

Executive Summary of A Resident Response to the “Framework for the Future”

Residents of the City of Minneapolis have come together to develop and recommend this substitute for the “Framework for the Future” because the “Framework” being proposed by the City does not address the concerns expressed by residents and neighborhood organizations about the original “Framework” distributed in December 2007.

On July 24 the Minneapolis City Council Committee of the Whole and the Mayor received the final report of the Working Group addressing Track 3 of the City’s Community Engagement Review process.

The report transmitted by the Working Group is entitled “Framework for the Future: Options for the focus, funding and governance of NRP Program and Action Plan activities after 2009.” To save space, we will refer to this document as the “Framework” for the remainder of this summary.

The “Framework” is an updated version of an initial draft released last December for public comment. The more than 180 comments submitted on that original draft had some significant common themes. They disagreed with the recommendations of the “Framework” to build a new City department to manage community engagement (and NRP), they questioned the ability of the proposed resident advisory board to be effective, they expressed concerns about the amount of resources committed for the support of neighborhood organizations and they wanted to know the funding levels that would be dedicated to the two funds the “Framework” proposed --the Neighborhood Investment Fund (NIF) and the Community Innovations Fund (CIF).

In the final “Framework” clarifications have been added and minor changes have been made but the primary concerns of residents and neighborhood organizations remain:

- It continues the commitment to form a new City department to manage community engagement and a new neighborhood revitalization program without defining the problems that such a department would fix;
- It continues the commitment to establish the resident board as an advisory body without any real power;

- It contained an even more ambiguous commitment to supporting neighborhood organization administrative costs than the original draft until it was amended by a 6 to 5 vote of the Committee of the Whole on July 24th; and
- It contains no funding commitment to either the NIF or the CIF.

It appears that the City is developing a “Community Engagement” system without listening to the community for which it is being designed or the residents it is trying to engage.

In the “Framework” residents of the City are being asked to give up a program that they have worked with, enhanced, and benefited from for over 18 years for a reorganization and restructuring which they have minimally affected, whose operations will be more removed than ever from their influence, and whose results are only a matter of projection. Before throwing out the bathwater, we need to be sure the baby is not in it.

Residents from all parts of the City have joined together to provide a response and alternative to the “Framework.” These residents call themselves Neighbors4NRP and helped draft and lobbied for the originally introduced NRP legislation in 2008. The alternative retains some of the elements of the “Framework” and provides options in the areas of greatest disagreement. It is an effort to provide a realistic alternative that maximizes the potential for success and creates an improved community engagement system for Minneapolis residents and the City.

The alternative proposes many changes but the most significant ones are:

- Continuation of the Joint Powers Board governing NRP through the termination date of the new Transformation Districts
- A restructuring and renaming of the NRP Policy Board
- A base level of funding from the General Fund for administrative and operating expenses of neighborhood organizations
- A specific funding commitment and source for the renamed Neighborhood Investment Fund

- A specific source for, and renaming of, the Community Innovation Fund

The alternative also suggests that some of the recommendations of the “Framework” should have their cost and final details of their responsibilities and operation more carefully analyzed before they are approved for implementation. The recommendations for which we are providing qualified support are:

- Creating the resident advisory board for community engagement
- Establishing a City department to improve relations between departments and residents

Neighborhoods and their residents are now confronted by challenges that are every bit as daunting and complex as the ones faced in the late 1980s that led to the NRP. NRP needs to change and the alternative presented here suggests significant changes to the existing program. It also supports making changes in the City that could eventually lead to the merging of the successful and proven NRP with a successful new community engagement structure in the future.

We submit this alternative as a replacement for the “Framework” that you are considering.

**An Alternative From Residents
to the
“Framework for the Future: Options for the focus, funding and
governance of NRP Program and Action Plan activities after 2009”**

Introduction

The NRP Working Group, consisting of four City Council members, a Policy Aide from the Mayors Office and the Director of NRP, has developed and submitted a majority vision of the future of NRP and community engagement in the City of Minneapolis in its “Framework for the Future: Options for the focus, funding and governance of NRP Program and Action Plan activities after 2009”.

