

# **Minneapolis Neighborhood Revitalization Policy Board**

## **MINUTES OF THE REGULAR MEETING OF**

**December 19, 2011**

**Present and Voting:** Debbie Evans, Wizard Marks (Alternate voting for Revitalization), Carol Pass, Nicholas Kakos, Peter McLaughlin, Gail Dorfman, Jeremy Hanson Willis (Alternate, Mayor's office), Barbara Johnson, Rep. Joe Mullery, Sen. Ken Kelash, Annie Young, Bill McCarthy.

**Alternates Attending:** Tom Bissen, Jeffrey Strand, Robert Lilligren

**Absent:** Mark Stenglén, DeWayne Townsend (excused), R.T. Rybak, Lydia Lee (excused) David Ellis (excused)

**Staff:** Bob Miller, Carsten Slostad, Barbara Lickness

**Others Present:** David Rubedor, Peter Ginder, Gary Arntsen

### **I. CALL TO ORDER**

Ken Kelash, chair of the NRP Policy Board, called the meeting to order at 4:40 p.m.

### **II. APPROVAL OF THE AGENDA**

Upon a motion by Nicholas Kakos and seconded by Barbara Johnson the agenda was adopted.

### **III. APPROVAL OF THE MINUTES**

Upon a motion by Nicholas Kakos and seconded by Peter McLaughlin the minutes of the November 19, 2011 meeting were adopted with a correction adding Mary Gonsior in "others present".

### **IV. ACTION ITEMS**

#### **1. Bryant Neighborhood NRP Phase II Neighborhood Action Plan**

[NRP / FR#2011-11]

Barbara Lickness, NRP staff working with the Bryant neighborhood, presented the plan on behalf of the neighborhood. Housing activities comprise most of the plan with the remainder going into business grants and a senior citizen assistance program. Money rolled over from their Phase I plan will be used to fund the remaining strategies in the Phase II plan. Upon a motion by Peter McLaughlin and seconded by Rep. Joe Mullery 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 Bryant neighborhood at \$295,498 based on the Phase II revenues projected for NRP,

**WHEREAS:** The Bryant neighborhood has conducted an inclusive Phase II plan development process,

**WHEREAS:** The submitted Brant NRP Phase II Neighborhood Action Plan requests an allocation of \$295,498 and dedicates (70%) 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 Bryant 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 Bryant 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 \$295,498; [b] amend the 2010 General Appropriation Resolution to increase the Fund CNR0 (NRP Fund) by \$295,498 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. Salary Increase for the Director**

[NRP / FR#2011-13]

Debbie Evans reported that the Executive Committee, after discussion from the November Policy Board meeting, has met and reviewed the Director's salary and recommends that a salary increase retroactive to January 1, 2011 be granted. In the discussion that followed, members came to understand that this small increase would reflect on the director's retirement pension and severance package calculations. Upon a motion by Annie Young and seconded by Wizard Marks the following resolution was adopted with Barbara Johnson and Jeremy Hanson Willis voting no.

**WHEREAS:** The NRP Executive Director has provided outstanding and dedicated service to the NRP Policy Board, the neighborhoods of Minneapolis and the City of Minneapolis without requesting any additional pay or benefits, and

**WHEREAS:** The NRP Executive Director has created and implemented innovative programs that have stood the test of time and that have helped and continue to help improve the neighborhoods and city of Minneapolis, and

**WHEREAS:** The NRP Executive Director has been an inspiration to the residents of Minneapolis neighborhoods and their neighborhood organizations, and

**BE IT RESOLVED:** That for exceptional service, the Executive Director shall receive a one step increase in his salary effective January 1, 2011.

### **3. Severance Pay and Benefits Plan**

[NRP / FR#2011-14]

Bob Miller stated that City employees and NRP employees are different. The best correlation that can be made is to appointed employees as they serve at will, they are unrepresented and have an employment agreement. NRP staff now meets all these criteria as none of our employees are covered by civil service as they are all appointed, they serve at will, they are all unrepresented and they all have employment agreements. This matches the City Council's ordinance 20.455 because all these NRP employees were hired before 1999. That would mean six months lump sum payment of salary. In addition it is recommended that there be six months of COBRA coverage. In the discussion that followed, points were made to explain how the recommendation was developed and how changes from the Severance Policy adopted in October were needed. Upon a motion by Nicholas Kakos and seconded by Debbie Evans the following resolution was adopted with Barbara Johnson and Jeremy Hanson Willis voting no.

