

DEPARTMENT

results
minneapolis

CPED

2016

CPED RESULTS MINNEAPOLIS REPORT

CPED Goals

Goal 1

Leverage CPED investments to foster economic development and revitalization in challenged areas

Goal 2

Strengthen CPED's role as innovator and leader in our City's regional competitiveness

Goal 3

Plan and design sustainable, healthy and livable communities

Results + Rationale

2015

- ▶ **Targeted Approach:** CPED divisions are creating value in communities that most need, and would most benefit from, interventions and investments.
- ▶ **Partnerships:** Effective partnerships in the City enterprise and with local and regional stakeholders are critical for CPED to accomplish its work
- ▶ **Data driven analysis:** We use data to inform our strategy development and implementation. Our emphasis has been on developing or refining new strategies, so we will need to continue this focus as we move to implementation.
- ▶ **The right resources:** Our ability to be effective is dependent on how well we are able to allocate resources. Because of our targeted approach, this is a strength for us. However, there are areas of our business where getting enough and the right resources is an opportunity for improvement.
- ▶ **Staff development and training:** This is a high priority for us, but means we have to sometimes make the trade off between doing the work and developing staff to do it better.

Changes to planned work

2016

Strengthen Culture Within CPED

- ▶ Create a collaborative, team focused environment that inspires confidence in CPED's mission and vision
- ▶ Lead practices that reinforce the City's core values on equity and inclusion.
- ▶ Cultivate a culturally competent working and learning environment

Strengthen Core Functions

- ▶ Management and Administration
- ▶ Operations
- ▶ Budgeting
- ▶ Technology Infrastructure
- ▶ Human Resources

Create of a CPED Workforce Plan addressing the following objectives:

- ▶ Training and Development
- ▶ Succession Management
- ▶ Promotion and Advancement
- ▶ Addressing Critical Positions

Targeted Approach

The following are examples of the ways in which CPED is creating value in communities that most need, and would most benefit from, interventions and investments. Additional information is included in the following pages.



- Near North Strategic Framework
- Housing inventory changes
- Amendment and ordinance changes
- Adapting employment programs to meet need

Targeted Approach

CPED divisions are creating value in communities that most need, and would most benefit from, interventions and investments.

Employment and training programs

- In 2015, Employment and Training supported **three new employment and training programs** in Minneapolis in the three identified geographies of **Northside, Southside, Cedar Riverside**.
- A comprehensive analysis will be completed early next year looking at geography and demographics served as we prepare for our next round of RFPs in the spring.

Near North Strategic Framework Overview and Accomplishments:

Clearly illustrates relevant urban context, adopted policies for infrastructure improvement and connectivity, key principles and goals of development in the area, and land characteristics/development opportunities. The Framework has been used to communicate and advance the City's goals with the County and with Met Council in the Bottineau LRT project, the Basset Creek Valley area, and the Royalston Station Area/Farmers Market.

Secured \$240,000 worth of Project Office investment in additional pedestrian crossings

Teed up an estimated \$6.25 million worth of land south of the ROW, where the most development potential for the future transit corridor exists.

Contributed to “transit premium” by achieving a reduced speed limit of 35mph from the City limits to the North Loop ; transit premium tends not to occur when transit station abuts a high speed road

Targeted Approach

CPED divisions are creating value in communities that most need, and would most benefit from, interventions and investments.

Change in housing inventory	2014	2015	
New construction market rate units in minority and poverty concentrated census tracts	25.3 units (average)*	172 units	↑
New construction affordable housing units completed in poverty non-impacted and majority white household census tracts	244 units (average)*	143 units	↓
Homeowners assisted with rehabilitation loans	20 homeowners	31 homeowners	↑
Fewer vacant and boarded housing units as a result of rehabilitation.	20 units	30 units	↑
New single family homes constructed on city-owned lots	23 units	39 units	↑
Properties demolished	12 properties	8 properties	↓

* Annual averages for 2012-2014

Targeted Approach

CPED divisions are creating value in communities that most need, and would most benefit from, interventions and investments.

Amendment Changes

MCO 360: outdoor patios for microbreweries and brewer taprooms

MCO 362 and 364: Sunday sales for off-sale brewers and micro distilleries and on-sale restaurants, hotels, clubs and bowling alleys

MCO 321: Secondhand Goods

MCO 297 Hotels

MCO 259: Administrative Issuance of licenses.

MCO 188: Food Distributors Out of Town

MCO 259: Milk Delivery Vehicles, Milk Distributors, Nut Vending Machines, Soft Drink Manufacturers

MCO 267: Jukeboxes, Skating Rinks, Bowling Alleys, Games of Skill

MCO 287: Bulk Oil Plants

MCO 299: Ice Peddler and Ice Producer

MCO 301: Dry Cleaning/Laundry Pick Up Stations

MCO 315: Motor Vehicle Lubricant Dealers

Ordinance Revision: Reduced parking requirements align with City goals related to transportation, land use, affordability, and urban design

Administrative Issuance of licenses.

