

Minneapolis Neighborhood Revitalization Policy Board

MINUTES OF THE REGULAR MEETING OF

March 24, 2008

Present and Voting: Debbie Evans, Beverly Conerton, Kari Anderson, Jeffrey Strand, Mark Stenglein, Cara Letofsky, (Alternate, Mayor's Office), Barbara Johnson, Rep. Joe Mullery, Scott Vreeland, David Ellis, Ken Kelash and Gail Dorfman, chair, presiding

Alternates Attending: Brock Hanson, Mark Hinds, Nicholas Kakos, Robert Lilligren

Absent: Peter McLaughlin (excused), R.T. Rybak, Peggy Flanagan, Sandra Vargas, Todd Klingel, Anita Duckor

Staff: Bob Miller, Robert Thompson, Stacy Sorenson, Carsten Slostad

Others Present: Gary Arntsen, Michael Rainville, Carol Wilson, Caroline Griepentrog

I. CALL TO ORDER

Gail Dorfman, chair of the NRP Policy Board, called the meeting to order at 4:37 p.m.

II. APPROVAL OF THE AGENDA

Jeffrey Strand requested the addition of a supporting resolution on NRP related legislation as an action item and Bob Miller requested adding two brief reports to the presentations and reports section of the agenda. Upon a motion by Jeffrey Strand and second by Scott Vreeland the agenda as amended was adopted.

III. APPROVAL OF THE MINUTES

Upon a motion by Ken Kelash and seconded by Scott Vreeland, the minutes of the February 25, 2008 meeting were adopted.

IV. ACTION ITEMS

1. Lowry Hill East NRP Phase II Neighborhood Action Plan [NRP / FR#2008-01]

Caroline Griepentrog presented the neighborhood's plan. After a short period for comments and questions, the plan, which was moved by Scott Vreeland and seconded by Ken Kelash, was adopted with the following resolution.

WHEREAS: On April 19, 2004 the Minneapolis Neighborhood Revitalization Program Policy Board approved a Phase II allocation for the Lowry Hill East neighborhood of \$747,852 based on the Phase II revenues projected for NRP;

WHEREAS: The neighborhood conducted a Phase II neighborhood planning process that began in 2007 and has submitted a Lowry Hill East NRP Phase II Neighborhood Action Plan that requests a Phase II allocation of \$747,852;

WHEREAS: The Lowry Hill East neighborhood has allocated 73% (\$496,000) of their Phase II Neighborhood Action Plan to housing programs, projects, services and activities;

RESOLVED: That the Minneapolis Neighborhood Revitalization Program Policy Board hereby accepts and adopts the Lowry Hill East NRP Phase II Neighborhood Action Plan;

RESOLVED FURTHER: That the Minneapolis Neighborhood Revitalization Program Policy Board hereby authorizes the Director to request that the City Council and Mayor [a] approve the Lowry Hill East NRP Phase II Neighborhood Action Plan, and specifically those parts of the Plan that fall under City jurisdiction, for their Phase II allocation of up to \$747,852; [b] amend the 2008 General Appropriation Resolution to increase the Fund 01CNR (NRP Fund) by \$252,480 from existing fund balance for implementation of the approved Plan; [c] and authorize the appropriate City officers to reserve the remaining \$495,372 for Plan implementation in a reserve account within Fund 01CNR for future years expenditures on the approved Plan provided that no more than 70% (\$523,496) of the amount approved for the Plan shall be obligated in the first three (3) years after approval of the Plan; and [d] authorize the appropriate City officers to enter into any contracts or agreements necessary to implement the activities above.

