

Minneapolis Neighborhood Revitalization Program Policy Board

MINUTES OF THE REGULAR MEETING OF

October 24, 2011

Present and Voting: Debbie Evans, DeWayne Townsend, Carol Pass, Nicholas Kakos, Gail Dorfman, Rep. Joe Mullery, Lydia Lee, David Ellis, Sen. Ken Kelash

Alternates Attending: Wizard Marks, Tom Bissen, Jeffrey Strand,

Absent: Mark Stenglein, Peter McLaughlin, R.T. Rybak, Barbara Johnson, Annie Young

Staff: Bob Miller, Barb Lickness, Carsten Slostad

Others Present: Gary Arntsen, Jana Metge, Sean O'Neil, Shirley Heyer, Todd Rasmusen, Joseph Spangler, Jennifer Naglak, Chuck Steddom, Brad Pass, Mohammed Cali, Chiffon Williams

I. CALL TO ORDER

Ken Kelash, chair of the NRP Policy Board, called the meeting to order at 4:39 p.m.

II. APPROVAL OF THE AGENDA

Upon a motion by Debbie Evans and seconded by David Ellis the agenda was adopted.

III. APPROVAL OF THE MINUTES

Upon a motion by David Ellis and seconded by Debbie Evans the minutes of the September 26, 2011 meeting were adopted

IV. ACTION ITEMS

1. Saint Anthony East NRP Phase II Neighborhood Action Plan

[NRP / FR#2011-08]

Sean O'Neil reviewed the plan on behalf of the neighborhood. He reported that the neighborhood concentrated on long term planning for the future. Seventy percent of the funds are going to the neighborhood's two home loan programs. The neighborhood has changed their loan requirements to make these programs more accessible for residents. Other strategies include lighting for safety and community outreach. Upon a motion by Jeffrey Strand and seconded by David Ellis the following resolution was adopted.

WHEREAS: On April 19, 2004, the Minneapolis Neighborhood Revitalization Policy Board (Board) established the Phase II allocation available for the St. Anthony East neighborhood at \$362,535 based on the Phase II revenues projected for NRP,

WHEREAS: The St. Anthony East neighborhood has conducted a Phase II plan development process,

WHEREAS: The submitted St. Anthony East NRP Phase II Neighborhood Action Plan requests an allocation of \$362,535 and dedicates eighty percent (80.37%) of that allocation to housing programs, projects, services and activities,

BE IT RESOLVED: That the Minneapolis Neighborhood Revitalization Policy Board (Board) hereby accepts and adopts the St. Anthony East 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 St. Anthony 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 \$362,535; [b] amend the 2011 General Appropriation Resolution to increase the Fund CNR0 (NRP Fund) by \$362,535 from existing fund balance for implementation of the approved Plan; and [c] authorize the appropriate City officers to enter into any contracts or agreements necessary to implement the activities above.

2. Midtown Phillips NRP Phase II Neighborhood Action Plan [NRP / FR#2011-09]

Todd Rasmusen and Jennifer Naglak presented on behalf of the neighborhood. The two areas that the neighborhood sees as priorities are housing and community building. By creatively using the City's CPP funds for community building, the neighborhood has decided to allocate their NRP phase II funds for housing. The neighborhood had the option to vote on the percentage of funds for housing. They voted for funding 100% to housing.

Shirley Heyer, former board member and steering committee member, objected to the money all going to housing. She alleged that the process was not inclusive and that a consensus was not reached to put all the funding in housing strategies.

Jennifer Naglak responded with a summary of how the survey was created and how interests of the neighborhood are included in the plan.

Debbie Evans moved and DeWayne Townsend seconded the motion to adopt. The discussion that followed was on how the funding could be moved in the future to unfunded strategies. Tom Bissen called the question and the chair ruled that he was out of order because of his alternate status.

Nicholas Kakos moved to defer action for 30 days and Gail Dorfman seconded the motion. The chair ruled the motion out of order. Nicholas Kakos challenged the chair's ruling. The chair turned the meeting over to Vice-chair, David Ellis to conduct the discussion and vote on the ruling. The vote was 5 to 3 with one abstention to uphold the chair. David Ellis called the question on the original motion to approve. A roll call vote was requested and taken. The result was 5 yes votes, 1 no vote, and three abstentions. (Carol Pass, Gail Dorfman and Rep. Joe Mullery) The resolution adopted is as follows.

WHEREAS: On April 19, 2004, the Minneapolis Neighborhood Revitalization Policy Board (Board) established the Phase II allocation available for the Midtown Phillips neighborhood at \$243,645 based on the Phase II revenues projected for NRP,

WHEREAS: The Midtown Phillips neighborhood has conducted an inclusive Phase II plan development process,

WHEREAS: The submitted Midtown Phillips NRP Phase II Neighborhood Action Plan requests an allocation of \$243,645 and dedicates (100%) percent of that allocation to housing programs, projects, services and activities,

BE IT RESOLVED: That the Minneapolis Neighborhood Revitalization Policy Board (Board) hereby accepts and adopts the Midtown Phillips 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 Mditown Phillips 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 \$243,645; [b] amend the 2010 General Appropriation Resolution to increase the Fund CNR0 (NRP Fund) by \$243,645 from existing fund balance for implementation of the approved Plan; and [c] authorize the appropriate City officers to enter into any contracts or agreements necessary to implement the activities above.

