

## NEIGHBORHOOD AND COMMUNITY RELATIONS

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### MISSION

The Neighborhood and Community Relations (NCR) Department serves residents directly and supports all other City departments with enterprise guidance in the realm of strong neighborhood and community relationships. The department is charged with strengthening our City's quality of life through vigorous community participation, resident involvement in neighborhood and community organizations, and supporting clearly defined links between the City, City services and neighborhood and community organizations.

### BUSINESS LINES

NCR will be housed with the departments supervised by the City Coordinator. (Please see the organization chart in the *Coordinator-Administration* section.) NCR will bring positions from within the City together to collaborate on access and outreach, community participation and engagement, and provide services to the City enterprise. It will also incorporate support of neighborhoods and administration of the Neighborhood Revitalization Program (NRP).

### Neighborhood Vitality

The City's "connected communities" goal prescribes that there be "thriving neighborhoods" in every corner of Minneapolis. Neighborhood vitality has been both a constant aspiration and a trademark of identity throughout the City's history. So, too, has the City's partnership with neighborhood groups in defining the opportunities and challenges that face us in achieving, maintaining and enhancing truly livable neighborhoods.

Neighborhood groups exist as independent organizations. Each has its own priorities and processes. The City contracts with these organizations to provide a forum for participation of residents and other stakeholders. Our work with neighborhood groups, however, extends beyond this contractual relationship; we share a common goal of creating a better City for all our residents. To achieve this goal, the City and its neighborhood groups must work to forge and foster strong partnerships that respect each other's roles and responsibilities.

The most remarkable fruit of this partnership began in 1990 with the creation of the Neighborhood Revitalization Program (NRP). For the past two decades, the NRP process has worked to make the city's residential areas better places to live, work, learn and play. NRP is an investment program based on bringing residents into the priority-setting process of the City and on the belief that the mobilization of untapped resources, energy and creativity can make our collective desire for a better future a reality.

This department will focus on nurturing neighborhood vitality through neighborhood-based priority setting, planning and implementation, and the integration of this work with the work of the City.

- **Neighborhood Organizational Infrastructure:** Community participation is a basic City service. The department will administer a new, enhanced community participation program to include:
  - Neighborhood organization administrative support allocations.
  - Technical support to neighborhood organizations to help build the capacity and leadership development of neighborhood groups through training and educational opportunities.
  - Assistance to neighborhood groups in navigating City departments.

- Support for the involvement of diverse populations in neighborhood organizations, including alternative methods and models for involvement.
- Enhancement of the professional support available to neighborhoods from City staff.
- A forum where best practices can be shared and peer support can be coordinated among community organizations.
- **Neighborhood Investment Fund & Community Innovation Fund:** The Neighborhood Investment and Community Innovation funds are proposed to provide dedicated funds to neighborhood organizations. The Investment Fund is proposed to be allocated by neighborhoods to help address neighborhood-identified priorities; the Innovation Fund will be awarded to neighborhood organizations for specific projects that foster innovative responses to citywide challenges.

Department staff will work with neighborhood organizations on the allocation and implementation of investment funds and the integration of these activities with other City resources and initiatives. Department staff also will work with neighborhood organizations on the continued planning and implementation of their Phase I and Phase II NRP activities.

Department staff also will work with neighborhood organizations on developing an understanding of the City-identified priorities for the grants to be allocated through the Innovation Fund and facilitate connections with other community-based organizations interested in developing collaborative responses to these priority issues.

- **A Strengthened Link:** An original goal of the City's neighborhood program was to assure that neighborhood perspectives were appropriately reflected in the broad resource allocation decisions of the City. Still an important goal, it is hoped that a new structure can strengthen the link between neighborhoods and City departments, and simultaneously get us closer to this goal.

The Coordinator's Department provides planning and management support and services throughout the City enterprise, including the coordination of departmental business planning and oversight of performance goals. With strong leadership expectations regarding strengthened relationships with residents and neighborhoods, there will be every opportunity to not only formalize the expression of departmental work and plans with neighborhoods, but a mechanism is already in place for monitoring progress and working toward meaningful performance in this area.

