

DOWNTOWN MINNEAPOLIS NEIGHBORHOOD ASSOCIATION

Minutes from the Board Meeting on Thursday, December 4, 2014
Open Book

1011 Washington Avenue South, 2nd Floor Conference Room, Minneapolis, MN

I. Call to Order and Introductions

Board Chair Chad DiDonato called the board meeting to order at 6:05 p.m.

Other board members in attendance were:

Claudia Kittock
Ken Searl
Carletta Sweet, Secretary
David Tinjum
Peter Zenner, Treasurer

Staff member Christie Rock Hantge was also present.

Board members Nick Cichowicz and Laurie Jones were absent.

Guests in attendance were:

Melissa Laska, Downtown Families Minneapolis / RiverWest resident
Rob Vegemast, The River Towers Condominium resident

II. Consideration of the Agenda

Sweet moved and Kittock seconded a motion to approve the December 4, 2014 board meeting agenda. DiDonato called for discussion. The motion passed.

III. Public Comment

No one came forward to offer public comment.

IV. Consent Agenda

Sweet moved and Kittock seconded a motion to approve the consent agenda that included the November 6, 2014 board meeting minutes; the December 2014 financial report; and the 11-01-14 to 11-30-14 staff report. DiDonato called for discussion. The motion passed.

V. Committee Updates

- ***NRP Implementation.*** Hantge provided a quick update on the North 4th Street Lighting Project. Ben Shardlow from the Minneapolis DID was unable to attend the instant meeting due to his son's first birthday; however, she did meet with him that afternoon along with Nancy Aleksuk from Swervo Development Corporation, Hilary Dvorak from the Minneapolis Heritage Preservation Commission, and Joanne Kaufman from the Warehouse District Business Association. The project came to a stalemate while Dvorak was ill and ensuing confusion between City staff regarding the lighting plan and the Certificate of

Appropriateness application process but Swervo is still interested in making the project come to fruition. Based on the outcome of that meeting, City staff is recommending that the project go through the full HPC approval process. Thus, they are shooting for a February HPC calendar date. In the meantime, Aleksuk will work with historic preservation architects to ensure the lighting is placed on the building in an appropriate fashion while balancing crime and safety needs. Hantge believes there was general consensus and barring putting the plan together isn't incredibly expensive for Swervo the project should move forward.

For a background on this project, reference the DMNA Board Minutes from February 12, 2013 *Update on Warehouse District Lighting Project* under Land Use Report. Hantge advised that the next update would occur after January 2015.

VI. Old / New / Other Business

- *Minneapolis Downtown Council's Greening Downtown Minneapolis Task Force.* Melissa Laska advised that Ben Shardlow, Director of Public Realm Initiatives at Minneapolis DID and Minneapolis Downtown Council, approached her earlier in the week as a potential member of this task force. She believes Shardlow is looking for someone with the perspective of a downtown resident, downtown worker, and downtown family (she and her husband Eric helped spearhead Downtown Families Minneapolis) and, as a consequence, could bring a triangulation of perspectives to the task force.

Laska has lived and worked downtown for the past decade, is an Associate Professor at the U of M's School of Public Health doing work around obesity prevention to make our community healthier, and works with the Minneapolis Health Department in a variety of ways. She told Shardlow that she is willing to serve if people felt she was the best candidate.

In terms of the group itself, Laska only knows that they will meet three to four times over the next six months, the first of which is scheduled for next Thursday, to make recommendations on basic infrastructure for governing the park. From her understanding the neighborhood does not have an appointment but could recommend a name.

Rob Vegemast explained that because of projects such as this is why he attended this meeting. He's lived downtown for almost 19 years, has a degree in landscape architecture, flew for Northwest Airlines for many years, has been to 120 different cities around the world primarily in North America, and has studied architecture in cities and cityscapes. Some of the things on the agenda he's interested in and is looking at downtown projects in general that can feed into some of the other projects, e.g., are they ecologically done and what are we trying to do to represent Minneapolis.

