



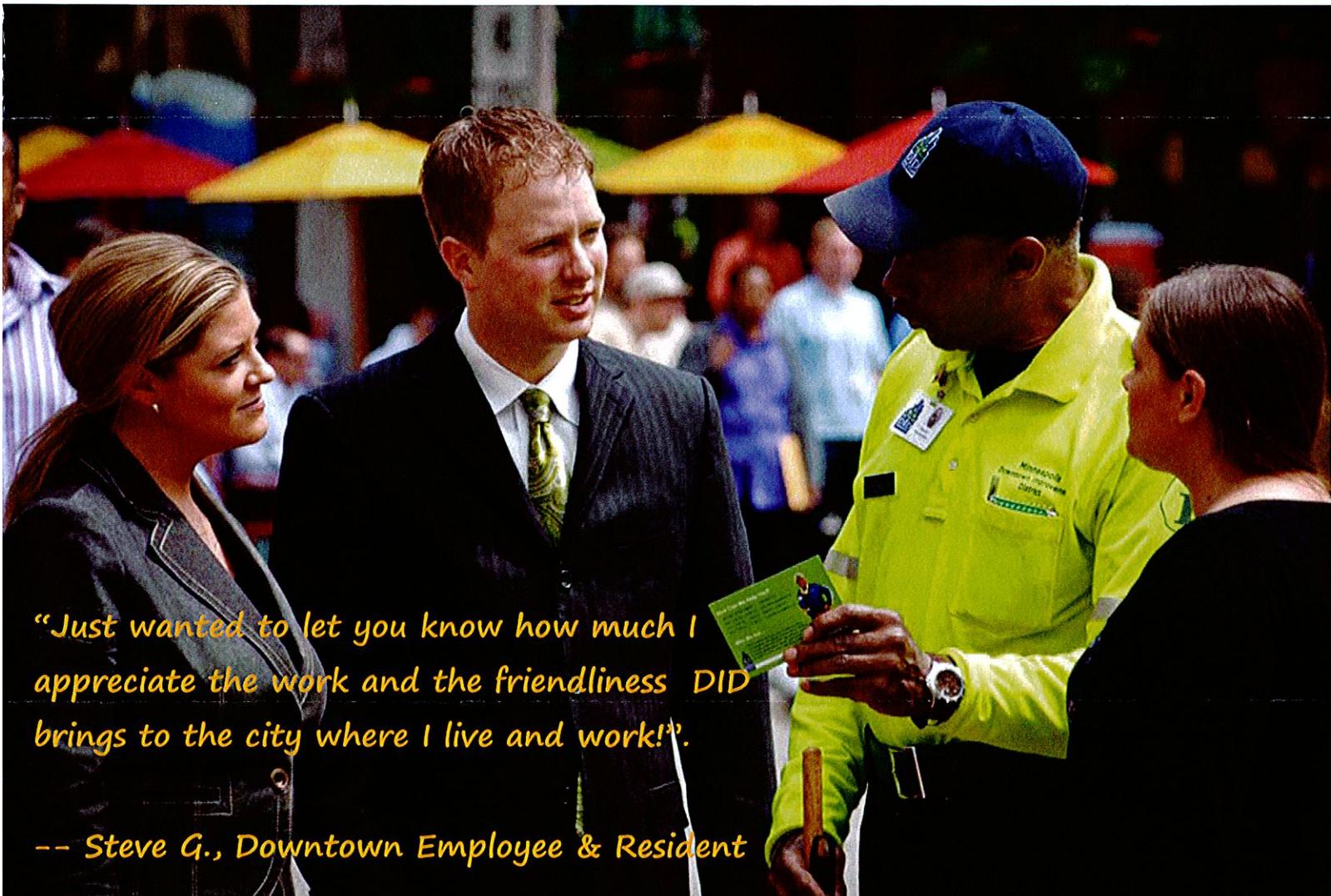
Vibrant, Strategic, and Engaged.

Delivering Services, Leadership, and Results.

2012 Operating Plan

We are pleased to present you with this overview of DID services proposed for 2012. We look forward to continuing the good work of DID making the experience of being downtown enjoyable. Whether providing business recommendations and directions or cleaning up our downtown, DID is providing services that improve the perception of downtown as the place to be. Hundreds of thousands of employees, visitors, residents and business owners benefit from these services. We know the investment you are making in downtown matters because your employees, tenants, customers and visitors tell us: our annual survey shows improved perceptions about downtown and we receive daily feedback of appreciation on our website.

We thank you, and all of our stakeholders, for your partnership in improving downtown. *Here's to a vibrant and prosperous 2012.*



"Just wanted to let you know how much I appreciate the work and the friendliness DID brings to the city where I live and work!"