- **Block Clubs:** Block clubs are an essential civic building block of neighborhoods. Department staff, in cooperation with community crime prevention, will promote more collaboration and improved communication between community organizations and block clubs where their respective goals in community participation align.

### **Access and Outreach**

The City's "One Minneapolis" goal prescribes "equal access, equal opportunity, and equal input" for all residents of the City. These aspirations have been important throughout the City's history and development, but become even more pertinent as we experience rapidly changing demographics and welcome a growing population of new and diverse residents every day. The City will remain strong if our residents are engaged in civic life and understand fully the opportunities for community involvement.

To close race and class gaps and assure that City services are understood, obtainable and equitable, this department will focus on addressing and removing all barriers to full civic participation and meaningful engagement. In the recent past, the City has made substantial

headway in assuring that all language barriers are removed through a comprehensive approach on limited English proficiency planning and implementation. In addition, the City is known as accessible to those with physical disabilities. That said, the coordination and communication effort to assure all barriers are removed can be renewed and re-energized through an effort by this new department.

Finally, multicultural barriers exist today that did not twenty years ago. Because of our strong belief that all benefit from a population who understands civic responsibility and the value of contributing to community strength, it is important to look anew at ways to bridge cultural differences and embrace new definitions of what real community means.

- **Multicultural Services & Outreach:** The department will strengthen the ability of diverse cultural communities to participate fully in the civic and economic life of our community through sustainable outreach strategies, coordination with other governmental jurisdictions and their services, and education about community-based programs aimed at increasing the self sufficiency of minority and immigrant groups.
- **Limited English Proficiency (LEP) Plan Implementation & Interpretation Services:** Current interpretation and translation activities will continue while the department pursues the integration of this work into all City departments. Department staff will finish the implementation of departmental LEP plans focused on the removal of language barriers.
- **Americans with Disabilities Act (ADA) Compliance:** The department will provide a point of contact and communication for people with disabilities. Department staff will serve as a supportive link to all City departments in removing all barriers to employment, movement throughout the City, and full and complete participation and compliance with federally-prescribed mandates. The department will work closely with the City's Commission on People with Disabilities to address concerns and seize opportunities for change and improvement in our environment.
- **Welcoming & Orienting New Residents:** The City has experienced extraordinary growth in the past ten years. Downtown population has soared and the number of residents arriving from foreign countries has exploded. There is an expectation of community responsibility that is unique from many parts of the country or world, and the City should not be timid about providing good information regarding civic opportunities for participation and contribution. From education about the services offered by Minneapolis 311 to an invitation for participation in neighborhood organizations or block clubs to assistance with library services or access to technology, proactively welcoming new residents will go a long way to assuring community strength and vitality.

### **Community Participation and Engagement**

Community participation and engagement serve to strengthen Minneapolis. The City's formal adoption of core principles for community engagement reflects the shared beliefs of the Mayor and City Council on how the City should engage the community and how the community can participate in the City's decision-making process. The principles serve as a guide for community engagement and establish a foundation for expectations that the Mayor and City Council hold of City staff, department leadership and elected officials.

- **Right to be involved** – Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.
- **Contribution will be thoughtfully considered** - Public participation includes the promise that the public's contribution will be thoughtfully considered.

- **Recognize the needs of all** - Public participation promotes sustainable decisions by recognizing and communicating the needs and interests of all participants, including decision-makers.
- **Seek out involvement** - Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
- **Participants design participation** - Public participation seeks input from participants in designing how they participate.
- **Adequate information** - Public participation provides residents with the information they need to participate in a meaningful way.
- **Known effect of participation** - Public participation communicates to participants how their input affected the decision.

Not only do these principles help to capture the viewpoints and concerns of those who are potentially affected, they also foster communities that are involved in the business of government and should lead to more sustainable policies, programs and services which take into account diverse community needs and views.

- **Connection to Neighborhood & Community Organizations:** All City officials and departments will continue to have multiple points of contact with neighborhoods and community organizations. That said, there is room for better coordination of multi-department efforts, support for resident initiatives, and assistance to external stakeholders who are experiencing a breakdown in meaningful engagement activities.

This department will not only organize the breadth of information about neighborhood and community partners, but also help inform people of the various avenues and resources available for participation and serve to troubleshoot when conflicts or problems arise.