3. East Phillips NRP Phase II Neighborhood Action Plan

Carol Pass introduced the plan stating that East Phillips went to extreme lengths to prevent the kind of neighborhood conflict evidenced in the previous discussion. She stated that there was not a mailed survey or a computer survey. Input for the plan was gathered from talking to people in focus groups. The chair asked for specifics about participation. Bob Miller pointed out that no participation agreement has been approved for the neighborhood and that the plan is still awaiting a legal review. The chair opined that this plan was not ready to be put on the agenda and suggested that a motion to postpone until the next meeting was in order. Rep. Joe Mullery moved to differ to the next meeting. The motion was seconded by Nicholas Kakos and adopted.

4. 2011 NRP Administrative Budget Amendment

[NRP / FR#2011-10]

Bob Miller explained that “an administrative contingency fund” was established in 2004 to fund the Administrative Budget after 2010. The fund was significantly impacted by subsequent Board actions (such as the Allina loan). There now is a need to add additional dollars to the budget from the existing fund balance to fund the remaining 2011 obligations, including the costs involved to close the program. Nicolas Kakos moved and Debbie Evans seconded the following resolution.

BE IT RESOLVED, That the Minneapolis Neighborhood Revitalization Program Policy Board (“Board”) approves Amendment #1 to the Neighborhood Revitalization Program Administrative Budget for Fiscal Year 2011 by increasing the amount of the 2011 Budget by \$ 295,000 to a new total of \$ 1,457,421; and

RESOLVED FURTHER, That the Board authorizes the Director to spend up to \$1,457,421 in FY 2011 on administrative expenses generally in accordance with Attachment A, with total expenditures in the “Compensation” (4000-4900 and 7800-7860 account codes) and “Non-Compensation” categories to be limited to the amounts indicated in that budget, but with discretion to adjust amounts among the specific “Non-Compensation” line items as needed and between “Compensation” and the “Non-Compensation” category for “Professional Services” without further approval from this Board; and appropriates a revised total of \$1,457,421 of NRP Program Moneys for administrative expenditures in 2011;

RESOLVED FURTHER, That the Board approves the allocation of \$731,761.70 of unobligated NRP fund balance to the Administrative Contingency Fund to fully fund the increased 2011 Budget; and

RESOLVED FURTHER, That the Director is hereby authorized and directed to request that the Minneapolis City Council appropriate \$295,000 to Fund 01CNR to fully fund the increased 2011 Budget, and to request that CPED immediately transfer \$ 295,000 from Fund 01CNR to the NRP’s City of Minneapolis Fund 42300; and

RESOLVED FURTHER, The Director is authorized to close out any and all NRP funded contracts executed between 1991 and 2007 that have any unexpended balances and for which no payments have been requested since 2007 and return those funds to the source that supplied the funding for the contract.

V. POLICY ITEM

1. Closing Down NRP

[NRP / PR#2011-06]

Based on concerns expressed about the status of existing staff at the closing down of NRP, Bob Miller presented a resolution on severance pay and benefits. This document was developed by legal counsel and reviewed by employment and benefit personnel and found to be in compliance with legal standards. Ken Kelash pointed out that development of this policy was requested by him and has been in the works for several months. During discussion of the severance policy, item #4 of the draft was eliminated and language in #1 was changed from “not to exceed” to “ amount equal to”. With these changes, Tom Bissen moved and Nicholas Kakos adoption. The motion carried. A copy of the severance policy is attached to these minutes.

2. Closing Existing Contracts Protocol

[NRP / PR#2011-07]

Bob Miller introduced an issue needing clarification. Because the City froze Phase II funds in December 2010, the question becomes what happens to unexpended Phase II contract funds that are to be returned to Phase II strategies. Will these funds be available to contract again or are they frozen? To address this issue the following resolution was presented. It was moved by Debbie Evans and seconded by DeWayne Townsend and adopted.

RESOLVED, That the Neighborhood Revitalization Program (NRP) Policy Board requests that the Minneapolis City Council amend the 2011 General Appropriation Resolution 2010R-598 footnote “p”, Section “2” to add the following:

Notwithstanding the above, any neighborhood for which a Phase II funded contract, executed between 2001 and 2007, and for which the time of performance has expired by the end of 2010, is closed out with a balance remaining in that contract, that neighborhood shall be allowed to contract the amount released back to their Phase II plan as a result of the close-out of that contract.