Discussion ensued regarding how this process aligns with the City's Public Realm Framework Plan / MPRB's Downtown Service Area Master Plan process that just kicked off; what properties would fall under the greening conservancy's umbrella; the process for selecting a downtown resident to the task force; and the need for more transparency of the process.

Since there were so many questions raised with no definitive answers, next steps include

Searl with Tinjum as backup touching base with Steve Cramer of the Minneapolis Downtown Council to find out more about the purpose and responsibilities of the conservancy and its task force.

- ***Consideration of Resolution Establishing Process for Appointing Central Riverfront Reps to the Minneapolis Riverfront Partnership.*** Sweet explained that with the departure of Edna Brazaitis who served on the Minneapolis Riverfront Partnership board of directors as the Central Riverfront representative from the east bank, and Sweet's subsequent ascension from alternate director to director, they discovered there was no formal process in which to fill the resulting vacancy. In an effort to ensure there would always be a representative from each side of the Central Riverfront serving on the MRP, Sweet drafted the resolution included in the board package to establish a process for appointing neighborhood representatives to the MRP then forwarded it to the appointing entities for approval, i.e.: DMNA, Marcy-Holmes Neighborhood Association (MHNA), Nicollet Island-East Bank Neighborhood Association (NIEBNA), and North Loop Neighborhood Association (NLNA).

Then she explained that the MRP was formed to facilitate and support coordinated revitalization of the Mississippi Riverfront in Minneapolis. Its work emphasizes revitalization issues related to the Upper Riverfront and it accomplishes its revitalization goals by: informing the community through the Riverfront Vitality Project and forums – Tinjum advised the next forum would be on Thursday, January 22nd at the Mill City Museum (visit <http://minneapolisriverfrontpartnership.org/> for details); engaging the community by bringing people to the riverfront to create personal connections through placemaking events (e.g., Mississippi Minute Film Festival); and accelerating projects by working with Above the Falls CAC on 26th Avenue North and 22nd Avenue NE Greenways project as well as with overlapping governmental jurisdictions on a protected bike lane on Marshall Street NE).

Tinjum moved and Kittock seconded a motion to accept the resolution as presented by Sweet for appointing Central Riverfront representatives to the Minneapolis Riverfront Partnership. DiDonato called for discussion. The motion passed.

- ***Update on Job Postings and Interview Schedule.*** DiDonato advised that pursuant to his email sent earlier that day, the Outreach & Engagement Coordinator and Finance and Contract Manager job descriptions would be posted on the DMNA website by Hantge, and on the NCR page of the City's website by NCR Specialist Carrie Aspinwall. Aspinwall will also screen candidates (hopefully down to three for each position). The timeline for scheduling interviews, based on the board's availability, would begin the week of December 15th (preferably the 16th or 18th) at 4-7 p.m.

The board discussed who would participate in which interviews, the process for conducting interviews, and selecting the final prospect. The board decided to divide the responsibilities in half: four board members (DiDonato, Kittock, Sweet and Tinjum) in pairs would interview the Outreach & Engagement Coordinator candidates for a half hour each, and four board members (Cichowicz, Jones, Searl and Zenner) in pairs would interview the Finance and Contract Manager candidates for a half hour each after which they would all convene to voice their choice.

- **Strategic Planning Session.** DiDonato asked the board's availability for a Saturday, 3- to 4-hour strategic planning session then settled on December 20th, 9 a.m. to 1 p.m. at Bridgewater Lofts Community Room. Kittock will confirm the room's availability and DiDonato will confirm Aspinwall's availability.
- **Outreach and Collaboration with Other Downtown Organizations.**
 - *Downtown Families Minneapolis.* Laska advised they have a core group of members who meet on a monthly basis. They are on to something exciting; there's a real need and things are coming together. Also, they are getting both local and national attention by people relocating and looking at urban structures and how supportive they are for family living.

DFM had a successful event on Saturday, September 27th at the 4th Avenue Playground along James I. Rice Parkway in the North Loop neighborhood. The event was well attended by local families and supporters as well as several elected officials. The Baron of Bubble (<https://www.facebook.com/Thebubblebaron>) performed and was a huge hit. Their next event, a Fancy Pants Dance as a post-holiday party, will be on Saturday, January 24th; she will forward a "save the date" to help promote it. They have been organizing events on the weekends to give downtown families an opportunity to get to know one another.