The overall number of active business licenses continues to grow at a steady pace. **Going into 2016 we have 13,587 active business license compared to 11,738 in 2014.**

- In 2015 license requirements from approximately 100 individual businesses were removed by repealing ordinances that required licenses for facilities such as dry cleaner pick up stations, ice producers and distributors, bulk fuel dealers, etc.
- In the next year we will continue reviewing business license regulations to streamline requirements, remove outdated regulations, and create opportunities for new trending business models to allow more entrepreneurs to do business in Minneapolis.
- The staff of the License and Consumer Services Division will also be concentrating on the development and set up of the new computer system that will store all business license data. This will be a significant task; shortly after the system go live date of 10-3-16, staff will be working on the on-line portion of the system so that the public will be able to access information, apply for and renew business licenses on line, and track the progress of their license applications.

Ordinance Revision

Reduced parking requirements align with City goals related to transportation, land use, affordability, and urban design. This ordinance revision links the City's residential parking requirements with its high-frequency transit network, providing the opportunity for housing to be constructed with less parking in areas well-served by transit. One result is that building design isn't driven by vehicle storage. These changes also provide more opportunities for smaller-scale and reasonably-priced housing options.

The following are examples of the ways in which CPED is leveraging effective partnerships in the City enterprise and with local and regional stakeholders. Additional information is included in the following pages.



- Downtown Public Realm Framework
- Creative Asset Mapping
- Mississippi River Corridor Critical Area Update
- Business Support
- Career Counseling and skills-to-jobs matching
- Vacant Housing Recycling Program
- Increased communications and reach

Effective partnership in the City enterprise and with local and regional stakeholders is critical for CPED to accomplish its work

Planning for Civic Life – the development of the Downtown Public Realm Framework

- Greening and livability are key contributors to planning for civic life, as well as the City's economic competitiveness. A people-friendly, walkable downtown, including strong connections to the convention center, the river, and entertainment districts, will inspire growth. The significance of the riverfront planning and the Commons planning to inspiring development activity in the North Loop, Mill District, and Downtown East have been clear indicators of how greening and public realm investment can pay dividends for the city in the long run. From 2000-2015, over **\$6 billion of private development activity took place in downtown Minneapolis**. Much of that investment has occurred in proximity to public amenities including the riverfront (North Loop, the Mill District, St. Anthony), the Commons (Downtown East), and public investment in transit (the Interchange, Target Field). Planning for the Central Riverfront in the 90s set a place-making vision in motion that translated into both public and private investment in the 2000s. These investments are key to building our tax base and creating livability and civic life downtown.
- In 2013, Council Member Jacob Frey urged the creation of a Public Realm Enhancement Working Group to advance greening and livability goals. As a result of the coordinated action of this Working Group, LRP has coordinated with Public Works internally on Parklets, the Placemaking Hub, shared streets, and more; and has worked with MPRB and community stakeholders including neighborhoods and the DID externally to establish common objectives for a whole system of public realm enhancement and connectivity downtown. A new planning product rooted in urban design principles was developed: the *Public Realm Framework*.

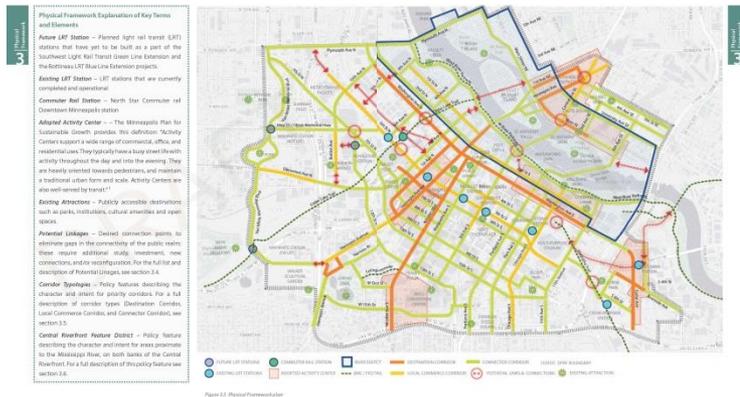
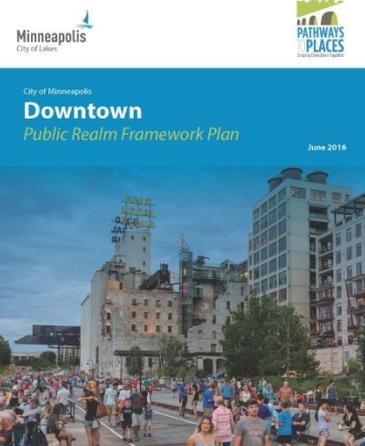


