

DOWNTOWN MINNEAPOLIS NEIGHBORHOOD ASSOCIATION

Minutes from the Board Meeting on Thursday, December 10, 2013

Central Public Library

Room N-202

300 Nicollet Mall, Minneapolis, MN

I. Call to Order and Introductions

Board Chair Nick Cichowicz called the board meeting to order at 6:00 p.m.

Other board members in attendance were:

Chad DiDonato, Vice Chair

Gerry Ewald, Treasurer

Laurie Jones

Claudia Kittock

Carletta Sweet

Jesse Winkler

Peter Zenner, Secretary

Staff member Christie Rock was also present.

Guests in attendance were:

Andy Hauer, Towers resident

Tom Melchior, CliftonLarsonAllen

II. Consideration of the Agenda

Ewald moved and Sweet seconded a motion to approve the December 10, 2013 board meeting agenda. Cichowicz called for discussion. The motion passed.

III. Land Use Update

Y'All Come Back Saloon (830 Hennepin Avenue)

Ewald moved and Sweet seconded a motion to ratify the letter of support for Y'All Come Back Saloon's application for a permanent expansion of premises for an outdoor patio in back of the establishment and for a Special Late Night Food License to sell food until 4:00 A.M. Cichowicz called for discussion. The motion passed with Winkler abstaining.

IV. Community Participation Program Update

Rock advised that the Neighborhood and Community Relations (NCR) staff person Carrie Aspinwall was unable to attend because she recently had surgery and had not fully recovered as yet. She will explain the Community Participation Program in her absence, but if questions remain she can invite Aspinwall to a future board meeting. Rock began with a big picture overview of the DMNA then delved deeper into the two main funding sources (reference the *Board Training - Introduction to DMNA Finances* document distributed at the meeting).

Rock explained that the DMNA is a 501(c)(3) nonprofit organization and that:

- It is eligible to receive tax deductible contributions in accordance with IRS Code 170;
- It must not be organized or operated for the benefit of private interests;
- No part of the organization's net earnings may inure to the benefit of any private shareholder or individual; and
- It is restricted in how much political and legislative (lobbying) activities may be conducted, i.e., does not have the ability to lobby or endorse political candidates.

There are two primary sources of revenue for the DMNA: the Neighborhood Revitalization Program (NRP), and the NCR Department's Community Participation Program (CPP). The DMNA has received in the past small grants, e.g., from the Mississippi Watershed Management Organization to conduct a greening project on one of the Star Tribune parking lots. However, it does not chase foundation money on a regular basis because there isn't a lot of money out there for administrative costs and the DMNA has set well without it. Most of the money that is available is for projects or programs and is a highly competitive process given that there are 81 neighborhoods and roughly 50 neighborhood organizations pursuing those sources.

The NRP was established by state legislature in 1989 and was funded by the TIF districts within the Minneapolis Common Development and Redevelopment Project and Common Tax Increment Financing District called the Common Project. That money has essentially dried up although the DMNA still has NRP Phase II money remaining because it has been fiscally responsible.

The administration of NRP funds was transferred to the NCR Department on January 3, 2012. Funding for the NCR comes from three primary sources: the City's General Fund; the Community Development Block Grant (CDBG); and the Consolidated Tax Increment Finance District (TIF). However, only TIF funds are used exclusively for neighborhood support, i.e., direct neighborhood programming via CPP, and the portion of the department's working to support neighborhoods.

Rock then reviewed the DMNA's accounting system, i.e., Cash Basis versus Accrual Basis (the one used by the majority of Minneapolis neighborhood groups or a combination of the two) and asserted that because it takes in less than \$50,000 on an annual basis, it must spend it before receiving reimbursement from the City. She also reviewed the fiduciary duties of the directors, its basic board responsibilities, her own financial duties, and the financial statements. Rock explained that because the DMNA receives less than \$250,000, it does not go through a formal audit anymore. The City used to pay for an audit and may do so in the future. Checks require the signatories of two board officers.