3. Home Tour

[NRP / PR#2011-08]

Bob Miller presented the agreement for the transfer of the Home Tour to ProMedia. This agreement was prepared based upon the direction of the sub-committee on the Home Tour given at the August 22, 2011 Policy Board meeting. He reported that legal counsel for both parties has reviewed the agreement. Gail Dorfman moved and David Ellis seconded a motion to accept the agreement presented and authorized the Director to execute the agreements on behalf of the Board.

VI. PRESENTATIONS & REPORTS

1. Updates on NRP Transition Issues

Bob Miller reported that legal counsel is drafting a formal transition document. A draft of that document will be available for review and discussion at the November 21, 2011 meeting of the Policy Board. Nicholas Kakos emphasized the agreement should ensure that members of the Policy Board are indemnified from any future liability.

2. Contract Status Report

A document listing open expired contracts was distributed for member information.

VII. ADJOURNMENT

The meeting was adjourned at 6:30 pm

Carsten Slostad, Secretary Pro Tem

ATTEST: Ken Kelash, Chair

NEIGHBORHOOD REVITALIZATION PROGRAM POLICY BOARD

RESOLUTION NO. NRP / PR #2011-06

**A RESOLUTION APPROVING A SEVERANCE PAY AND BENEFITS
PLAN FOR NEIGHBORHOOD REVITALIZATION PROGRAM POLICY BOARD
EMPLOYEES**

WHEREAS, the retirement, resignation, termination of an employee or the termination of the Neighborhood Revitalization Program (“NRP”) are situations where the NRP may desire to provide a severance pay and benefits package to NRP employees; and

WHEREAS, it is in the best interest of the NRP to have the ability to offer employees a severance pay and benefits package consistent with the NRP’s administrative policies and state and federal statutes; and

WHEREAS, Minnesota Statutes sections 465.72 – 465.722, as amended, require the NRP to develop a severance pay and benefits plan, including a funding plan, to be instituted at the discretion of the NRP Policy Board; and

WHEREAS, the NRP desires to fund any severance pay and continuation of certain employee benefits from the NRP’s administrative fund, except as otherwise stated herein.

NOW, THEREFORE, BE IT RESOLVED THAT the Policy Board of the NRP determines that it is in the best interest of the NRP to have the ability to offer some or all of the following terms and conditions as a severance pay and benefits plan to employees displaced from NRP employment through retirement, resignation, termination without cause or the abolishment of a position, or the termination of the NRP, when in the discretion of the NRP Policy Board a severance pay and benefits package would be appropriate:

1. Payment of severance pay as defined by Minnesota Statutes § 465.71 in an amount equal to one (1) week of regular salary or pay for every one (1) year of NRP service. For purposes of calculating qualified periods of employment, any employment in a calendar year which exceeds six months counts as a full year (i.e. 12 years 7 months would result in 13 weeks of severance pay, 12 years 3 months would result in 12 weeks). Payment of severance pay shall not exceed one (1) year of compensation for the employee, or as otherwise permitted by law; and
2. Payment by the NRP, up to a value of \$1,000, for outplacement employment services, with such payment to be made to an outplacement services company as agreed upon by the NRP and employee, upon verification that such outplacement services have been provided to the employee; and
3. Payment by the NRP of terminated employee's health plan premiums at the same level as if still employed by the NRP (i.e. the employee remains in the health care plan pool and the employee pays the employee portion of the premium as they did when employed) until the employee reaches the age of eligibility for Medicare or up to twenty four (24) months whichever comes first. Such premium payments shall first be paid out of the value of the employee's accumulated sick leave balance as of the date of termination; and
4. That the Executive Director shall be eligible for severance pay as determined by the NRP Board and in accordance with the requirements of Minnesota Statutes § 465.722; and
5. That payment of vacation or other payments to employees terminated without cause authorized by the NRP in its Employee Handbook shall not be included as severance pay and
6. That the offering of the above severance pay and benefits by the NRP is solely at the discretion of the NRP Policy Board and may be subject to the execution of a release of all claims by the employee against the NRP and its agents, consultants, employees, former employees, insurers, heirs, executors and assigns, in such language as is required and approved by the NRP.

NOW, THEREFORE, BE IT RESOLVED by the NRP Policy Board that the NRP Policy Board adopts the severance pay policy and plan as provided herein;

BE IT FURTHER RESOLVED that the NRP Policy Board directs the Executive Director to work with NRP staff in situations where the Executive Director finds it is in the best interest of the NRP to offer a severance pay package to an employee, and to prepare the appropriate documents and agreements to facilitate the offering and execution of a severance pay package agreement as provided herein, for review and approval by the NRP Policy Board.

NOW, THEREFORE, BE IT FINALLY RESOLVED THAT any severance pay and benefits provided to an employee shall be funded out of the NRP's administrative fund, except as otherwise stated herein.

Adopted this 24th day of October 2011, by the NRP Policy Board.