Figure 2.2 Physical Framework



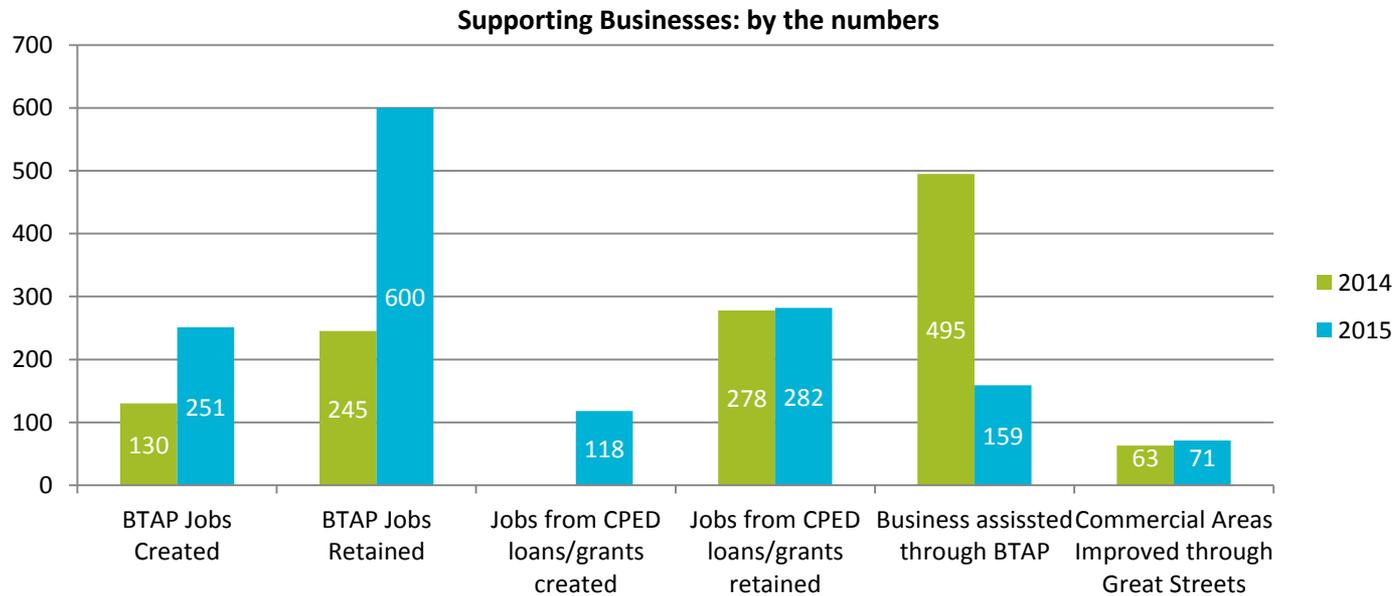
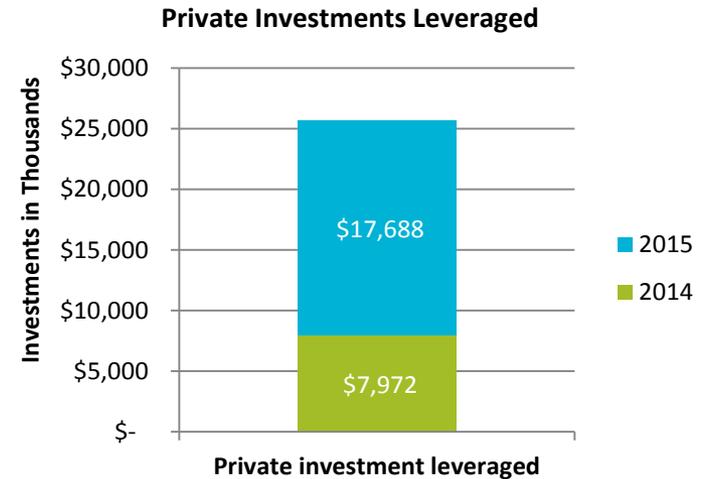
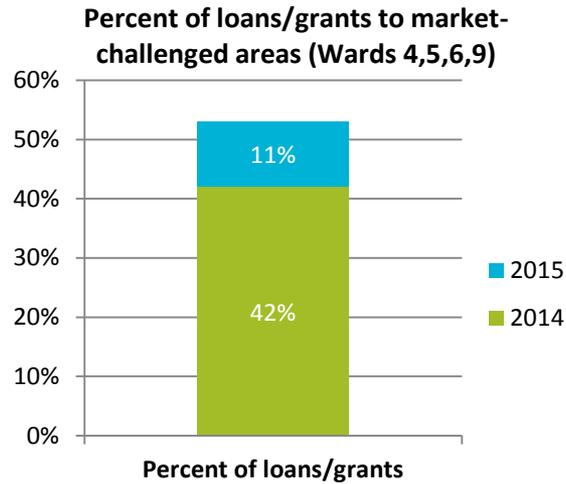
Figure 3.1 Destination Corridor