- **Boards & Commissions – Mission-Driven, Well-Oriented, Quality Public Service:** The City utilizes the volunteer efforts of hundreds of residents who serve on more than fifty advisory boards and commissions. These board and commissions represent the key core of community engagement activity, especially in regard to City actions and decision-making. Residents should have good information about service opportunities and be well-oriented once selected to serve. In addition, the missions of our boards and commissions should be clear and relevant to the City's need for meaningful input. Finally, staff that supports this component of community engagement should be trained and supported in their efforts.
- **Civic Participation Academy:** In cooperation with the Clerk's division on elections and all departments of the City, Minneapolis should do more to educate those interested in the activities of a municipal corporation, the partnership goals we have with City residents, the expectations of civic responsibility, and the opportunities available for community participation.
- **City Staff Education & Training:** Coordinator departments provide assistance to all City departments in the key areas of business planning & performance management, finance, personnel, technology, intergovernmental relations and more. In addition, Coordinator staff serves as consultants around enterprise initiatives such as sustainability, community engagement, enterprise information management and others as needed. It will be valuable to have a team of staff who can be helpful throughout our organization on matters of meaningful resident connection and communication.

## Services to the City

The department will serve as a resource to all City departments on the incorporation into their work of community participation practices.

- **Data & Information Management:** The department will keep comprehensive and updated database and contact information about all neighborhood and community organizations for use by all City departments. Department staff will work to establish systems for use of communications tools.
- **Two-Way Communications:** Department staff will research and identify tangible ways to communicate to residents and expand opportunities for the City to hear from Minneapolis residents. The department will work to address the “feedback loop” that is desired by those who provide input and is frequently missing after decisions get made.
- **Accountability and Performance Measures:** The department will establish measurement and evaluation tools for use by all City departments related to community participation. The department will offer a forum through which City departments can share lessons learned from community engagement activities.

As with all City departments, a strong set of outcome measures will be established against which progress will be measured. Department leadership will appear at *Results Minneapolis* progress conferences to discuss trends, progress on goals, and departmental programs and practices that are producing the greatest results or determine and eliminate problems getting in the way.

- **Staff Collectives and Coordination Teams:** Staff teams from across the enterprise should be organized to support the achievement of neighborhood development, board and commission vitality, accessibility goals, and specific initiatives related to community connectedness.
- **Training and Resources:** Department staff will aid in the planning and implementation of community participation activities and enhance the community engagement skill sets by coordinating training sessions, cross-departmental collaboration, up-to-date contact information and meeting resources.
- **Analysis of Community Participation Practices:** The Department will conduct ongoing analyses of City processes to foster dynamic community participation practices that are responsive to the changing needs and interests of the City, residents, and business owners. Some examples include:
  - Increasing two-way integration of neighborhood and City goals, priorities, plans, programs, projects and activities.
  - Supporting City departments and staff to adapt practices that involve residents early in projects through communication about upcoming projects and identifying ways in which resident input can be solicited and incorporated into the planning processes of upcoming projects.

## RECOMMENDATION REGARDING CERTIFICATION AND ALLOCATION OF RESOURCES ALLOWED BY SPECIAL LEGISLATION OF THE STATE LEGISLATURE

### **Background**

Established in 1990, the twenty-year Neighborhood Revitalization Program and its funding are set to sunset in 2009. The City and neighborhood groups have been pondering this major

turning point for almost 10 years. In addition, the City's purchase in 1995 of the Target Center increased long-term demand for resources

During the 2008 legislative session, the Minnesota Legislature authorized the City to establish a non-contiguous redevelopment tax increment finance (TIF) district. If established, this district will be comprised of properties commonly know as "pre-1979" TIF districts, which are scheduled to end in 2009. The earliest year the tax increment revenue can be realized is in 2011. Without further action by the City, the current districts will go back into the tax base during 2009 and stay in the tax base in 2010, increasing the overall size of the tax base, resulting in property tax relief for many property owners.

Under the special legislation, tax increment from the district may be expended only to pay principal and interest on Target Center bonds or for "neighborhood revitalization purposes." The legislation does not specify or require any particular allocation of revenues between these purposes.

