

A Win-Win-Win Situation

The City of Luverne partnered with a health care organization and a college, achieving great results for all. The initiative was the winner of the League of Minnesota Cities’

2008 City of Excellence Award in the category of “Collaborating and Maximizing Resources.”

By Don Reeder

A unique and innovative public-private-public partnership involving the southwestern Minnesota City of Luverne (population 4,597) is helping to bolster the economic vitality of the city while providing the surrounding region with skilled medical personnel ready to meet burgeoning needs for local health care. The story of this partnership illustrates how creative vision, along with the desire to meet practical needs, can result in a mutually beneficial collaboration and advantages for local residents.

It began with an outdated building

The partnership began about five years ago, when officials from Sioux Falls, S.D.-based Sanford Health (then known as Sioux Valley Regional Health Services) met with city leaders to discuss vacating Sanford’s existing Luverne hospital and clinic facility, and constructing a new medical center in the city. Sanford operates approximately 150 health care facilities in the region. The most recent major renovation of the existing Luverne facility had happened in 1991. It lacked the necessary technology updates and the space to meet growing service demands.

As part of the resulting development agreement, the city provided infrastructure—including a new water tower and street improvements—and Sanford donated the former hospital and clinic building to the city. Additionally, the city agreed to shepherd a \$1 million community fundraising campaign, administered through the Luverne Area Community Foundation, to aid in construction of the new hospital.

When the new Sanford hospital and medical center—a 25-bed critical access facility—opened in June 2005, the Luverne City Council immediately began examining potential opportunities for the donated facility vacated by Sanford. The Council considered several options, including selling the facility to a local funeral director or demolishing the structure to create green space. Ultimately, the Council voted to retain ownership of the old facility and to consider how, with renovation, the city could use it.

Bringing in the third partner

Luverne Economic Development Authority (LEDA) Director Jill Wolf had some ideas for the use of the building. She saw the opportunity to create an educational facility that could also be positioned as an economic development driver for the city, with potential appeal for attracting new businesses and residents. On a hunch, Wolf made a well-placed cold call to Minnesota West Community and Technical College President Ron Wood to get the ball rolling.

After Wood expressed interest in exploring the idea, about a dozen community leaders gathered to meet with him and his top staff to propose the possibility of a campus presence in Luverne. At the time, Minnesota West—part of the Minnesota State College and University system—had campuses in the Minnesota cities of Canby, Granite Falls, Jackson, Pipestone, and Worthington. Minnesota West students have the option of earning associate degrees or certificates.

Following several more stakeholder meetings and discussions, Wood and his staff determined that the donated

building would be an ideal location for a medical training site. The deal was sealed when Sanford further participated in the partnership through donation of medical equipment and curriculum development. The three entities collaborated with desire and determination to use existing infrastructure, expert medical staff, and community resources to bring technical hands-on, medical training and education to southwest Minnesota.

The Luverne Educational Center for Health Careers opened its doors to students in September 2007. The Center currently offers a Radiology Technician program, Surgical Lab Technician program, and general education liberal arts courses. Minnesota West has also announced three additional programs that will be offered in the fall of 2008. With the opening of the Educational Center, LEDA accomplished a number of goals, including finding a viable use for the former hospital/clinic building, expanding the medical niche within the community, increasing post-secondary educational opportunities in Luverne, and continuing to support the relationship with Sanford Health through the three-way partnership.

A new City Hall

As an additional benefit, the city moved its offices out of an overcrowded City Hall into half of the building shared by the new Educational Center. The move could not have come at a better time. The old City Hall building, located in downtown, was crammed into a 4,000-square-foot facility that was originally used to house the community’s First National Bank.

“The old City Hall had outlived its use, and was not energy efficient or fully accessible,” said Wolf. “There were only two private offices there, and both of those offices had paper-thin walls.” In an ironic twist, Wolf—a Luverne native—now has an office in the new City Hall that is the same room she was born in when the facility was a hospital.

A major advantage of the City Hall move was the cost-sharing opportunities between the city and the Educational Center. The city was able to give a generous graduated lease to Minnesota West, and also provided water, sewer, refuse, cleaning, and snow removal services, as well as lawn care, shared restrooms, and parking. For its part, Minnesota West provided \$100,000 in building improvements and technology updates, as well as staffing, equipment, and administration of curriculum and certifications for the training center. Perhaps the most significant cost savings, though, was the ability to renovate and reuse an existing structure rather than incurring the time and expense of erecting a new City Hall facility from scratch.