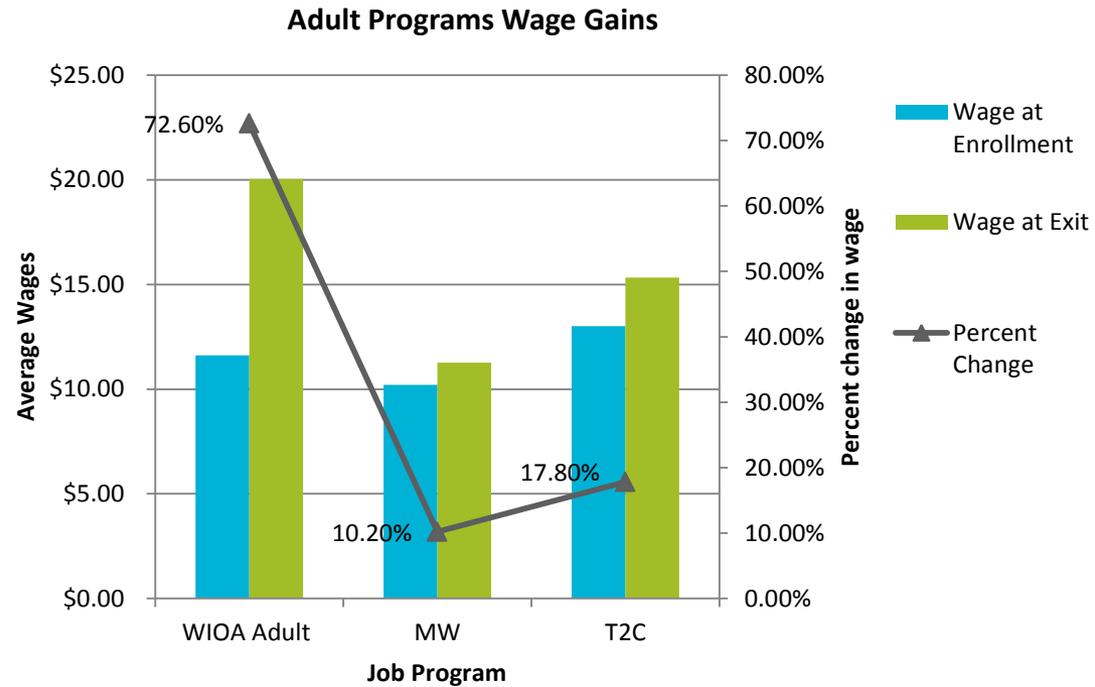
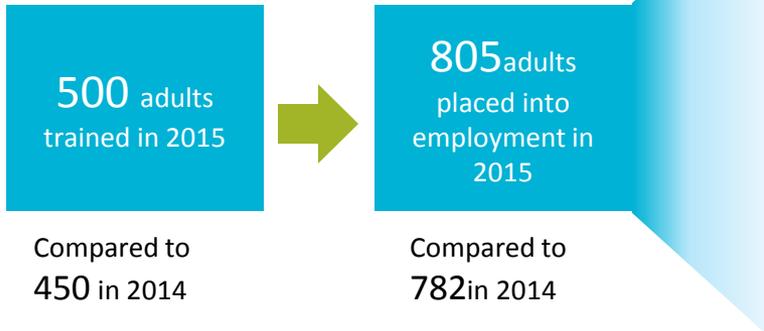
Figure 4.1 Public Engagement Artist

Partnership

Effective partnership in the City enterprise and with local and regional stakeholders is critical for CPED to accomplish its work



Effective partnership in the City enterprise and with local and regional stakeholders is critical for CPED to accomplish its work

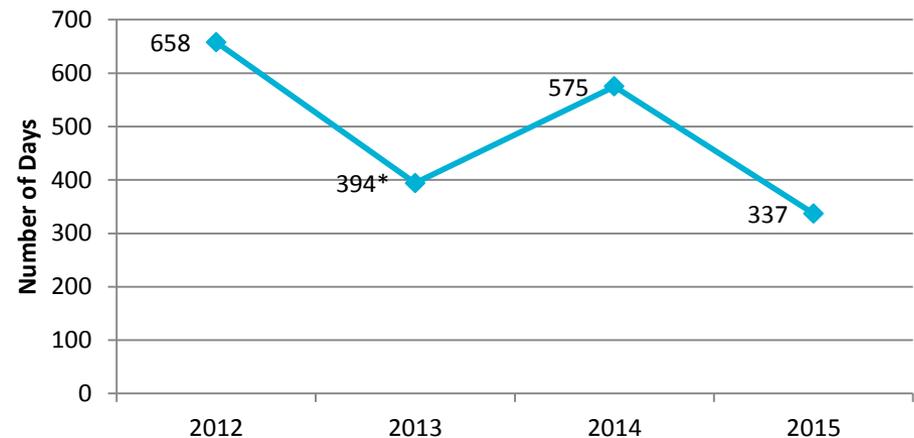


Effective partnership in the City enterprise and with local and regional stakeholders is critical for CPED to accomplish its work

Vacant Housing Recycling Program

- The Vacant Housing Recycling Program sells vacant buildings and lots to create new housing opportunities.
- In 2015, there were 26 vacant buildings approved for sale with the new process; a majority were sold to first time participants of the program.
- Created a newsletter that grew from 200 subscribers in 2015 to over 800 in 2016
- Rehab: Enhanced community engagement efforts resulted in expanded access of the program to new developer/rehabber partners. As a result of this effort the length of time the city owns vacant residential structures reduced by approximately 50%.
- New Construction: Continued the efforts of creating a healthy housing market in Minneapolis neighborhoods through new construction. Through our partnership efforts with Minnesota Housing, Twin Cities Community Land Bank and developers—private and non-profit, we sold 39 City-owned vacant land parcels for the development of high quality owner-occupied single family housing (compared to 23 in 2014).

Average Length of time City owns vacant residential structures



*In CPED's quest to meet the NSP funding commitment deadline, we did multiple pass-thru sales to NSP-approved developers which shortened the timeframe these properties remained in our inventory.



Before and after of a VHRP rehabilitation project, South Minneapolis

Effective partnership in the City enterprise and with local and regional stakeholders is critical for CPED to accomplish its work

Effective communication materials were created on time or ahead of schedule resulting in raised awareness and visibility of CPED programs and services.