**BE IT RESOLVED,** That Paragraphs 1 and 3 of the NRP Severance Pay and Benefits Plan are deleted and replaced by the following:

1. Payment of severance pay as defined by Minnesota Statutes § 465.71 in a lump sum amount equal to six (6) months of the employee's salary at the date of termination.
3. Payment by the NRP of an additional lump sum payment equivalent to six (6) months of the health and dental plan premiums that would be charged to the employee under COBRA.

**BE IT FURTHER RESOLVED,** That the current Paragraph 4 of the NRP Severance Pay and Benefits Plan be deleted and replaced with:

4. That the Executive Director shall receive a severance payment calculated in the same manner as other NRP employees.

**BE IT FURTHER RESOLVED,** That the last nine words ("for review and approval by the NRP Policy Board" at the end of the third Resolved clause be deleted because the Policy Board will have no additional meetings before the expiration of the Joint Powers Agreement;

**BE IT FURTHER RESOLVED,** That the Chair of the Policy Board is authorized to sign an employment agreement with the Director;

**BE IT FURTHER RESOLVED,** That the Chair and Director are authorized to take any and all actions required to implement the NRP Severance Pay and Benefits Plan as amended and restated.

*A copy of the amended severance policy is attached to the minutes.*

#### **4. Closing Actions**

[NRP / FR2011-15]

Bob Miller distributed the State Auditor's NRP Policy Board 2010 Audit Report. Bob pointed out that there were no compliance or management letters as part of the audit. He pointed out that there is a \$607,000 balance in the administrative fund of which \$604,000 is unrestricted funds.

Annie Young moved and Wizard Marks seconded that the recommendations for closing actions be discussed. Bob then addressed each recommended action.

On the matter of NRP owned equipment and furnishings, neighborhood organizations will be offered the opportunity to take what they can use. During discussion it was recommended that remaining computers be donated to non-profit or other organizations that reuse old computers.

On the matter of historical documents, these will be deposited at the State Historical Society. Operational records will remain with the City when the transfer of NRP administration occurs.

On the matter of remaining balances in the NRP Administrative Fund 42300, it is recommended that after all the expenditures have been made the remaining dollars should go to the neighborhoods based upon the Phase II formula. During discussion Gail Dorfman recommended that an amendment be made to the resolution setting aside a \$50,000 contingency to cover unexpected costs. Bob Miller suggested that this could be accomplished by adding the following language to the end of the third resolved clause: "with \$50,000 held back for use as a contingency". Annie Young seconded the motion and the amendment was adopted. Barbara Johnson then asked to amend the second resolved clause by replacing "authorizes" with "directs" and deleting "if at all possible". Peter McLaughlin seconded the amendment and the amendment was adopted.

The following amended resolution was then adopted with Barbara Johnson voting no.

**BE IT RESOLVED,** That the Neighborhood Revitalization Program (NRP) Policy Board (“Board”) authorizes the NRP staff to offer and transfer to recognized neighborhood organizations any current NRP owned equipment and furniture that has been fully depreciated and has a minimal salvage value provided that a record of each transfer is retained by NRP and the receiving organization removes the desired items from the NRP Office by December 29;

**BE IT FURTHER RESOLVED,** That the Board directs the NRP staff to secure a publicly accessible site and manager for NRP files and documents of historic value and to prepay, if required, for the future storage, cataloging and management of those materials;

**BE IT FURTHER RESOLVED,** That the Board recognizes that its unrestricted Administrative Fund balance (Fund 42300) at the end of 2011 will be significant and that the fund balance that remains after all 2011 expenditures have been made could be used by neighborhood organizations to implement their approved Neighborhood Action Plans and / or fund part of their operating expenses with \$50,000 held back for use as a contingency;

**BE IT FURTHER RESOLVED,** The Board considers this a prudent investment of the unrestricted funds that have been earned by NRP and consistent with the mission and purposes of NRP;