The legislation also explicitly states that the certification of the district does not impact the City's "property wealth" factors in the Local Government Aid program. Under the current formula, a major drop in the City's LGA will occur in 2011, whether or not the City uses the special legislation, with most of the impact anticipated in the general fund.

**Overall Recommended Funding from the District**

Consistent with the recommendations in the "Framework for the Future" from the Neighborhood Revitalization Program (NRP) Work Group, the Mayor recommended certification of a redevelopment tax increment finance district to pay principal and interest on Target Center bonds and to fund neighborhood revitalization programs and administration. Further, the Mayor recommended establishment of this new City department in the Coordinator's group, with transition funding allocated.

The Mayor's recommendation was to certify districts so that \$18 million dollars is generated in 2011, the earliest year allowed under the special legislation. The Mayor's recommendation would have allocated these funds as follows:

Target Center principal and interest	\$10 million
Neighborhood Investment & Community Innovation Funds (Neighborhood operations, department of Neighborhood and Community Relations)	\$ 8 million
<hr/>	
Total	\$18 million

This recommendation would lead to certifying about 75% tax capacity of the district. Under this recommendation, preliminary estimates show residential taxpayers would have seen a reduction in their tax bills from \$17 to \$87 annually, depending on the value of the home. If none of the districts were certified, residential taxpayers would see a reduction in their tax bills from \$61 to \$307 annually. The district would have lasted for ten years (through 2020).

**Financial recommendation for Target Center principal and interest**

The current Target Center financial plan (before the 2008 State legislation) is not structurally balanced. In addition to \$61.3 million in fixed rate debt at an interest rate higher than the current market conditions, the financial plan does not take into account two cost pressures: an operating subsidy for the operator (up to \$1.7 million annually) and capital refurbishment of the arena (\$2-3 million annually).

The current plan relies on the following revenue sources:

- *Property tax* generated at the arena - \$100,000 annually through 2012, \$550,000 when the arena TIF district decertifies in 2013 and beyond.
- *Tax Increment* from the Arena - \$1 million annually through 2012. This resource may only be used for debt service, certain administrative costs, and capital costs.
- *Entertainment tax* generated at the arena - \$1.1 million annually
- *Event parking* - \$2.6 annually million in 2010, escalating to \$5.6 million by 2024.
- *Minnesota Amateur Sports Commission* - \$750,000 in 2009 only
- *Tax Increment* from the Common Project – around \$5 million annually through 2013. This resource may only be used for debt service, certain administrative costs, and capital costs.

Of these resources only entertainment tax, parking revenues and property tax can be used to fund the operating subsidy. But for dedication in the plan, any of these amounts could be used to reduce financial pressures in the general fund or the parking fund.

The Mayor's recommendation funded the principal and interest payments for the Target Center financial plan at \$10 million each year. This recommendation provided the opportunity to redirect resources to the unfunded capital and operating needs. The Finance Department prepared an updated finance plan for the arena based upon this recommendation.

**Financial recommendation for neighborhood operations and programming**

The Mayor's recommendation specified \$8 million per year for neighborhood programming. In addition, the recommendation included funding for neighborhood operations. In the current neighborhood revitalization program, neighborhood groups identify administrative funding from within the overall program funding. This recommendation demonstrated support for a long-term funding source for neighborhood groups tied to the length of the new program as defined in State law. Neighborhood groups may decide to reallocate administrative funding to programmatic funding as needed. The following is the summary of this recommendation:

**Neighborhood and Community Relations Proposed Sources and Uses (in thousands)**

	2008	2009 Mayor's Recomm	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
CDBG	428	420	416	185	182	179
NRP central admin funds - admin set aside	1,250	1,250	350	0	0	0
Property Tax (including revenue from new district in 2011)	590	1,110	984	8,314	8,334	8,355
<b>Total Sources</b>	<b>2,268</b>	<b>2,780</b>	<b>1,750</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Uses</b>						
(1) Neighborhood Investment & Community Innovation Funds, neighborhood operations, and department of Neighborhood and Community Relations	0	500	1,100	7,905	7,905	7,905
(2) Existing Citizen Participation Program	333	328	328			
(3) Existing Homelessness Program	225	225	75	75	75	75
(4) Existing Multicultural Services	380	392	407	424	441	459
(5) Existing NRP - Central Administration	1,250	1,250	350	0	0	0
(6) Existing City Community Engagement	80	85	90	95	95	95
<b>Total Uses</b>	<b>2,268</b>	<b>2,780</b>	<b>2,350</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Difference</b>	<b>0</b>	<b>0</b>	<b>-600</b>	<b>0</b>	<b>0</b>	<b>0</b>