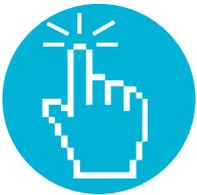
- For marketing campaigns with invested advertising dollars we will have additional metrics such as website traffic, time on page, number of phone calls, emails, advertisement impressions and complete copies of ad campaigns.



450K Twitter impressions from content posted on [@Growingmpls](#) and engagement from Twitter followers.



147 – 30 second PSAs and six 15 minute studio spots on KMOJ.



GrowingMinneapolis newsletter on average was opened **1,837** times per issue for a **32%** open rate and links were clicked on **66** times per issue.

The following are examples of the ways in which CPED is using data to inform their strategy development and implementation. Additional information is included in the following pages.



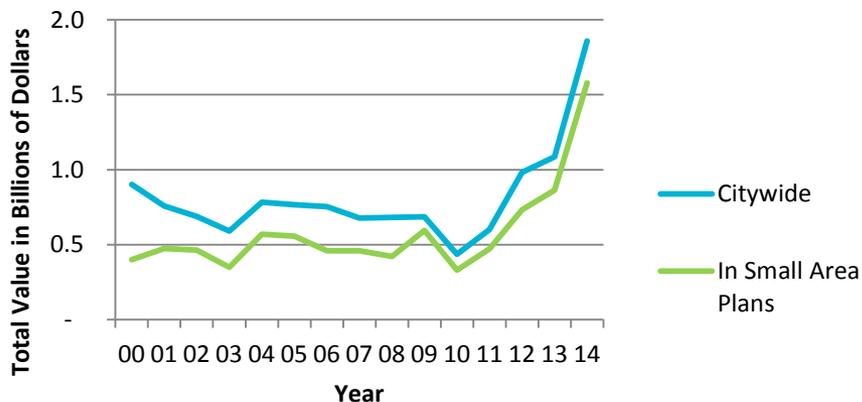
- Small Area Plan Evaluation and Assessment
- CPED Property inventory
- HOM Homebuyer Assistance Program
- Youth Asset Inventory
- Review of Regional Plans
- Ward and Citywide Profiles
- CPED Tools and Data

We use data to inform our strategy development and implementation. Our emphasis has been on developing or refining new strategies, so we will need to continue this focus as we move to implementation.

Small Area Plan Evaluation and Assessment

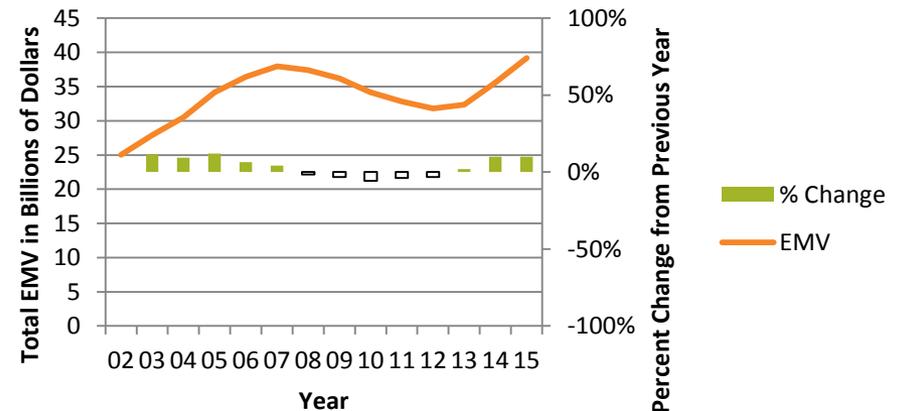
- A Small Area Plan evaluation had not ever been done in the memory of LRP staff. It was deemed a priority to start telling the story of how we can utilize plans to both inspire investment and steward the public interest in guiding that development. A presentation has been developed looking at three of our highest growth areas: downtown, uptown, and the university area, which together saw over \$8 billion of private development activity in the last 15 years. Plans developed by the City, neighborhoods, MPRB, and Downtown Council to reclaim our riverfront, create green space, develop the Midtown Greenway as a bike superhighway, and develop transit have inspired much of that growth.

Building Permits over \$50k Citywide and in Small Area Plans, 2000-2014



- Most building permit activity has occurred within Plan areas; the guidance they provide in shaping growth is key.
- Causality of development activity as a result of the vision and clarity that planning provides cannot be concluded with the data collected to date, but there is a positive correlation.

Citywide Total Estimated Market Value, 2002-2015



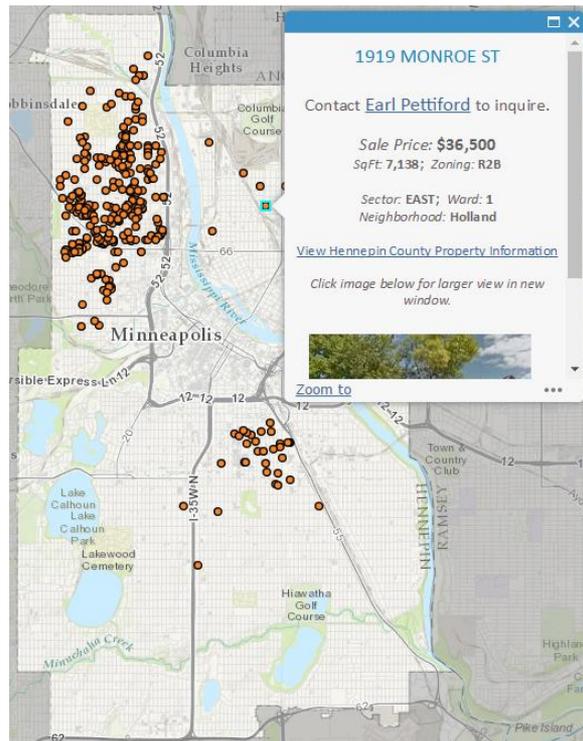
In comparing % change for total EMV within plan areas to the city, we found that of 37 plan areas analyzed:

