

June 30, 2026

To: The Honorable Mayor Her and Members of the Saint Paul City Council

From: Lauren Dees-Erickson, Chair and Liam O'Brien, Vice Chair

REPORT OF THE SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE

Dear Mayor Her,

Thank you for the opportunity to submit the Saint Paul Long-Range Capital Improvement Budget Committee's recommendations for the 2027 Capital Improvement Budget. The Committee approaches this responsibility with care, recognizing that capital investments shape how residents experience safety, access, mobility, parks, public spaces, and basic infrastructure across every ward of Saint Paul.

The CIB Committee represents every ward of the city. Our recommendations are grounded in community input, fiscal responsibility, long-term infrastructure stewardship, and alignment with department planning. Over the past year, committee members reviewed community and department proposals, asked clarifying questions, considered public input, and weighed the difficult tradeoffs created by limited capital resources. This letter outlines recommendations that reflect that full process

For 2027, the overall Capital Improvement Budget includes approximately \$179.3 million in funding, including approximately \$4 million per year in Community Development Block Grant (CDBG) funding, \$11 million in Capital Improvement Bonds, and \$17,955,000 in Municipal State Aid funding. Within that broader context, the Committee's recommendations are focused on directing limited discretionary capital dollars toward projects that are community-informed, feasible, equitable, and responsive to identified needs.

While the Mayor's Office and City Council hold final authority over CIB allocations, we respectfully urge you to adopt the Committee's Capital Improvement Bond and CDBG recommendations in full. Doing so recognizes the extensive time, public engagement, analysis, and deliberation undertaken by committee members and City staff throughout the process.

The Committee also asks that the City continue strengthening the process for future budget years by providing the Committee with at least two months to review all projects it is expected to recommend. Public hearings should be timed and structured around the information available to the Committee during that review period, so community members can provide informed feedback, and the Committee can fully consider that input before final recommendations are made.

The 2026-2028 Community Proposal Process demonstrates both progress and areas requiring continued attention. The process received 39 proposals, the second-highest number submitted since the program was created, and at least one eligible proposal from each ward. It also drew the highest number of individual applicants in process history and the highest number of new applicants, with 27 projects submitted by 22 people who had never submitted a proposal in a prior cycle. This is an important sign that outreach, application simplification, and additional submission options are expanding access to the process.

At the same time, the process produced the highest number of ineligible applications in program history. Of the 39 proposals submitted, 24 were found ineligible and only 15 eligible proposals were reviewed. The Committee views this not as a reason to retreat from community-led participation, but as clear evidence that the City must continue reducing barriers, clarifying eligibility requirements, improving technical assistance, and helping residents understand what makes a capital proposal viable before they invest time in a full submission. These results raise a broader concern about representation and equity in the CIB process.

The CIB process cannot be considered fully equitable if the neighborhoods most impacted by historic disinvestment continue to face the greatest barriers to participation and eligibility. Underrepresented communities have too often been expected to compete in a process that was not built with their access needs in mind. A recommitment to equity requires the City to do more than open the door; it requires ensuring that residents from every neighborhood have the tools, support, and information necessary to walk through it successfully.

The Committee appreciates the City's work to implement recommendations from the City Council Audit Committee, Wilder Research, and the community. Improvements such as a simplified application, earlier and longer application window, additional submission options, clearer communication, and expanded technical assistance are meaningful steps. The next phase should build on those improvements by ensuring that increased participation is matched by increased support, especially for residents and neighborhoods that have historically faced barriers to accessing capital investment processes.

The Committee also recognizes that some Saint Paul neighborhoods have experienced chronic underinvestment. As a committee, we have voted to prioritize these neighborhoods moving forward. That commitment should remain central to future CIB decisions, not only in how projects are selected, but in how outreach, technical support, eligibility review, and funding transparency are structured across wards and over time.

During the Department and CDBG processes, the Committee also faced the limits of the current funding structure. Many high-priority capital needs are larger than what the annual Capital Improvement Bond budget can reasonably support. We encourage the City to explore an additional mechanism for larger-scale capital projects, so the CIB process is not forced to choose between many smaller community priorities and major infrastructure needs that require a different funding tool.

The Committee values the close coordination with City staff during the Department Process and appreciates the support provided throughout the Community Proposal and CDBG processes. In the coming year, we look forward to continuing work with the Office of Financial Services and City departments to streamline community participation, improve transparency in tracking CIB expenditures year over year, and strengthen the connection between community priorities, department planning, and final budget decisions.

As always, the Committee appreciates your leadership and the dedication of City staff, including Nichelle Bottko Woods and Shannon Forney, in support of CIB work. It is a privilege to serve Saint Paul and its residents, and we submit these recommendations with respect for the responsibility entrusted to the Committee.

Sincerely,

Lauren Dees-Erickson, CIB Committee Chair
Liam O'Brien, CIB Committee Vice Chair
Jessica Braun
Makayla Cox

Yomi Geleto
Raymond Hess
Tim Marino
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