Neighbors4NRP, a group of resident volunteers from all parts of the City, has conducted a review of the proposed “Framework” and prepared this alternative as our response. We believe that the approach that we are presenting preserves the best of NRP, builds on the existing community engagement system, addresses the concerns expressed by residents and neighborhood organizations about the December “Framework”, minimizes future administrative costs, and makes reasonable and achievable recommendations for positive change.

The alternative is a resident-driven proposal to restructure and continue NRP beyond 2009 and reform the way the City works with its residents.

General Principles

This alternative is based on the following principles and beliefs:

1. Sustainability- Neighborhood organizations are critical components of the City’s civic infrastructure and have been recognized in the “Framework” as a basic City service. As such, the funding for a neighborhood revitalization program must be stable, committed, and sufficient.
2. Participation- The community engagement system should encourage involvement by all elements of the community and support the empowerment of residents.
3. Funding – Beginning in 2010, and continuing for the duration of the Transformation Districts authorized by the 2008 legislature, at least \$10 million per year should be placed into a fund for improving neighborhoods, with all future interest and program income credited to the fund, to finance the Neighborhood Revitalization Program and the continued revitalization of Minneapolis neighborhoods. **This fund should be in addition to at least \$3 million from**

the General Fund of the City that is appropriated annually for the operating expenses of neighborhood organizations as basic City services.

4. Governance – The NRP Policy Board should be reorganized and reestablished as the NRP Governing Board and its membership changed to increase neighborhood representation and encourage continued participation by, and collaboration with, the City, County, Schools and Parks.
5. Staffing- The Director of the NRP should be hired by, and report to, the NRP Governing Board. The Director's commitment and primary purpose must be to assist, support and advocate for neighborhoods in the development and implementation of their Neighborhood Action Plans. Other NRP staff would be hired by the Director.
6. Community Engagement – The City should establish a Community Engagement Commission, as recommended by the City's Community Engagement Task Force.
7. City Support – The City should establish multi department teams from their existing staff resources to facilitate improved connections between City departments, NRP, and neighborhoods. The City's elected officials should make a concerted effort to change the existing practices, procedures and attitudes of City departments toward residents. That change in attitude should begin at the top.

The existing NRP program should be modified and retained while the City proceeds, if it wants to, with formation of the new Neighborhood and Community Advisory Board (or the Community Engagement Commission) and Community and Neighborhood Relations Department proposed in the Framework and demonstrates its commitment to the seven principles of Community Engagement that were adopted last fall by the City Council.

The cost and final details of their responsibilities and operation should be more carefully analyzed before either of these organizational structures are approved for implementation.

The Alternative

1. Resident Empowerment Organizations (REO's) should be the vehicles for meeting a portion of the City's community participation mission and the implementation vehicles for NRP. The REO would be a new designation that would be conferred jointly by the City and NRP and there would be only one REO representing any specific neighborhood. An organization, however, could apply for designation as an REO for more than one neighborhood. The eligibility criteria and the process used to select the REO's would be developed by the City, NRP and representatives from neighborhood organizations. The criteria would be based, and build, on the existing

standards of Citizen Participation and NRP. The REO designation will be used to identify organizations that will be an officially recognized part of the City's community engagement infrastructure. Receiving this designation would be required for an organization to be eligible to receive any community engagement funds from the City or any funds from NRP. Existing neighborhood organizations and associations will be given the opportunity to apply first for this designation and the designation shall remain in place unless there is a challenge based on criteria developed by the City, NRP and neighborhood organizations or organizational performance issues occur.

2. The City should include all of the parcels from the pre 1979 TIF districts in the new Transformation District to maximize the revenues available for neighborhood improvement.
3. The revenues generated from the Transformation District should be used as follows:
 - a. Up to \$ 10 million for the restructured debt of the Target Center
 - b. At least \$ 10 million for the Neighborhood Improvement and Implementation Fund (NIIF) (see below)
 - c. The remainder allocated to a Phase II Gap Fund to make up the difference between the neighborhood allocations for Phase II approved in April 2004 and the amount of revenue actually received by NRP from the Common Project.

If the NIIF is not funded at the minimum level in a given year, the difference between \$ 10 million and the amount provided in that year will be treated as a future debt of the Transformation District or the City's General Fund if the Transformation District revenues never satisfy the sum of the shortfalls during the duration of the Transformation District.