DFM has a mission and vision and are thinking about a long-term strategic plan in terms of the rollout of events over the next couple years. They don't have a formal "ask" but will probably do so once they hammer out the long-term plan.

Their website is up and running, <http://downtownfamiliesmpls.org>, and the facebook site has 120 followers. If anyone has family-related content please forward it to them.

- *2025 Plan Task Force to End Street Homelessness.* Kittock advised this task force is interested in bringing a couple projects to the DMNA and will do so in the not to distant future having to do with women with young children who have no place to go when the shelters close – they have a plan for an activity center.
- *Downtown Court Watch.* Kittock asked the new 1st Precinct Community Attorney, Heidi Johnston, come give a presentation about the program; they are very interested. St. Stephen's Human Services is also interested in doing so.

For other updates, please reference the Outreach and Collaboration chart Sweet provided in advance of the meeting.

- **Executive Board Meetings.** DiDonato asked the board whether to schedule a separate meeting to review and set the agenda for the January 19th joint meeting with the MDNA given that December is already crammed. Tinjum advised that Tony Barranco of Ryan Companies was tentatively scheduled and that he would reach out to him to confirm. After a brief discussion, DiDonato advised that the agenda would change from what it is today and plans to have it nailed down by the first week of January 2015 for publication.

VII. Strategic Thinking/ Planning Discussion

Neighborhood Coordinator Christie Hantge presented a financial review to the DMNA Board. Hantge distributed a PowerPoint PDF, along with two supporting spreadsheets. She explained that the presentation would start at a very high level, move to a mid-level, and conclude with a very detailed look all of the DMNA's funding sources and contracts.

High Level

Hantge began by reviewing the fiduciary duties of a nonprofit board of directors. These duties include the following: duty of care, duty of loyalty and duty of obedience. She noted these fiduciary duties were established by the Office of the Minnesota Attorney General.

Next Hantge reviewed a list of basic board responsibilities. They include the following:

- Reviewing and approving the organization's financial statements on a regular basis.
- Reviewing and approving the organization's Federal Form 990 and MN Charitable Organization Annual Report.
- Updating the organization's mandatory insurance policies.
 - Directors & Officers Insurance maintained by the City on behalf of the neighborhood group.
 - Liability Insurance maintained by the neighborhood group.
- Reviewing and approving contracts and large financial transactions or payables.
- Reviewing and approving the salary of the Chief Executive and salary ranges for staff positions.
- Developing and overseeing internal financial controls and investment policies.
- Investigating warnings or reports of officer or employee theft or mismanagement, including reporting the misconduct to the proper authorities.

After reviewing the list of basic board responsibilities, Hantge went over the duties and responsibilities she has as Finance Coordinator for the DMNA. Those include the following:

- Prepare the annual budget in partnership with the board chair and treasurer.
- Prepare checks and deposits.
- Post revenues and expenses to general ledger.
- Prepare monthly financial statements
- Prepare monthly bank reconciliation.
- Prepare NRP and CPP payment requests.
- Assist with the preparation of the IRS form 990 and MN Charitable Organization Report.
- Advise the board on financial matters.
- Prepare the CPP applications on an annual basis.
- Help the board understand the organization's financial position.

Hantge went on to talk about the DMNA's Federal tax status. The DMNA is considered a charitable organization, or a 501 (c)(3) nonprofit. This means that the DMNA is eligible to receive tax deductible contributions in accordance with IRS Code 170. A 501 (c)(3) must not be organized or operated for the benefit of private interests. No part of a 501 (c)(3) net earnings may inure to the benefit of any private shareholder or individual. A 501 (c)(3) is restricted in how much political and legislative (*lobbying*) activities they may conduct. As a 501 (c)(3), the DMNA can serve as fiscal agent for projects such as the Humboldt Lofts Tree Planting project and the North Star Lofts Sign Rehabilitation project.