**BE IT FURTHER RESOLVED,** That the Board allocates the unrestricted fund balance that remains in Fund 42300, after all NRP expenditures and commitments have been processed and as determined by the NRP Director, to the recognized neighborhood organizations that participated in NRP in a manner proportionate to their participation in the NRP fund allocations for Phase II approved April 19, 2004;

**BE IT FURTHER RESOLVED,** That the Board directs the NRP staff to increase the existing administrative contracts for recognized NRP neighborhood organizations by the amount of their allocation of the unrestricted Fund 42300 balance and approves the transfer of those funds to the receiving neighborhood organizations;

**BE IT FINALLY RESOLVED,** That the Board directs and authorizes the Chair and the Director to take any and all actions required to implement these resolutions and complete any other duties related to implementing actions authorized by this Board as part of the closure of the NRP Office and the termination of the employment of the NRP staff.

## 5. Transition of Administration Agreement

[NRP / PR#2011-09]

Barbara Johnson moved that this agreement be reviewed in light of the previous actions taken in this meeting. Gail Dorfman seconded the motion and it carried. The current version of the document was distributed for review. After significant discussion by the Board, and with the Director, a number of changes were suggested. Peter Ginder from the City Attorney's office and Barbara Johnson then went through the document making the following changes:

1. Article III, page 2, NRP Staff Transition, was deleted in its entirety and all subsequent sections were renumbered.
2. Old Article IV, Section 4.3 was revised by deleting everything after "2011" and ending the section with a period after "2011".
3. Old Article V, Disposition of NRP Assets and Records, was revised by adding "office furnishings and" before "computer" in line 4 of old section 5.1.
4. Old Article V, Disposition of NRP Assets and Records, was revised by deleting "Historical" and capitalizing "Documents" in old section 5.1.c.
5. Old Article V, Disposition of NRP Assets and Records, was revised by deleting "including Gavzy and iSystems contracts" in old section 5.1.d. and putting a semicolon after "system".
6. Old Article V, Disposition of NRP Assets and Records, was revised by adding "office furnishings and" before "computer" in line 4 of old section 5.1.
7. Old Article V, Disposition of NRP Assets and Records, was revised by adding "office furnishings and" after "surplus" in line 2 of old section 5.6.
8. Old Article V, Disposition of NRP Assets and Records, was revised by adding "to conduct a 2011 Audit" after "documentation" in line 2 of old section 5.7 and deleting the remainder of that section and sentence.
9. Old Article VI, Miscellaneous, was revised by deleting the first sentence in old section 6.2.

Barb Johnson then moved with Gail Dorfman seconding the amendments to the agreement. Before a vote it was clarified that by eliminating the severance section there

would not be any adverse affect to the severance and benefit plan adopted previously in the meeting. Annie Young called the question and requested a roll call vote. The motion was adopted with Debbie Evans, Wizard Marks and Carol Pass voting no.

**V. CLOSING REMARKS**

Before the meeting was adjourned, the following members were given the opportunity to make closing remarks. The following made remarks: Annie Young, Ken Kelash, Barbara Johnson, Bob Miller, Wizard Marks, Debbie Evans, Carol Pass, Gail Dorfman. Annie Young asked that her remarks, which were written, be included as an attachment to these minutes.

Closing motion by Nichols Kakos

“The NRP Policy Board recognizes the extraordinary participation of the various government jurisdictions, neighborhoods, neighborhood representatives, and staff members in completing an unprecedented successful and nationally recognized NRP program. “

This motion was seconded by Annie Young and carried.

Gail Dorfman made the motion to adjourn.

**VII. ADJOURNMENT**

The meeting was adjourned at 6:47 pm

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Carsten Slostad, Secretary Pro Tem

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**ATTEST:** Ken Kelash, Chair

**December 19, 2011**  
**Closing Remarks to NRP Policy Board**  
**From Annie Young, MPRB representative**

It is with deep sadness that I make these closing remarks about the ending today of the NRP and its Policy Board. I was co-chair with former Council Member Richard Miller of the "dream Team"/Task Force which took on addressing the challenges facing the City of Minneapolis, now almost 23 years ago.

**THE HISTORY AND FUNDING**

Mounting political pressure to improve the city's residential areas derived from the increasingly stark contrast between the booming downtown commercial area and the degraded neighborhoods.

