



4646 Dakota St. SE  
Prior Lake, MN 55372

March 16, 2013

## A Message from the Mayor

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### Cliché But True: Our City is Strong

The State of our City is strong. That phrase has been used so often, it's becoming a cliché. But for Prior Lake it's really true.

As I reported in January, our school system has raised the bar in many areas, resulting in turning out kids we can be proud of, and who carry the Prior Lake story out into the broader community and across the world. Prior Lake residents are filled with the spirit of volunteerism. Over 50 volunteers serve on city advisory committees and commissions. Civic service groups make a positive impact, including the Optimists, Rotary, Lions, VFW, Chamber of Commerce, and more. Youth athletics groups - PLAY, PLBA, the Hockey Association, Soccer Association, Swim Club, and more every year - only run with the active support of hundreds of parent volunteers. The community survey experts we use report that Prior Lake's residents are active, involved and engaged - more so than most every other metropolitan community.

We are graced by one of the best parks system and among the finest recreational lakes in the metro area, including Spring, Upper Prior and Lower Prior. Various groups look after our lakes, including the Lake Associations, the Yacht Club, and the PLSLWD, DNR, Prior Lake City staff, and the County Sheriff's Department. The use of both Watzl's Point and Sand Point beaches continues to grow each year and along with the two boat accesses on Prior Lake and one on Spring Lake, the lakes are available and actively used by the general public, in addition to lakeshore homeowners.

Throughout the housing crash of 2006-2009 and the Great Recession, Prior Lake has continued to grow with new residential development. Over the past three years, we've seen 94, then 106, and finally 174 building permits issued for new residences. As a result, we've grown by between 1% and 2% in households each of those years, and 2013 is shaping up to look at least as strong as 2012, with 29 new permits issued through February. For the first time since 2006, we've seen residential developers expand with new residential plats, including ones at Jeffers Pond, Hickory Shores, Maple Glen, Spring Lake Estates and Eagle Creek Estates.

I'm pleased to report that the state of Prior Lake's city finances is strong, as well. The city council cut the tax levy by 4.7% in 2012, and followed that with a 0% levy increase in 2013. As a result, the tax levy per household in 2013 is lower than in 2008. The city saved \$1.5 million in interest costs by refinancing the construction bonds used for building city hall and the police station. The council also approved paying off \$600K in bonds early, reducing debt over the scheduled remaining life of those bonds. Our financial reserves remain strong, projected to end 2013 at 47% of the estimated 2014 budget. All of that has been accomplished without cutting city services, thanks to the innovative, highly productive city staff throughout every department.

We also face several important issues, in my opinion, and the City Council will debate these to determine the priority among them for the next few years. First, I think of Quality Community Development. As developers come to Prior Lake, we need to let them know what a quality neighborhood is for Prior Lake. Key factors include

strong home owners' associations, access to open space parkland, trails connected to other trail systems, along with preserving and expanding wetlands. Second, we need to sustain our efforts to clean up our 14 lakes and innumerable wetlands, and we must improve our water supply and conservation to meet summer peak needs. We are working with the SMSC on a joint well and distribution system to solve this issue in the next 12 months. Third is Downtown Visibility and Access. The first step was taken with Arcadia Ave. and County Rd. 21. This year we rebuild the Main Ave./Ridgemont/Hwy. 13 intersection, providing improved northern access to downtown. We still need to solve the impending issues of the Main Ave. and County Rd. 21 intersection, and the road network in the south downtown area leading to Southlake Village.

None of these projects is without controversy. Nothing of merit ever is. The state of Prior Lake is indeed strong and the City Council and I welcome your input to help us shape solutions for the best long-term result for Prior Lake.

**Sincerely,**  
**Prior Lake Mayor**  
**Kenneth L. Hedberg**