At the request of Winkler, Rock gave a brief overview of her professional experience. She's been with the DMNA since 2001, engaged in neighborhood and community development work since 1996, and is an independent contractor for Longfellow Community Council, Northeast Park Neighborhood Association, the East Downtown Council, the City of Norwood Young America, and the City of Hutchinson. Rock also has a master's degree in public administration and is working on her PhD in public administration. She has completed all of the coursework. She is working on her dissertation. Over the years she has gotten to know many people at the City of Minneapolis and the State of Minnesota. This year she will be moving into an officer

position as second vice president on the Economic Development Association of Minnesota. She also serves as the planning commission chair for the City of Hutchinson, and she coaches girl track.

Rock then explained the top priorities for 2014 and the spreadsheets provided in the board package outlining the DMNA's CPP allocations in 2011, 2012-2013 and 2014-2016. A portion of the CPP funds is dedicated to implementation or administrative expenses and a portion is set aside for the purposes of developing a neighborhood priorities plan. The neighborhood priorities plan is the equivalent of the Neighborhood Revitalization Program Action Plans, with the exception that far less money is available.

Rock indicated that funds set aside for the neighborhood priorities plan will go into the same strategies the DMNA created during the preparation of the NRP Phase I Action Plan: Arts and Culture, Crime and Safety, Downtown Development and Housing. However, unlike with NRP funds, the DMNA does not have to allocate a specific amount of money to housing-related activities.

Rock acknowledged that understanding the neighborhood's funding sources is complicated and will take time and encouraged those with further questions to contact her after the board meeting via email christie@hantge.com or telephone 320-583-4573.

For more information regarding the NCR Department and the CPP program, please visit the Web site: <http://www.minneapolismn.gov/ncr/index.htm>.

Rock concluded by presenting the CPP 2014-2016 application and budget. No action was taken, however the board will consider it for approval at the meeting on January 16, 2014.

V. Neighborhood Revitalization Program Update

Review of the NRP Program

Rock reiterated that the NRP was the predecessor to the NCR Department and CPP then explained the spreadsheets showing the DMNA's NRP Phase I and NRP Phase II Action Plan allocations. She stated that the DMNA approved the Phase I Plan in 2001 and the Phase II Plan in 2009. The majority of the NRP Phase I funds have been spent, with the exception of some monies remaining in the Phase I Implementation contract. There are two line items that can be transferred to NRP Phase II strategies. Restorative Justice monies that can go to the Crime and Safety strategy and Downtown Identity monies that can go to the Downtown Development strategy.

Rock explained that 70% of the NRP Phase II allocation had to be used for affordable housing-related activities. She also noted that at this point the DMNA only has access to approximately 66% of the original NRP Phase II allocation, or \$488,137. The DMNA has implemented a few NRP Phase II projects, including providing funds to the HCMC Children's Literacy Program (Arts and Culture), providing funds to the Friends of Triangle Park (Downtown Development) for permanent plantings and a bench, and providing funds to the DID for the installation of additional lighting on North 4th Street in the Warehouse Business District (Crime and Safety).

Rock noted that there is no specific timeline for implementing the NRP Phase II Action Plan. Some neighborhoods completed their action plans in a few years, while others have taken more than 5 years. There is always the risk that the City will freeze more of the NRP funds. Getting the funds into contracts reduces this risk.

Humboldt Lofts Tree Planting Project

The board continued its discussion from the November meeting regarding the Humboldt Lofts tree planting project. Rock provided the board with additional information, including the project budget and other project funders. She stated that the Park Board will provide the trees and do the planting. Public Works has approved the installation of the sidewalk vaults, and the Heritage Preservation Commission has provided an administrative or staff approval of the project (the project does not have to be reviewed by the HPC itself).

Then based upon the original request, lapse in time, and change in DMNA's budget since its approval,

Jones moved and Ewald seconded a motion to rescind its April 8, 2008 grant of \$15,000 to the Mill District Streetscape Project. Cichowicz called for discussion. The motion passed.

The board asked a number of additional questions and expressed interest in supporting the project financially, but ultimately decided that they would like to see the Humboldt Lofts Homeowners Association provide some additional information before they settle on a final dollar amount. The board asked Rock to obtain the following items from the HOA:

- A bid for the work to install the tree vaults
- Firm commitment from other project supporters, including:
 - Humboldt Lofts HOA
 - MWMO
 - SpoonRiver
 - Mill City Museum
- An indication of whether the Park Board can do the work in 2014.