Mid Level

Hantge went on to provide a mid-level explanation of the DMNA's finances, including funding sources and uses. The DMNA has two primary funding sources, Neighborhood Revitalization Program (NRP) funds and Community Participation Program (CPP) funds. Hantge explained that CPP replaced NRP in 2011. In addition, the DMNA occasionally receives grants from corporations and foundations, revenue from serving as a fiscal agent (examples include the Humboldt Lofts and North Star Lofts homeowners associations) and from private donations.

Hantge explained that the DMNA has two primary uses for its funding sources: administrative or general operating expenses, and program or project expenses. Administrative or operating expenses are supported primarily by CPP funds, but the DMNA does have two NRP contracts that provide a back-up source of funding. Hantge suggested that the board should consider those reserve funds. The primary sources of funding for projects and programs are NRP Phase II dollars and the CPP dollars allocated to the Neighborhood Priorities Plan. The DMNA could also pursue grants from corporations and foundations for programs and projects. Hantge stated that obtaining funds for administrative expenses is extremely difficult and must be tied to a program or project to be successful.

Hantge provided an overview of the DMNA's monthly financial statements. She told the board they should be looking for consistency, accuracy and completeness. She encouraged the board to look closely at income and expenses, total expenses year to date, as well as income and expenses compared to the overall budget.

She concluded the mid-level review with a summary of the board's financial priorities for 2015. Those priorities include the following:

- Continue implementation of the NRP Phase II Plan.
- Initiate work on the Neighborhood Priorities Plan.
- Serve as fiscal agent for the North Star Lofts Minnesota Historical Society Legacy grant for sign rehabilitation.
- Submit the final report for the 2014 CPP Contract.
- Consider developing / implementing an annual appeal to the neighborhood to support projects and initiatives not supported by NRP or CPP funds.
- Other priorities as identified by the board.

Low Level

Hantge went on to present a low-level review of the DMNA's finances. She dug into great detail with regards to the NRP and CPP contracts. She referenced the spreadsheets she

distributed at the beginning of the presentation. She began by explaining the DMNA's existing NRP contracts:

- NRP Phase I Implementation Contract
Balance as of 12-4-14 = \$62,077.62
- NRP Phase II Outreach and Engagement Contract
Balance as of 12-4-14 = \$80,000.00
- NRP Phase II Program Contract
Balance as of 12-4-14 = \$13,918.88 (Committed to Triangle Park and 4th St. Lighting Project)*

Next, Hantge reviewed the balance of un-contracted NRP dollars. The DMNA currently has access to \$431,137 in un-contracted NRP dollars for programs and projects. The money is allocated across four areas, which were identified during the strategic planning process for Phase I and Phase II. Those areas include: Arts, Culture and Education, Crime and Safety, Downtown Development and Housing.

Hantge went on to review the DMNA's CPP dollars. She started by reviewing the 2014 CPP contract. She noted again that the CPP contract is the DMNA's primary source of administrative or general operating funds (the City refers to this as Outreach & Engagement). The balance in the 2014 contract is \$91,651.93. She stated that there will be an additional \$44,650 available to add to this contract in 2015 and again in 2016.

A subset of the CPP Outreach & Engagement monies is the Neighborhood Priorities Plan (NPP) monies. In 2012, the City started allowing the neighborhood organization's the opportunity to set aside a portion of their CPP allocation for larger programs and projects. The NPP monies are intended to function in much the same way as the NRP programs and projects monies. Before the DMNA can access the NPP monies, the board must go through a strategic planning process to identify the neighborhood's priorities. The balance of the NPP dollars as of 12-4-14 is \$152,265.66. The DMNA will have access to an additional \$41,386.66 in 2015 and 2016.

Hantge concluded the financial presentation by thanking DMNA Treasurer Peter Zenner for his help in preparing the spreadsheets. She responded to questions from the board. She indicated that she is available by phone or email to answer any questions that come up after the meeting.

VIII. Adjournment

Being no further business, Searl moved and Sweet seconded a motion to adjourn the meeting. DiDonato called for discussion. The meeting adjourned at 8:15 p.m.

Signed this _____ day of _____, 2015.

Chair

Secretary