-- Steve G., Downtown Employee & Resident

170,893

*Pedestrian Assists
since 7/2009*

1.9 Million

*Pounds of trash
collected since
7/2009*

32,500

*Annuals &
perennials planted
since 7/2009*

528,205

*Twinkle light bulbs
installed*

8,931

*Cigarette Butts
collected on
Nicollet in 2 days*

Minneapolis Downtown Improvement District makes downtown vibrant and attractive for recruiting and retaining businesses, employees, residents, shoppers, event-goers, and visitors by delivering services that make 120 blocks of downtown cleaner, greener, safer and better.

NEW INITIATIVES

The funds invested by downtown stakeholders enable DID to provide the fundamental services that make everyone from near and far experience a cleaner, greener, better cared for and more welcoming downtown. *These dollars also enable DID to launch, invest, inspire, leverage and collaborate on new initiatives that keep downtown thinking and moving forward.*

In 2010 we worked with the City, County and St. Stephens Human Services to launch the Downtown 100 program which resulted in a 74% reduction in chronic offender crime downtown and 29% city-wide.

In 2011 we piloted a first of its kind outdoor recycling program on Nicollet Mall with the help of a lead sponsorship from Ameriprise Financial; we began a volunteer engagement program to harness people's commitment and enthusiasm into better outcomes for downtown; we began a business community discussion with Metro Transit and the City about achieving a world-class transit system that supports storefront uses, pedestrian vibrancy and adjacent building operations; and we collaborated on the Downtown 2025 visioning for the future of downtown.

In 2012 we'll look to find new ways to keep downtown exciting, welcoming and beautiful. These investments may include new safety programs and equipment, public awareness campaigns, prototyping greening of available spaces, launching corporate and civic engagement and sponsorship programs in downtown, and participating in planning and implementing key downtown projects such as renovation of the Nicollet Mall.

DID is proud to be a leader of these initiatives as we very clearly see it as our role to bring passion, energy, awareness, and focus to things that make our public realm more attractive, inspiring and engaging.



Top: Target's United Way volunteer corps pitches-in to help DID make downtown cleaner. Left: Each day DID Ambassadors manage the pilot recycling program on Nicollet Mall. Bottom: No Butts About It Campaign on display (container of 8,900+ butts collected in just two days along Nicollet Mall).



"Thanks for all the DID Ambassadors do to make our downtown the wonderful place that it is."

-- Robert M., Downtown Employee



2012 SERVICES PLAN AND ESTIMATED BUDGET		
REVENUE		
Service Charges Prorated to Lineal Frontage (LF)		\$2,266,342
Service Charges Prorated to Gross Building Area (GBA)		4,089,838
Non-Service Charge Revenue Sources		60,000
	TOTAL SOURCES	\$6,416,180
USES		
Service Description	Method	+/-
SAFE: Ambassadors and outreach to patrol sidewalks as "eyes and ears"; provide greeter/hospitality services; and address aggressive behaviors (panhandling, inebriates, intimidating behavior). SafeZone initiatives including Radiolink, camera monitoring, housing and treatment liaisons, Bar Watch, Give Real Change, Junk In Your Trunk, Courtwatch, Downtown 100, and Downtown emergency planning.	Allocated	\$2,297,340
CLEAN: Litter, trash and recycling programs; Graffiti abatement; Wash streetscape surfaces; Pressure-wash sidewalks (as scheduled); Weed removal from sidewalks; Snow tidying on sidewalks and corner pedestrian ramps (property owners will still manage first-response snow services, DID will focus on consistency of snow removal and working with owners to make sure they meet ordinance requirements for removal); Document, report and follow up on private property and public agency issues.	LF	1,150,000
GREEN: Plan, provide, install, and maintain seasonal and permanent green features in multiple locations downtown. Serve as a resource to property owners who want to implement greening.	GBA	600,000
PUBLIC AREA MAINTENANCE: Maintenance, repair and painting of enhanced streetscape elements and systems. Nicollet Mall maintenance will focus on safety (not aesthetic) issues while a long term renovation plan is developed and funding sources are sought.	GBA	529,700
SNOW: Continue snow and ice melt services on Nicollet Mall.	GBA	297,400
COMMUNICATIONS: Annual report, operating plan, newsletters, maps, surveys, ratepayer database, public realm and issue specific awareness campaigns and awards, website, etc.	GBA	117,800
PROGRAM MANAGEMENT: Staff and professional services for planning and implementation of new initiatives and DID operations.	Allocated	767,340
ADMINISTRATION: Facilities, parking, supplies, postage, equipment, professional services, insurance, telephone, IT, financing costs, bank fees, and other administrative expenses.	Allocated	339,600
CONTINGENCY	Allocated	317,000
	TOTAL USES	\$6,416,180

ABOUT THE SERVICES, BUDGET AND COMMITTEE

Frequency of service will be based on achieving a consistent standard throughout the district. Areas with higher pedestrian traffic or usage require greater frequency and/or faster response times. DID's service level areas have been determined, in part, based upon these anticipated response times and frequencies. Some DID services may occur on private property when doing so benefits the broader area and furthers the mission of DID.