- 21 were outperforming (>5 percentage points above 56%)
- 4 kept pace with the city (within 5 percentage points of 56%)
- 12 were underperforming (> 5 percentage points below 56%)

14 of the 21 that outperformed the city experienced growth in total EMV greater than 100%

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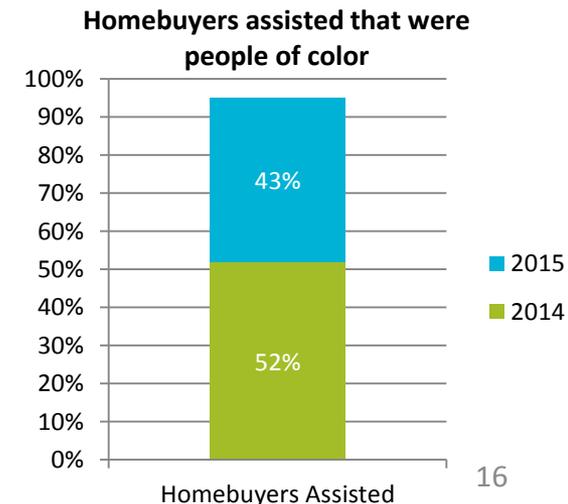
CPED Property Inventory



- Developed a public facing, interactive City-owned housing development properties map. This interactive tool displays all properties managed and marketed for sale by CPED-Housing. Missing data was compiled to allow for the categorization of all CPED-managed properties.
- As the result of this work, unmarketable adjacent properties were combined or reconfigured to make more marketable/developable properties. Additionally, all non-buildable lots were offered to the adjacent property owners or made available for community gardens.
- Disposition strategies have been developed and are being implemented for all categories. The website was redesigned to create more user-friendly forms and instructions for the public.

Homeownership Opportunity Minneapolis (HOM) homebuyer assistance program

- Despite targeted outreach through contracts with non-profit community based organizations serving culturally specific communities of color, the City's homebuyer assistance program did not outperform previous years in serving households of color.
- As a result, the 2016 program was revised to tie eligibility for homebuyer assistance to homebuyers that participate in a homeownership wellness curriculum through an approved non-profit provider with a demonstrated track record of serving underserved populations in homeownership.



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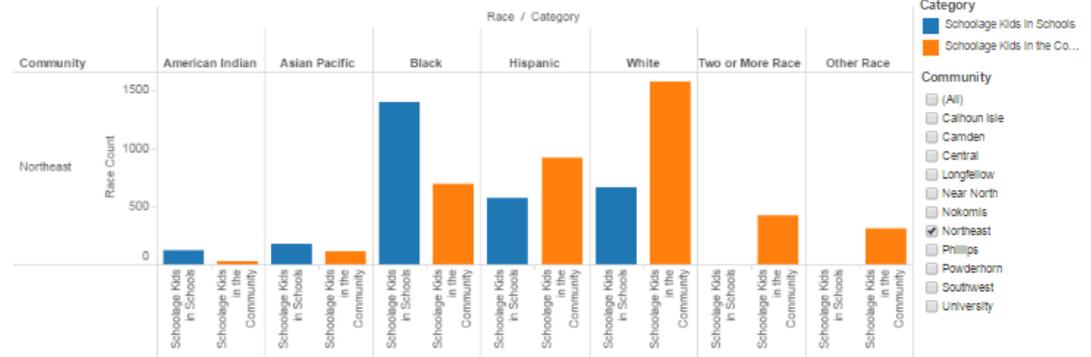
Youth Asset Inventory



