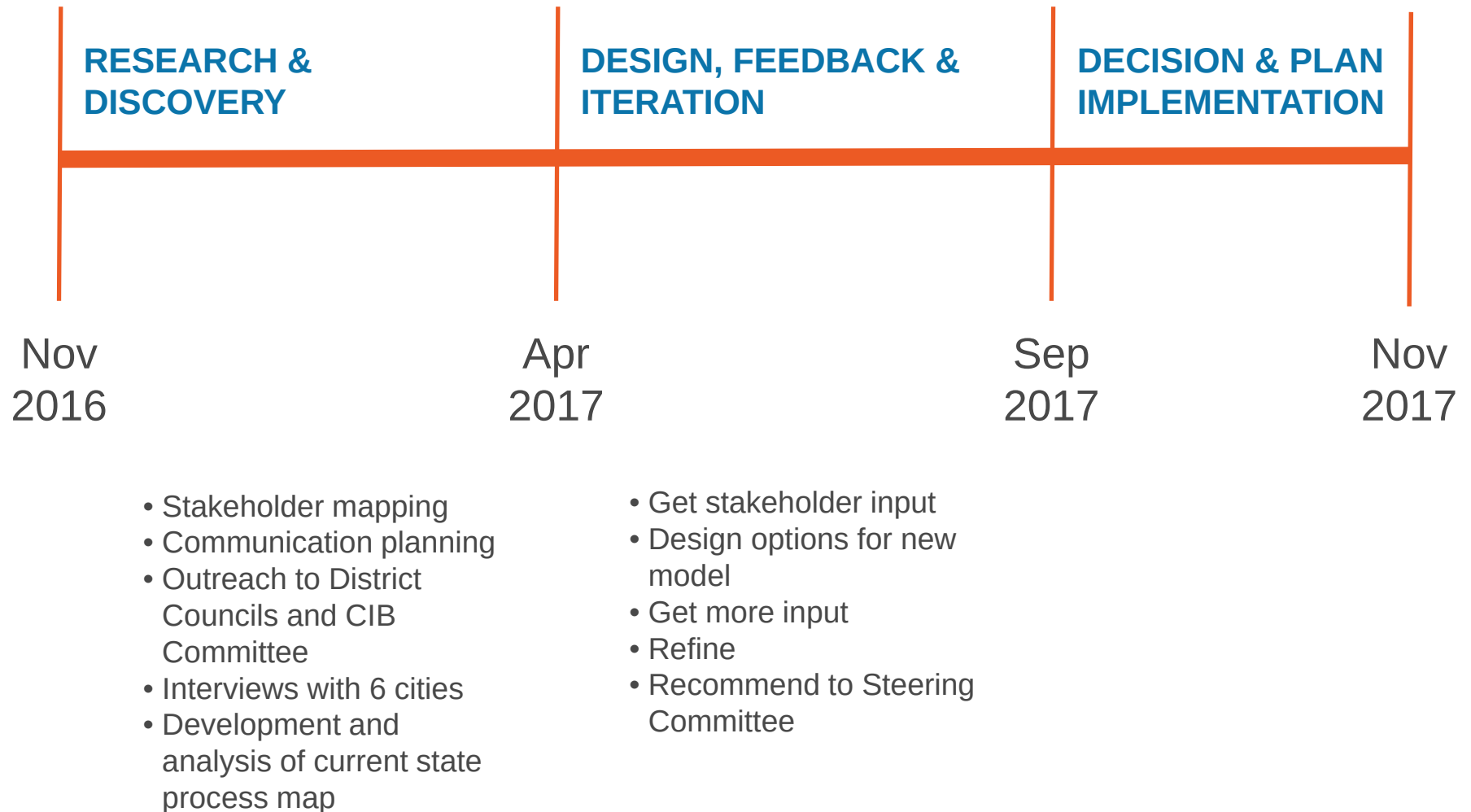
CIB PROCESS REDESIGN

WHAT WE HAVE LEARNED THUS FAR

- o However, there are challenges:
 - o Submission forms
 - o Volume of submissions
 - o E.g. Parks Design team spends 500-600 hours of staff time for each CIB cycle
 - o Task force process
 - o Equitable representation on committee and task forces
 - o Communication between elected officials and CIB volunteers

The process redesign aims to keep what works while improving the pain points.

Next Steps





New process will roll
out in 2018 to make
decisions for 2020-
2021 budget cycle

THANK YOU!