Winkler then moved and Jones seconded a motion directing Rock to share its support for the Humboldt Lofts tree planting project with Peter Levine without a dollar amount and to obtain more detailed information requisite to making its decision. Cichowicz called for discussion. The motion passed.

VI. Consideration of November 21, 2013, board meeting minutes

Ewald moved and Sweet seconded a motion to approve the November 21, 2013, board meeting minutes. Cichowicz called for discussion. The motion passed.

VII. Consideration of Financial Report as of December 2013

Ewald moved and Sweet seconded a motion to receive and file the December 2013 Financial Report. Cichowicz called for discussion. The motion passed.

Consideration of the FY2014 Budget

Sweet moved and Ewald seconded a motion to approve the FY2014 Budget. Cichowicz called for discussion. The motion passed.

VIII. Consideration of December 2013 staff report

Winkler moved and Sweet seconded a motion to receive and file Rock's staff report for the period 11-16-13 to 12-06-13. Cichowicz called for discussion. The motion passed.

IX. Election of Committee Chairs

- ***Land Use***

Cichowicz moved and Sweet seconded a motion to nominate Winkler as Land Use Chair. Cichowicz called for discussion. The motion passed.

- ***Crime and Safety***

Cichowicz noted that the DMNA hasn't had a Crime and Safety Chair but has participated in the Downtown Court Watch (a collaborative, community-based approach to criminal justice) on a rotational basis. At these monthly meetings, concerned citizens partner with Hennepin County Attorney's Office, Hennepin County Community Correction and Rehabilitation, Minneapolis City Attorney's Office, Minneapolis Downtown Improvement District, Minneapolis Downtown Council, Minneapolis Police Department 1st Precinct, five Neighborhood Associations, St. Stephen's Human Services, the Salvation Army and other resources to implement the Downtown 100 program to prevent and respond to chronic offender crimes. Cichowicz believes it is a great experience for new board members and asked them to think about it for the January board meeting.

Rock advised that this role could be as little as being DMNA's sole representative at Court Watch or as ambitious as being more diligent about monitoring crime and safety issues in Downtown East and Downtown West and relaying crime alert information to homeowners' associations. The position could help organize a DMNA Crime and Safety Committee to discuss possible ways to use the NRP funds and the CPP neighborhood priority plan funds.

Cichowicz asked the board to think about having an ad hoc taskforce/committee for outreach and engagement opportunities for downtown residents that are sometimes outside of our relationships, e.g., how to interact with the other side of Downtown West, renters, individuals in the Mill District, and also to think about the commitment beyond the monthly board meetings to expand our reach and solidify how we want to engage.

Winkler suggested that there could be chairs related to the NRP strategies, i.e. Arts, Culture and Education; Crime and Safety; Downtown Development which could still be the Land Use Committee that he now chairs; and Housing.

Further discussion and determination of the Crime and Safety Chair and other possible committee chairs was tabled to the January 16, 2014 board meeting.

X. Old business / new business / other business

- **Update on outreach and collaboration with other downtown organizations.** Reference the Outreach and Collaboration chart and attachments emailed from Sweet in advance of the meeting.
- **Ryan Companies Downtown East Redevelopment Updates.** Rock advised that she is working on scheduling another joint neighborhood meeting of the DMNA, EDC, EPNI and MDNA, similar to the one held on June 24, 2013, for Ryan to give an update on their project. Rock hopes that they can conduct this in conjunction with DMNA's board meeting on Thursday, January 16, 2014.
- **Update on the Crown Hydro Public Meeting.** Kittock and Zenner who attended this meeting expressed their disappointment over the fact that Crown Hydro officials were very evasive in their responses to questions and, most troubling, they would not tell anything about where the money was coming from, about their organization or business structure. To view the video, visit <http://millcitytimes.com/news/new-video-crown-hydro-public-meeting.html>.

Winkler requested that taking a position against the project and writing a letter to Crown Hydro be added to the January 16, 2014 agenda.

XI. Adjournment

Being no further business, the meeting adjourned at 7:47 p.m.

Signed this _____ day of _____, 2014.

Chair

Secretary