Additional benefits

In yet another component of the collaboration, Sanford Health donated 32 acres of property to the city and—in turn—LEDA granted \$200,000 (appraised value of the land donation) to the Educational Center. The donation of property fostered the opportunity to continue housing growth for the city. LEDA is currently in the process of developing the property into a residential development called the Manfred Heights Addition. According to Luverne City Administrator John Call, more than 30 new single-family homes in Manfred Heights will be completed and made available in the fall of 2008. “For the strength of our housing stock, we like to develop an inventory here of about eight new homes per year,” Call said. “The presence of Manfred Heights ensures the pace of that inventory for the next four to five years.”

Because of the unique three-way collaboration, the Luverne community has been revitalized in a number of ways at a time when a number of Minnesota communities are in economic decline. The presence of dozens of the new Educational Center students in the city has benefitted local retailers, and created additional demand for rental housing.

Reaching out to students

When the city was recognized by the League of Minnesota Cities as one of four 2008 City of Excellence Award recipients, it received a cash prize of \$1,000. Some of the money will be used to produce punch cards that will be given to every incoming student, entitling them to receive discounts when making purchases from local merchants. The punch cards will serve the twofold purpose of introducing students to local businesses while helping to stimulate the local economy.

Moreover, it's likely that a number of the students will gain employment in the surrounding area upon completion of the program, and establish a more permanent residence in Luverne. The addition of several individuals or families each year is good for the health of the city's tax base, and also helps to keep the city growing and vibrant. As the local paper, the *Rock County Star Herald*, noted in a recent editorial, “People who never cared or knew a thing about Luverne will want to come here now.

Rental markets will be affected, and who knows what else we'll see improve.”

Luverne City Councilmember Esther Frakes, a former educator, believes that the presence of the medical training facility enhances the overall livability of the city as well. “Luverne has a fine public K-12 program, and the addition of the center gives a postsecondary educational option that makes our city even more appealing,” Frakes said.

Without strong leadership from public and private sectors, community vision, and spirited collaboration, the joint Luverne City Hall and Educational Center for Health Careers may have never materialized. “When compared with larger cities in the state, our resources for development and growth here in Luverne are limited,” said Call. “With collaboration, we proved that we could get so much more done than we could by going it alone.”

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CITY OF EXCELLENCE AWARD NOMINEES DEVELOP GREAT PARTNERSHIPS

In addition to Luverne, a number of other Minnesota cities submitted examples of innovative collaborations for 2008 City of Excellence Award consideration in the award category “Collaborating and Maximizing Resources.”

City-private collaboration

- The City of Coon Rapids partnered with HOM Furniture, which owns and operates a Styrofoam processing machine. At minimal cost to the city, Styrofoam brought to the city's recycling center by residents is then transported to HOM Furniture's warehouse, where it is processed and sold to an end market.

City-state collaboration

- The Princeton Area Visionary Committee partnered with the State Department of Natural Resources and secured funding from the Minnesota Initiative Fund to design regional bike and walking trails to connect Princeton with other parks and attractions in the region.

City-city collaborations

- In January 2007, the cities of Eden Prairie and Eagan entered into a one-year contract for services, which allowed Eden Prairie to hire a part-time developer and provided needed technical expertise for Eagan.

- The cities of South St. Paul and West St. Paul have a consolidated fire department that is at the forefront of best practices, uniquely pools community resources, and provides enhanced service and better cost controls for the residents of these two communities.

Multiple entity collaborations

- The Lower St. Croix Valley Alliance is an all-volunteer group comprised of elected officials from the cities in the Lower St. Croix Valley area of eastern Washington County. Other participants come from the state Legislature, local school district, county, and fire district.
- The City of St. Anthony has found a way to keep its police department and help nearby communities: contracting out squad cars and officers to the nearby cities of Lauderdale and Falcon Heights.
- As part of the West Metro Graffiti Group, the City of St. Louis Park's Information Resources staff developed GraffitiNet, an online SQL database capable of sharing specific information regarding graffiti incidents as well as suspect, arrest, mapping capabilities, and photographic information.