2. NRP Fund Allocation for Allina Jobs Contract

[NRP / FR#2008-02]

Bob Miller explained the reasons why this fund allocation is now needed and the changes that have been made in the agreement with Allina on this program. Debbie Evans requested that the following statement from the neighborhood representative be included in the record. This statement is as follows:

"While the neighborhood representatives will not be voting against the payment of \$245,000 to Allina we respectfully will be abstaining from the vote. The initial agreement with Allina included an NRP dollar for dollar match to the neighborhood organization's commitment and was based on demonstrated neighborhood support. The tentative agreement would have provided \$125,000 from the neighborhood organizations total and \$125,000 match from NRP, rather than the \$5,000 commitment and \$245,000 from NRP. Following the tentative agreement between Allina, individual neighborhood

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organizations and NRP, significant changes to the agreement were made by Allina causing all but one neighborhood to withdraw their financial support. Given the changes made by Allina and subsequent withdrawal of the support by the former participants, this is no longer an agreement we can support. We understand that the City Council has already approved the expansion of the neighborhoods to be covered by this agreement and has the ability and the authority to override any action taken by this board. We are therefore respectfully abstaining from voting on this matter."

Upon a motion by Scott Vreeland and seconded by Barbara Johnson the following resolution was adopted with Debbie Evans, Beverly Conerton, Kari Anderson and Jeffrey Strand abstaining.

RESOLVED, That the Minneapolis Neighborhood Revitalization Program (NRP) Policy Board ("Board") approves an increase of \$245,000 in the neighborhood allocation for Midtown Phillips to accommodate a transfer of funds from the City of Minneapolis NRP Fund 01CNR to Midtown Phillips;

RESOLVED FURTHER, That this increase shall not be counted, in any way, against the calculation of the Phase II allocation for Midtown Phillips;

RESOLVED FURTHER, That this allocation shall only be used to fund the contract implementing the Job Relocation, Resident Recruitment, and Community Stabilization Agreement Between the Allina Health System, NRP, Midtown Phillips, and the City of Minneapolis; and

RESOLVED FURTHER, That any repayments on this loan be credited first to Midtown Phillips until their investment is fully returned and then to the NRP's City of Minneapolis Fund 01CNR Administrative Contingency allocation.

3. Additional Funding for Neighborhoods

[NRP / FR#2008-03]

Bob Miller reported than some neighborhoods are approaching the 70% threshold on their spending. In an effort to provide additional revenue, a request to research possible existing NRP revenue that can be re-programmed to increase the funds guaranteed to neighborhoods in Phase II is being made. Upon a motion by Barbara Johnson and seconded by Scott Vreeland the following resolution was adopted.

RESOLVED, That the Minneapolis Neighborhood Revitalization Program (NRP) Policy Board ("Board") directs NRP staff to identify sources of revenue from previous actions of the Board that can be potentially reprogrammed to increase the funds guaranteed to neighborhoods in Phase II; and

RESOLVED FURTHER, That the Director report on the staff findings at the April Policy Board meeting, with recommendations and the impact of proposed recommendations on neighborhood allocations.

4. Legislative Support Resolution

[NRP / PR#2008-03]

A resolution drafted by the neighborhood representatives was distributed. The chair also requested that the members refer to a resolution that was adopted by the City Council to inform the discussion, which then occurred. Upon a motion by Beverly Conerton and seconded by Jeffrey Strand the following resolution was then placed before the Policy Board for consideration.

WHEREAS: *The Minneapolis Neighborhood Revitalization Program (NRP) was enabled by Legislative action and established as a Joint Powers program in 1991 by multi-jurisdictional actions to preserve and enhance private and public infrastructure, public health and safety, economic vitality, sense of community, social benefits and capacity building in the neighborhoods of the City of Minneapolis (City); and*

WHEREAS: *House File 3821 and Senate File 3643 have been introduced during the 2008 Legislative session, and would provide a long-term stable funding source for neighborhood organizations and NRP through the extension of the Common Project Tax Increment Finance (TIF) districts, and;*

WHEREAS: *The Legislation would maintain NRP's current governance structure, and;*

WHEREAS: *The Legislation is consistent with the NRP Policy Board's Resolution on the Future for NRP (NRP / PR#2007-23) adopted December 17, 2007;*

Therefore Be it Resolved, *the NRP Policy Board support Legislation designed to extend the authorization of Common Project TIF Districts beyond 2009 for the purposes of funding NRP through 2019; and,*

Be it Further Resolved, *that a major purpose of this extension shall be to provide at least \$100 million to NRP to make up for the gap between the original commitments to NRP and the revenues currently projected through 2009; and,*