**The Council modified this recommendation by promulgating the following instructions:**

The Council directed Finance staff to prepare and return to the Council with a proposed tax increment finance plan to establish a redevelopment tax increment financing district, as provided under Laws of Minnesota 2008, Chapter 366, Article 5, Section 37. The plan will be circulated for public review and comment, consistent with State statutes and City ordinances, and submitted to the Council for consideration no later than July 31, 2009. The plan should consider the following financial parameters:

- A. annually provide after the administrative costs of the district:
  - i. At least \$10 million to retire Target Center debt;
  - ii. No more than \$14 million to be allocated as follows:
    - 1. \$2 million, if needed, to further expedite Target Center debt payment;
    - 2. \$8.5 million for general neighborhood revitalization purposes;
    - 3. \$3.5 million for neighborhood commercial community revitalization;
    - 4. Each of these three items would be proportionally reduced should their available revenues be less than \$14 million. If this proportionate reduction occurs, the dollars for general neighborhood revitalization purposes (item #2 above) shall be allocated as follows:
      - a) Full funding for Basic Citizen Participation Services, as defined by the Neighborhood Community Engagement Commission, up to \$3 million.
      - b) All other uses under general neighborhood revitalization purposes would be proportionately reduced."
  - iii. Revenues received in excess of \$24 million can be applied to further expedite Target Center debt repayment, applied to the Neighborhood Investment Fund, or returned to the contributing tax jurisdictions.
- b. That parcels comprising up to 50% of the captured tax capacity of the district will be decertified and their captured tax capacity returned to the tax base when they are no longer needed for Target Center debt. The following chart details the plans for the department that the Council adopted.

**Neighborhood and Community Relations Proposed Sources and Uses (in thousands)**

	2008	2009 Adopted Budget	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
CDBG	428	420	416	185	182	179
NRP central admin funds - admin set aside	1,670	1,428	350	0	0	0
Property Tax (including revenue from new district in 2011)	590	1,110	984	8,314	8,334	8,355
<b>Total Sources</b>	<b>2,688</b>	<b>2,958</b>	<b>1,750</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Uses</b>						
(1) Neighborhood Investment & Community Innovation Funds, neighborhood operations, and department of Neighborhood and Community Relations	0	298	1,100	7,905	7,905	7,905
(2) Existing Citizen Participation Program	333	328	328			
(3) Existing Homelessness Program	225	225	75	75	75	75
(4) Existing Multicultural Services	380	392	407	424	441	459
(5) Existing NRP - Central Administration	1,250	1,428	350	0	0	0
(6) Existing City Community Engagement	80	85	90	95	95	95
<b>Total Uses</b>	<b>2,268</b>	<b>2,756</b>	<b>2,350</b>	<b>8,499</b>	<b>8,516</b>	<b>8,534</b>
<b>Difference</b>	<b>420</b>	<b>0</b>	<b>-600</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Detail of Program Recommendation

As outlined above, the adopted budget allocates \$8.5 million for general neighborhood revitalization purposes. Multiple funding sources and transition of functions require a more detailed break out.

#### (1) New Neighborhood Funding

	2008	2009 Council Adopted	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
Property tax	0	297.5	1,100	7,905	7,905	7,905
<b>Total</b>	<b>0</b>	<b>297.5</b>	<b>1,100</b>	<b>7,905</b>	<b>7,905</b>	<b>7,905</b>

This amount is dedicated to Neighborhood Investment and Community Innovation Funds, general neighborhood operations and the department of Neighborhood and Community Relations. As the program moves forward, neighborhood groups could move funding between operations and increase program funding.

Centralized administration begins its transition in 2009. The Council-Adopted budget establishes the Neighborhood and Community Relations Department. Transition funding is included for an Assistant City Coordinator and project management; NRP central administration funding drops to available levels. Transition resources (\$600,000) will need to be identified in 2010 to fund NCR as responsibilities between the two central administrative offices evolve. In 2011, these central administrative functions are funded by the new district revenues.