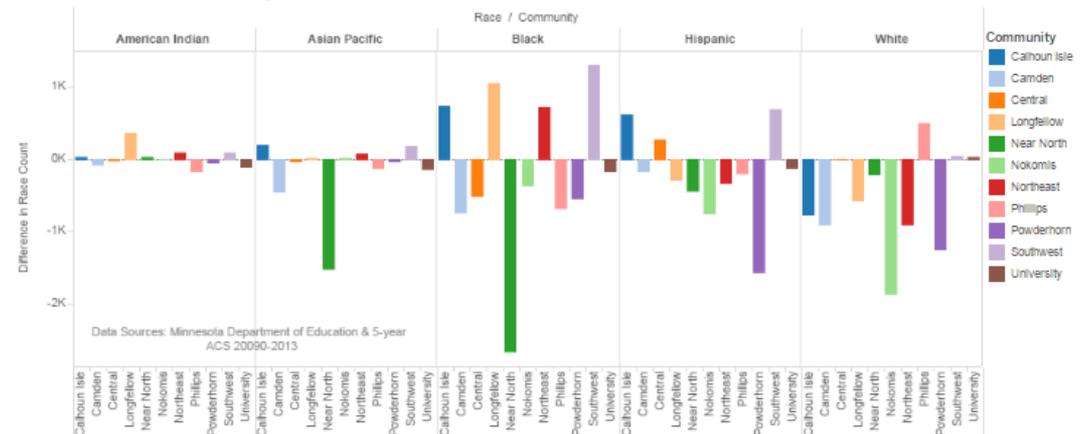
Youth Asset Inventory

- LRP created the Youth Asset Inventory to better understand the landscape of opportunity for youth and families in our city.
- The inventory was created as a result of this kind of information being prioritized by the Youth Cabinet, and was developed with input from representatives of multiple departments, data from Minneapolis schools, and in coordination with the Youth Coordinating Board.

Comparison of Minneapolis Schoolage Kids in Schools and Communities



Difference in Race For Minneapolis Schools and Communities



We use data to inform our strategy development and implementation. Our emphasis has been on developing or refining new strategies, so we will need to continue this focus as we move to implementation.

Review of regional plans

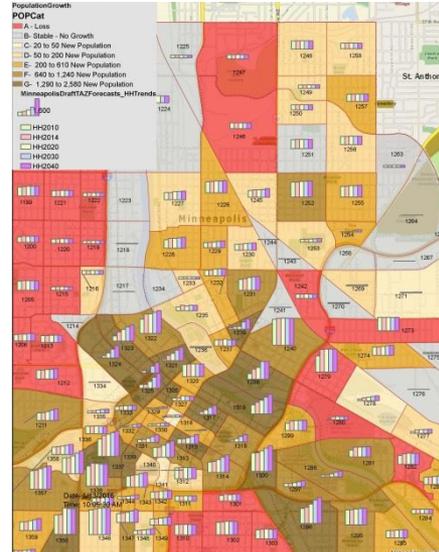
LRP reviewed the following regional plans:

- Regional policy plans including Thrive MSP 2040, the regional Housing Policy Plan, Water Policy Plan, Transportation Policy Plan, and Parks Policy Plan on behalf of the City and represented City interests in the development of those policies.
- Regional projections for households, population, and jobs on behalf of the City and represented City interests in the shaping of those projections.
- The Transportation Analysis Zones on behalf of the City and represented City interests in the development of TAZs.
- The regional System Statement developed for Minneapolis on behalf of the City and represented City interests in that process.

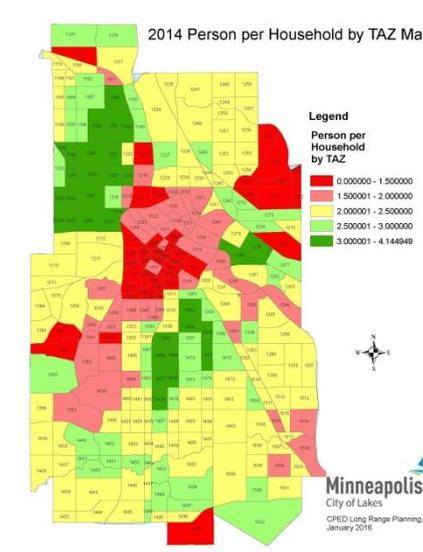
LRP provided briefings to key leaders on these items, prepared the Enterprise to undertake the Comp Plan update by conducting extensive briefings with Department Heads and their management teams for 6 months in 2015 and coordinated with City leadership, Department heads, and city staff across the Enterprise to establish a process, goals, and mission for the comprehensive plan update.

ANALYZE

PROJECTED HOUSEHOLD GROWTH



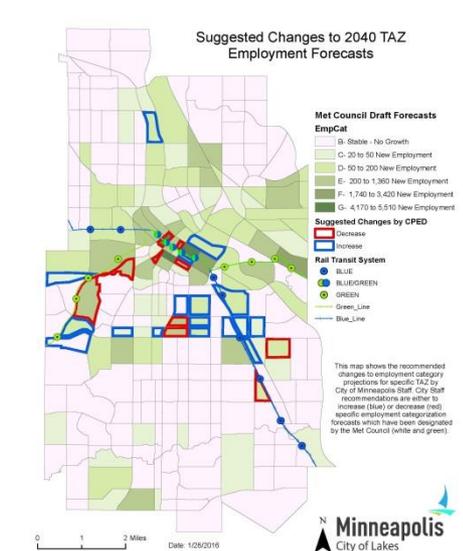
HOUSEHOLD SIZE



PROJECTED JOB GROWTH



PROJECTION ADJUSTMENTS



We use data to inform our strategy development and implementation. Our emphasis has been on developing or refining new strategies, so we will need to continue this focus as we move to implementation.

Ward & Citywide Profiles

- LRP created Ward and Citywide Profiles that gathered together place-based data in a single easy resource for citizens, elected officials, and staff. The profiles include information about community characteristics, assets, capital planning, small area planning, and “opportunity sites.”