Be it Further Resolved, *that the NRP Policy Board supports Legislation that maintains the current governance structure of the NRP Policy Board; and,*

Be it Further Resolved, *that the NRP Policy Board supports the passage of House File 3821 and Senate File 3643; and*

***Be it Finally Resolved*, that the NRP Policy Board authorizes the NRP Director to advocate on behalf of the legislation and to communicate the importance of the legislation to neighborhood organizations.**

The discussion then focused upon the clauses in the resolution that refer to the governance structure of the Policy Board. Cara Letofsky moved and David Ellis seconded an amendment, which would strike the third “whereas clause” and the second “be it further resolved” clause. These clauses refer to the NRP’s governance structure. During the discussion, inconsistency with the language in the legislation was pointed out. In an effort to clarify intent, Ken Kelash moved a substitute amendment, which was seconded by Scott Vreeland. In addition to deleting the items moved by the Letofsky amendment, the third “be it further resolved,” was expanded to read “and takes no position on the amendment to Sec. 2 Minnesota Statutes 2006, section 469.1831 sub. 6a Minneapolis NRP Governing Board.

A vote was taken on the substitute amendment, which was adopted with Mark Stenglein and Gail Dorfman abstaining and Barbara Johnson voting no. A final vote was taken on the resolution as amended and it was adopted with Mark Stenglein and Gail Dorfman abstaining and Barbara Johnson voting no. The final adopted resolution is as follows:

WHEREAS: The Minneapolis Neighborhood Revitalization Program (NRP) was enabled by Legislative action and established as a Joint Powers program in 1991 by multi-jurisdictional actions to preserve and enhance private and public infrastructure, public health and safety, economic vitality, sense of community, social benefits and capacity building in the neighborhoods of the City of Minneapolis (City); and

WHEREAS: House File 3821 and Senate File 3643 have been introduced during the 2008 Legislative session, and would provide a long-term stable funding source for neighborhood organizations and NRP through the extension of the Common Project Tax Increment Finance (TIF) districts, and;

WHEREAS: The Legislation is consistent with the NRP Policy Board's Resolution on the Future for NRP (NRP / PR#2007-23) adopted December 17, 2007;

Therefore Be It Resolved, the NRP Policy Board support Legislation designed to extend the authorization of Common Project TIF Districts beyond 2009 for the purposes of funding NRP through 2019; and,

Be It Further Resolved, that a major purpose of this extension shall be to provide at least \$100 million to NRP to make up for the gap between the original commitments to NRP and the revenues currently projected through 2009; and,

Be It Further Resolved, that the NRP Policy Board supports the passage of House File 3821 and Senate File 3643; and takes no position on the amendment to Sec. 2 Minnesota Statutes 2006, section 469.1831 sub. 6a Minneapolis NRP Governing Board.

Be It Finally Resolved, that the NRP Policy Board authorizes the NRP Director to advocate on behalf of the legislation and to communicate the importance of the legislation to neighborhood organizations.

V. PRESENTATIONS & REPORTS

1. CARAG Neighborhood NRP Phase I Plan Review [NRP / PR#2008-04]

Upon a motion by Mark Stenglein and seconded by David Ellis the plan review was received and filed.

2. St. Anthony West NRP Phase I Plan Review

Michael Rainville presented a short summary of the review. Upon a motion by Mark Stenglein and seconded by David Ellis the plan review was received and filed.

3. Response from Staff on 2006 Audit Question

The 2006 NRP Policy Board Audit was presented at the February 25th meeting. There was a request for clarification on future reporting requirements (page 22 of the audit). Bob Miller presented the clarifications given by the Office of the State Auditor.

4. Congress of Neighborhoods

Bob Miller reported that several requests have been received from several neighborhoods to convene a Congress of Neighborhoods. He will follow-up on these requests and report back on how this Congress might proceed.

VII. ADJOURNMENT

The meeting was adjourned at 6:30 pm

Carsten Slostad, Secretary Pro Tem

ATTEST: Gail Dorfman, Chair