Following the change in administration after the 1984 city election, an emerging coalition of new council members and mobilized local constituencies organized a series of task forces to investigate the causes and possible solutions to the evident urban decay. This diagnostic work predicted over \$3 billion would be needed to fund a serious revitalization program. As this amount significantly exceeded the city's budget for revitalization work, councilors and constituents began to consider how delegated planning authority might better leverage the energies and abilities of the residents themselves

In 1987, with signs of neighborhood decline in Minneapolis becoming increasingly apparent, the Mayor and City Council created a Task Force that reported in May 1988 that physical revitalization of Minneapolis neighborhoods was badly needed and would cost over \$3 billion. The Task Force urged the City to initiate a citywide planning effort with guidance from neighborhood residents.

In May 1989 an Implementation Committee proposed a revitalization program that would "protect" fundamentally sound neighborhoods, "revitalize" those showing signs of decline and "redirect" those with extensive problems. Later that year, a Technical Advisory Committee of key local government staff endorsed a process that encouraged the jurisdictions serving Minneapolis to work together to use existing resources to support addressing neighborhood priorities. )

The program as it evolved from the Dream Team proceeded to go to the state Legislature and receive an allocation of \$20 million dollars a year for 20 years to be disbursed throughout the Cities neighborhoods, their neighborhood organizations based on Action Plans developed by those neighborhoods.

Neighborhoods implemented their NRP plans by working with government and others. Through NRP, residents have learned to work with City, County, Parks, Library and School staff, and to use these experts' knowledge and resources to help improve their neighborhood. Developing new partnerships and renewing old ones helps produce creative solutions. The partnerships created are as varied as the people and interests involved in neighborhoods.

All 84 Minneapolis neighborhoods were involved in NRP. Thousands of Minneapolis residents have used the NRP planning process to identify and help meet their neighborhood's housing, safety, economic development, recreation, health, social service, environment and



transportation needs.

## THE GOALS

The Policy Board established four primary goals for NRP when it was established in 1990:

### **Build neighborhood capacity.**

When people organize, collect and analyze information, and become more knowledgeable about their community, they can be significant contributors to the revitalization of their neighborhood. A diverse group of residents working together can generate creative approaches to change, mobilize new assets and generate positive results.

### **Redesign public services.**

The people who live and work in a neighborhood are excellent judges of their neighborhood's priorities, opportunities and needs. The NRP provides a safe forum for all neighborhood voices to be heard. It also creates a potentially beneficial opportunity for public officials and government staff to interact with the people for whom they are working. This can lead to the reexamination of budget priorities and new methods of delivering public services.

### **Increase inter-governmental and intra-governmental collaboration**

Five governments have jurisdiction over major aspects of the lives of Minneapolis residents: the Mayor and Minneapolis City Council; Hennepin County; the Minneapolis School Board; the Minneapolis Park and Recreation Board; and the Minneapolis Library Board. New efforts to communicate and coordinate services within and between these five government jurisdictions could provide residents with more benefit for each public dollar spent by these governments.

### **Create a sense of community.**

Neighborhood revitalization ultimately depends on a sense of neighborhood identity and a commitment by residents to make their neighborhood a better place to live, work, learn and play. The NRP gives neighborhood residents a framework for, and reasons to, come together to create that commitment.

From an article appearing in The Journal of Housing and Economic Development published by the National Association of Housing and Redevelopment.

*The Minneapolis' Neighborhood Revitalization Program (NRP), one of the more successful comprehensive revitalization initiatives. The NRP undertook over 1,400 projects during its first decade. At its tenth anniversary awards celebration in 2001, NRP honored twenty initiatives from a list of 63 nominated projects. NRP Director Bob Miller cites many worthwhile projects: the rehabilitation of more than 60 problem properties in Logan Park, the revitalization of Central Avenue, and the rehabilitation and preservation of the historic Hosmer Library, for example.*