As with any business, the current economy requires investing in added service to protect our competitive edge. We must remain ever-vigilant in making downtown attractive to business investment. While focusing on our goal to provide service, we also seek competitive pricing and cost controls. The 2012 proposed budget has increased 1.87% in large part due to adding housing assessments that will build upon the demonstrated success of our chronic offender program (Downtown 100). The year over year variance for each property is impacted by its lineal frontage and GBA relative to the overall district. Any annual changes to the Assessor's data for properties can also impact amounts applied. Please contact the DID management office for questions about charges to specific properties.

DID would like to thank the following members of the Operations and Services Budget Committee for their efforts in preparing this budget and providing on-going oversight of the services during 2011: **Dave Wright**/US Bank (Chair), **John Campobasso**/Kraus-Anderson, **Dave Dabson**/Piedmont, **Diane Heimerl**/Rice Real Estate, **Tom Hoch**/Hennepin Theatres, **Dave Horsman**/Minnesota Twins, **Joanne Kaufman**/ Warehouse District Business Association, **Mike Litwin**, Target, **John Luke**/Hilton, **Tom Mason**/ Radisson Hotel, **Diane Peterson**/Alatus, **Brent Robertson**/Jones Lang LaSalle, **Nils Snyder**/Welsh Cos., **Steve Trulen**/ Target, **David Wilson**, Accenture, and **Amy Wimmer**/Hines.

OPEN HOUSE: OPPORTUNITY FOR Q&A

A public hearing will be held on September 13, 2011, to discuss the services and estimated budget details in this Operating Plan. Prior to the public hearing, **DID will host an open house to answer questions in an informal setting. Please join us on Wednesday, September 7, 2011, 8:30-9:30 a.m., at the DID offices, 81 South 9th Street, Suite 260.**

THE DISTRICT MODEL & GOVERNANCE

DID is patterned after many other successful districts that exist nationwide, where studies reflect increased property values resulting from businesses, employees and residents wanting to locate in cleaner, safer, greener, and better areas. DID utilizes the same policies, quality and cost controls demanded by businesses when managing private properties. We provide transparency in all functions, efficiencies in procurement and implementation methods, as well as accountability. An independent audit of DID is delivered to the City by March 31st each year. DID is a private, stand alone, 501(c)6 organization with a wholly controlled 501(c)3 subsidiary, Minneapolis SafeZone Collaborative. DID is governed by a Board of Directors comprised of business leadership who bring a broad depth and breadth of expertise to the oversight of DID operations. The membership of the Board will change from time to time as terms are filled or expire. The membership as of July 15, 2011, was as follows:

Tom Hoch, CHAIR (Hennepin Theatre Trust), **David Wright, VICE CHAIR** (US Bank), **Jeff Gendreau, SECRETARY/TREASURER**(Baker Tilly Virchow Krause), **Robert Anderson** (Loring Green, Resident), **Bill Chopp** (Hines Interests), **Jim Durda** (Inland American Office Management), **Bruce Engelsma** (Kraus-Anderson), **Kevin Fossum** (Piedmont Office Realty Trust), **Rob Hall** (Hospitality Association Chair, and The Depot Minneapolis), **Mark Hamel** (Dorsey & Whitney), **Brent Hanson** (Wells Fargo), **Elliot Jaffee** (Downtown Council, Chair, and US Bank), **Randy Lebedoff** (Star Tribune), **Mike Litwin** (Target Corporation), **Mike Maney** (Ryan Companies US), **John McCall** (University of St. Thomas), **David Menke** (Opus Northwest, LLC), **Russ Nelson** (Minneapolis Foundation, Board Member, and Nelson, Tietz & Hoye), **Brian Pietsch** (Ameriprise Financial), **Tracy Pleschourt** (Carmichael Lynch), **Nils Snyder** (Welsh Companies), **David Sternberg, IMMEDIATE PAST CHAIR** (Brookfield Properties), and **David Wilson** (Accenture).

DID is managed by a small staff of professionals with expertise in real estate and project management as well as services procurement and oversight. Services are implemented via contracts with vendors. Please visit the DID website for more information about services implementation, staffing, board, committee membership, etc.