4. If, and only if, all of the pre 1979 TIF districts are included in the new Transformation District, funding for Target Center debt should have first priority after the deduction for the County payment and fiscal disparities contribution and the existing Target Center debt should be refinanced and have a term that coincides with the term for the Transformation Districts. The City has projected that the annual Target Center debt payment, if restructuring occurs, could be up to \$ 10 million. This (\$10 million) should be the limit for the Transformation District contribution to the payment of Target Center debt.
5. The Neighborhood Improvement and Implementation Fund (NIIF) (identified as the "Neighborhood Investment Fund" in the "Framework") should be capitalized from the new Transformation Districts and should be funded at a minimum level of \$ 10 million for each of the ten years the Transformation District is to be in place. Only designated REO's would be eligible to receive these funds.

The funds in the NIIF should be allocated to each and every neighborhood organization that is recognized as a Resident Empowerment Organization (REO). The NIIF funds would be used to address neighborhood priorities in accordance with

a Neighborhood Action Plan approved by the neighborhood, NRP Governing Board, and the City.

The Neighborhood Improvement and Implementation Fund allocation to the neighborhoods would be based on a funding formula similar to the ones used by NRP during Phases I and II. Neighborhood action plans would continue to identify which City goals each of the neighborhood goals, objectives and strategies support. The allocation formula would be developed and approved by the NRP Governing Board.

6. Funds will continue to be accumulated in the Phase II Gap Fund from the “excess revenues” of the Transformation District until the Phase II shortfall is completely covered. When that amount has been reached any additional revenues from the Transformation District that exceed the \$ 10 million for the NIIF will be reserved for a Discretionary Development account that can be used by the City for projects requested by REOs.
7. The City Improvement and Implementation Fund (CIIF) (identified as the “Community Innovation Fund” in the “Framework”) would be established and administered by the City and funded from its General Fund, CDBG or other non Transformation District resources. It would be monies that are over and above the Neighborhood Improvement and Implementation Funds identified earlier and would have no impact on the neighborhood allocation formulas. The City will determine the amount of dollars in this fund and its uses. The projects, program, activities, and services funded by the CIIF would be selected by the City based on responses to a Request For Proposals sent to all Resident Empowerment Organizations. Only designated REO’s would be eligible to compete for these funds.
8. The Resident Empowerment Organization Operating Support Fund (REOOSF) would be established as a City fund with a base appropriation of at least \$3 million. This amount would come from the Property Tax supported General Fund of the City. Each year the amount of this budget item would be established as part of the City’s regular budget process but it would never be lower than the base level of \$3 million. Only designated REO’s would be eligible to receive these funds.
9. The NRP Policy Board, in its Joint Powers Agreement, exists through the end of 2011. Because the funds used in Phase I and Phase II became NRP funds after Neighborhood Action Plans were approved, the Policy Board and NRP staff will be overseeing contracting, planning, and evaluation activities for many years to come. The life of the Policy Board should be extended to at least 2020 and its composition and name should be changed to more accurately reflect its purpose and constituencies.

10. The new NRP Governing Board would be comprised of the following 17 members:
- a. 8 Minneapolis residents elected by neighborhoods (2 from Redirection Neighborhoods; 2 from Revitalization Neighborhoods; 2 from Protection Neighborhoods; and 2 At Large)
 - b. 1 Minneapolis resident selected by the Hennepin County Board;
 - c. 1 Minneapolis resident selected by the Minneapolis Park Board;
 - d. 1 Minneapolis resident selected by the Minneapolis Public Schools Board;
 - e. 5 Minneapolis residents selected by the City Council and Mayor.
 - f. 1 Minneapolis legislator selected by the Minneapolis legislative delegation.
11. The Director of the NRP Program would be an employee of the Governing Board and would be hired, fired and evaluated by that Board.
12. The City should develop multi department and multi jurisdictional teams for each planning district to serve and support the neighborhoods in that district. The specific composition of the Teams would be based on the priorities and concerns of the neighborhood organizations in the District.

Additional details on the alternative and the background that led to its development are included as Attachment A. This alternative to the proposed “Revised Framework” moves the City and its residents in a positive direction that responds to the guidance and concerns that residents themselves have expressed.