#### (2) Existing Neighborhood Group Citizen Participation Program: Recommended Sources

	2008	2009 Council Adopted	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
CDBG	233	228	228			
Property tax	100	100	100			
<b>Total</b>	<b>333</b>	<b>328</b>	<b>328</b>	<b>0</b>	<b>0</b>	<b>0</b>

The program's funding source changes to the new property tax revenue in 2011 and moves to the overall neighborhood program above. Existing funding from general fund property tax and CDBG are quite volatile. The aim with this switch is to program a sustainable funding source for neighborhood operations.

#### (3) Existing Homelessness Program: Recommended Sources

	2008	2009 Council Adopted	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
CDBG - homelessness outreach coordinator	75	75	75	75	75	75
Property tax - homelessness outreach	150	150				
<b>Total</b>	<b>225</b>	<b>225</b>	<b>75</b>	<b>75</b>	<b>75</b>	<b>75</b>

The program's outreach funding has been funded from one-time resources, as the status of the general fund permits. The Coordinator position is partly paid by the City, partly paid by Hennepin County. The program is not changed with its move to NCR.

**(4) Existing Multicultural Services: Recommended Sources**

	2008	2009 Council Adopted	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
CDBG	120	117	113	110	107	104
Property tax	260	275	294	314	334	355
<b>Total</b>	<b>380</b>	<b>392</b>	<b>407</b>	<b>424</b>	<b>441</b>	<b>459</b>

The program moves from the Civil Rights department to NCR. The funding sources will not change, although because CDBG is a declining resource, property tax resources are shown as making up for a 3% decline each year. The move of this program to NCR does not change the program's position allocation.

**(5) Existing centralized neighborhood administration: Recommended Sources**

	2008	2009 Council Adopted	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
NRP central admin funds - admin set aside	1,250	1,428	350			
<b>Total</b>	<b>1,250</b>	<b>1,428</b>	<b>350</b>	<b>0</b>	<b>0</b>	<b>0</b>

NRP central administration drops to available levels in 2010 and ceases in 2011.

**(6) Existing City community engagement funding**

	2008	2009 Council Adopted	2010 Forecast	2011 Forecast	2012 Forecast	2013 Forecast
<b>Sources</b>						
Property tax	80	85	90	95	100	105
<b>Total</b>	<b>80</b>	<b>85</b>	<b>90</b>	<b>95</b>	<b>100</b>	<b>105</b>

The program's funding source changes to the new property tax revenue in 2011 from the general fund property tax. The aim with this switch is to promote transparency and consistency in the funding source for City administration.

**FINANCIAL ANALYSIS**

**EXPENDITURE**

The 2009 expenditure budget for NCR is \$1 million, with contractual services accounting for 38%, and personnel expenses accounting for 62%. (The City's payments to neighborhood operations are classified as contractual services.) The department is supported by the general fund at 81%, and special revenue fund at 19%.

**REVENUE**

This department does not generate revenue.

## ORIGINAL BUDGET

The Mayor's recommended budget established this department. Transition funding is included for an assistant City Coordinator, transition management, and funding for neighborhoods whose administrative funding has been depleted (\$500,000). This funding level continues in 2010, with future year's allocations to be determined with overall neighborhood funding considerations. One-time funding is included for homeless outreach at \$150,000.

The Council modified the Mayor's recommendation as follows:

The Council directed Finance staff to prepare and return to the Council with a proposed tax increment finance plan to establish a redevelopment tax increment financing district, as provided under Laws of Minnesota 2008, Chapter 366, Article 5, Section 37. The plan will be circulated for public review and comment, consistent with State statutes and City ordinances, and submitted to the Council for consideration no later than July 31, 2009. The plan should consider the following financial parameters:

A. Annually provide after the administrative costs of the district:

- i. At least \$10 million to retire Target Center debt;
- ii. No more than \$14 million to be allocated as follows:
  1. \$2 million, if needed, to further expedite Target Center debt payment;
  2. \$8.5 million for general neighborhood revitalization purposes;
  3. \$3.5 million for neighborhood commercial community revitalization;
  4. Each of these three items would be proportionally reduced should their available revenues be less than \$14 million. If this proportionate reduction occurs, the dollars for general neighborhood revitalization purposes (item #2 above) shall be allocated as follows:
    - a) Full funding for Basic Citizen Participation Services, as defined by the Neighborhood Community Engagement Commission, up to \$3 million.
    - b) All other uses under general neighborhood revitalization purposes would be proportionately reduced."
- iii. Revenues received in excess of \$24 million can be applied to further expedite Target Center debt repayment, applied to the Neighborhood Investment Fund, or returned to the contributing tax jurisdictions.

B. That parcels comprising up to 50% of the captured tax capacity of the district will be decertified and their captured tax capacity returned to the tax base when they are no longer needed for Target Center debt. The following chart details the plans for the department that the Council adopted.

The Council also reallocated \$202,500 originally allocated for neighborhood administrative shortfalls.

## MAYOR'S REVISED BUDGET

The Mayor recommended no reduction to NCR.

## COUNCIL REVISED BUDGET

Council concurs with this recommendation.

The Council directs Finance staff to explore sources of non-General Fund dollars for community crime prevention efforts including CDBG. The Neighborhood and Community Relations Department is directed to work with the Minneapolis Police Department and in consultation with the Neighborhood and Community Engagement Commission to explore different models for neighborhood funding and oversight of community crime prevention staff. Finance will report to Public Safety and Regulatory Services and Ways and Means/Budget committees by August 1, 2009.

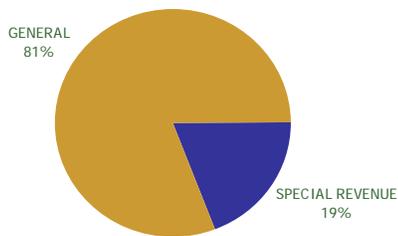
**RESULTS IMPLICATIONS**

This department is new and therefore does not yet have *Results Minneapolis* measures yet.

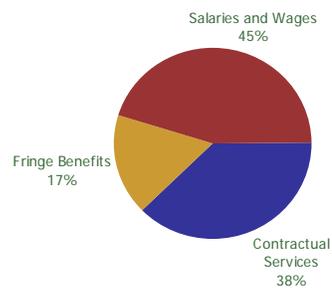
**NEIGHBORHOOD AND COMMUNITY RELATIONS  
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
<b>GENERAL</b>						
Salaries and Wages	0	0	0	261,781	0.0%	261,781
Fringe Benefits	0	0	0	170,451	0.0%	170,451
Contractual Services	0	0	0	376,053	0.0%	376,053
<b>TOTAL GENERAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>808,285</b>	<b>0.0%</b>	<b>808,285</b>
<b>SPECIAL REVENUE</b>						
Salaries and Wages	0	0	0	192,000	0.0%	192,000
<b>TOTAL SPECIAL REVENUE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>192,000</b>	<b>0.0%</b>	<b>192,000</b>
<b>TOTAL EXPENSE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000,285</b>	<b>0.0%</b>	<b>1,000,285</b>

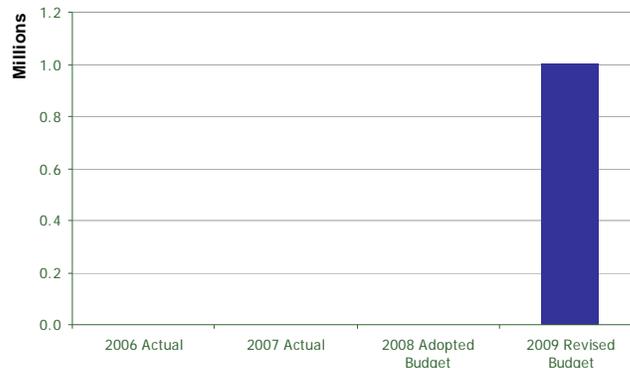
Expense by Fund



Expense by Category



Expense 2006 - 2009



**NEIGHBORHOOD AND COMMUNITY RELATIONS**  
**Staffing Information**

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
NCR				9		
<b>TOTAL</b>				<b>9</b>		

**Positions 2006-2009**