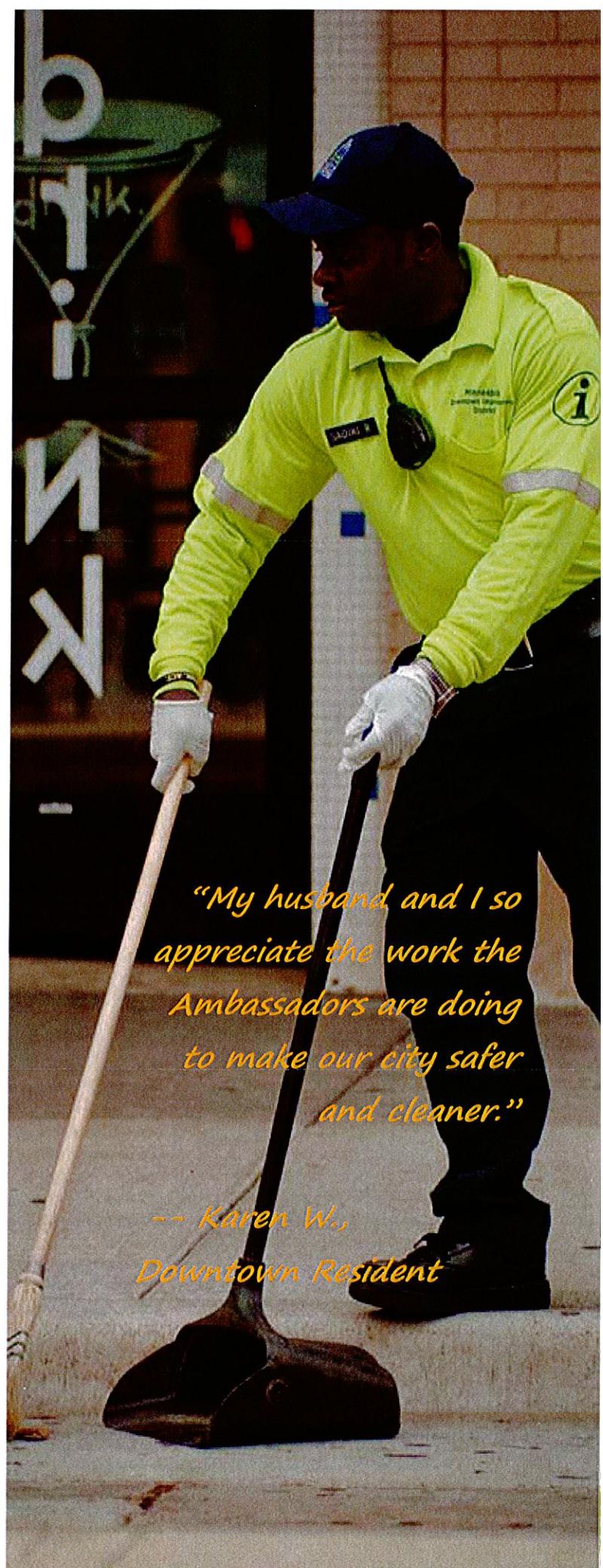
ASSESSMENT METHODOLOGY & PAYMENTS

Assessments are based on: a) Services that are lineal in nature (e.g., cleaning) are allocated against the lineal frontage of a property; b) Services that benefit the entire district without relationship to lineal frontage (e.g., greening) are allocated against the property's Gross Building Area (or land area if undeveloped) per City Assessor records; and c) the district is divided into three service areas based on pedestrian demand, and costs are prorated to these areas accordingly (a service area map is available on the DID website). This combination of Lineal Frontage, GBA and pedestrian demand, properly addresses the relationship between the quantity of people within a building and area that use the DID services. Please contact DID with questions about the calculation for a specific property (or to identify the Lineal Frontage, GBA or service level for that property). Subject to approval of the Operating Plan, **2012 DID charges will be combined with other special assessments on County property tax statements**, payable in 2012.

Residential and certain non-profit property is exempt from paying service charges for the DID (although many have opted to pay voluntarily since they too benefit from the services). Please contact DID if you represent an exempt property and would like to contribute and/or would like DID to present the program to your board for consideration.

DID CONTACT INFORMATION

For further information about this 2012 Operating Plan or DID's Governance Board, committees, and staffing; to sign up for mailing lists; or to send us a comment, please contact us at 612.338.3807, info@MinneapolisDID.com, via fax at 612.338.0634, at Minneapolis Downtown Improvement District, 81 South 9th Street, Suite 260, Minneapolis, MN 55402 or visit www.MinneapolisDID.com.



"My husband and I so appreciate the work the Ambassadors are doing to make our city safer and cleaner."

*-- Karen W.,
Downtown Resident*