*The Minnesota legislature and the Minneapolis City Council established the NRP in 1990 and dedicated \$20 million a year for 20 years to its funding. The state mandates that 52.5 percent of NRP funds be spent on*

housing. The law also established tax increments districts to meet the continuing needs of Minneapolis' neighborhoods. The NRP uses a six-step process to help residents define priorities and prepare Neighborhood Action Plans. These plans go to five participating jurisdictions for review and approval, NRP funds leverage other resources to fill funding gaps identified in the each Action Plan,

Involvement in the NRP has grown from six neighborhoods designated in 1991 to all of the city's 81 neighborhoods. NRP Neighborhoods are categorized as needing protection, revitalization or redirection, and receive funding based upon levels of distress. Minneapolis' neighborhoods have increased their cooperation and collaboration over time. They have also begun to tackle larger issues, such as the revitalization of a commercial corridor that spans 14 neighborhoods. More than 200 agreements between neighborhoods are in place.

Since 1993, Minneapolis has utilized Neighborhood Planning for Community Revitalization (NPCR), an academic consortium administered by the University of Minnesota, to build partnerships between community based organizations and local colleges and universities. NPCR matches the research and technical needs of community organizations with the support of local faculty and student assistants from ten academic institutions,

There are probably lots of secrets as to the success of this program and many people to be thanked and congratulated for their efforts. Most importantly has some NRP staff who have served with the program almost its entire time. Notably, Joe Horan from the very beginning and Jack Whitehurst joining not much later. They are still with the program today. After the untimely death of Earl Craig, a new director was sought and Bob Miller came to the program in 1992. Bob became the NRP director on June 22, 1992. Prior to coming to the NRP, Bob was the director of the Community and Resource Exchange (CARE) and had worked as the planning supervisor in the Office of Planning and Development for Hennepin County from 1979-1991. Bob was also a successful Minneapolis restaurateur.

It should be noted with all due respect that a 10-year anniversary party was held in 2002 for Bob...

During the party, which quickly became a roast, Bob was presented with meaningful gifts including a tie from Hennepin County Commissioner and past NRP Policy Board Chair Mark Stenglein, an Indiana Jones hat from Minneapolis Library Board Trustee and NRP Policy Board Chair Diane Hofstede and a Superman cape from former Minneapolis School Board Member and past NRP Policy Board Chair Ann Berget. NRP staff presented Bob with a pair of bronzed rubber boots in the style that he has made famous. Bob also received a serious gift on this milestone occasion, a plaque from NRP staff thanking him for 10 years of service.

### **In Closing**

NRP has won National and International Acclaim. NRP Programs have sprung up in many cities across America, many based on the Minneapolis NRP and its success.

I was here when the first dollars were doled out at the Lottery when the Phillips neighborhood name was pulled for a whopping \$18.5 million. I was part of The Green Institute and ReUse Center that

received some of those funds thanks to the Neighborhood Action Plan. I have served on the Minneapolis Park Board for 22 years and we have been recipients of millions of dollars because neighbors wanted improvements to their parks, green space, lakes and general nature of the City. I have been a part of seeing the program WORK.

NRP brought democracy down to the "street" level - neighborhood by neighborhood.

Housing was built, parks were improved, trees and gardens planted, public safety strategies developed, water quality addressed, energy conservation programs introduced, the list goes on and on. 20 years later we can assume that over 3000 projects, contracts and neighborhood activities were supported by NRP funds.

And may I say that more than the dollars financially invested much more was invested that probably has even more meaning. Citizens met their neighbors and took their time and energy to make improve their neighborhoods. They learned how to leverage money and create partnerships to get a project done. This is a City where people love their neighborhoods and love the City where they work, live and play. It is with all of this we/ I say thank you and farewell to one of the greatest programs ever implemented in the City of Minneapolis.

## **NEIGHBORHOOD REVITALIZATION PROGRAM POLICY BOARD**

### **RESOLUTION NO. NRP / PR #2011-06 WITH AMENDMENTS**

#### **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 a lump sum amount equal to six (6) months of the employee's salary at the date of termination; 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 an additional lump sum payment equivalent to six (6) months of the health and dental plan premiums that would be charged to the employee under COBRA.
4. That the Executive Director shall receive a severance payment calculated in the same manner as other NRP employees.
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.
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.

**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 24<sup>th</sup> day of October 2011, by the NRP Policy Board and Amended this 19<sup>th</sup> day of December 2011**