Minneapolis

Race + Ethnicity



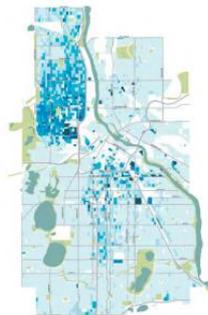
People Identifying as White Only as a Percent of Total Units Per Census Block

1 - 20%
21 - 40%
41 - 60%
61 - 80%
81 - 100%



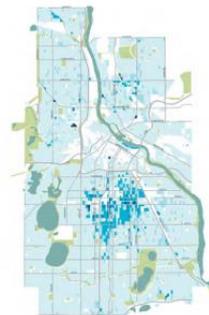
People Identifying as Asian, Native Hawaiian, or Pacific Islander Only as a Percent of Total Units Per Census Block

1 - 20%
21 - 40%
41 - 60%
61 - 80%
81 - 100%



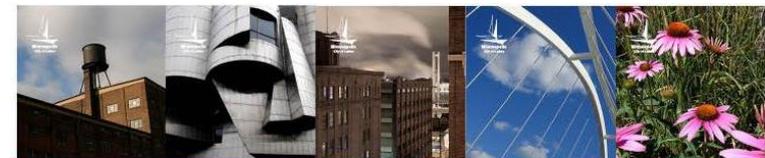
People Identifying as Black or African American Only as a Percent of Total Units Per Census Block

1 - 20%
21 - 40%
41 - 60%
61 - 80%
81 - 100%



People Identifying as Hispa Units Per Census Block

1 - 20%
21 - 40%
41 - 60%
61 - 80%
81 - 100%



WARD 1 WARD 2 WARD 3 WARD 4 WARD 5



WARD 7 WARD 8 WARD 9 WARD 10 WARD 11

We use data to inform our strategy development and implementation. Our emphasis has been on developing or refining new strategies, so we will need to continue this focus as we move to implementation.

Analytic and data tools:

CPED has targeted resources on data procurement as well as the tools to visualize, interpret, and communicate data:

Analytic tools:

- **CPED MapIT**, **COGNOS** and **Tableau** solutions expand the amount of reportable data as well as expands the access to that data beyond CPED to the city enterprise. COGNOS, along with CPED business systems like MINS and KIVA provide the tabular data. MapIT and Tableau are examples of tools used to analyze and graphically present the data. Visual presentations of data is delivered both internally and externally via web enabled technology. The ability to access and visually analyze data allows for timely, smart and informed business decisions.
- **Open Data**: CPED provides data to the public via city open data portal ie: Retail Corridors, Activity Centers, Ind. Employment Districts, Growth Centers Commercial Corridors.
- **Q-Matic (Orchestra)**: New release of the Q-Matic in Mpls Development Review will provide data for analytics and a data driven approach to managing customer experiences.

Access to data:

- **DEED** data, which is not public and is used conditionally.
- **EMSI Analyst**, a robust national data set that provides insights into economic and labor characteristics within our region and in comparison with other regions or the nation (used for Working Families analytics). It includes industries, occupations, earnings, unemployment, exports and imports, growing and shrinking industries, job training/education programs, and more.
- **InfoUSA**, business-specific data with detailed information on business name, address, industry type, number of employees, annual sales, and other useful information. Can be mapped and shared openly unlike DEED data.
- **Minneapolis Association of Realtors Info Sparks** – data on housing market trends in the Twin Cities ; customizable geography.
- **Housing Link Twin Cities Rental Revue**, -detailed information on market rate apartments, including rent data, unit type, number of openings, demand information (i.e. what renters are searching for), and various other statistics.
- **Marquette Apartment trends data** - rent and vacancy rates by region and sector.

The following are examples of the ways in which CPED allocates resources in order to be more effective, which is a strength for us. Additional information is included in the following pages.



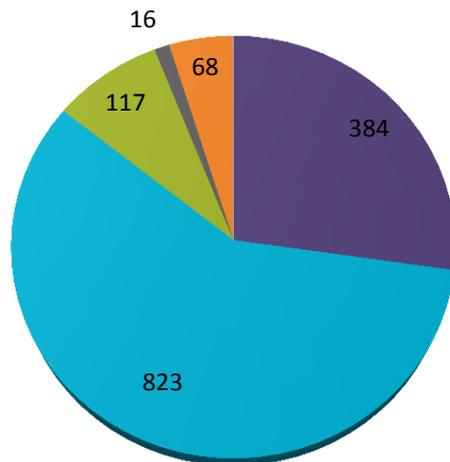
- Increase in residential density
- Increased use of the Innovation Center
- Meeting Service Standards

Right Resources

Our ability to be effective is dependent on how well we are able to allocate resources. Because of our targeted approach, this is a strength for us. However, there are areas of our business where getting enough and the right resources is an opportunity for improvement.

In 2015, we increased residential density by adding 1,291 new housing units through City-assisted programs.

We also produced or preserved 508 affordable housing units, compared to an annual goal of 750 units and 689 units average per year in 2012-2014. The annual number varies significantly due to the 3-5 year lag from budget year to completion of affordable multifamily housing units.



- New Construction: affordable multifamily units
- New Construction: market Rate multifamily units
- Rehabilitated: multifamily Units
- New Construction: single family units
- Rehabilitated: single family Units

Total of 1,408 units produced/stabilized

- 1,207 new multifamily housing constructed
 - 384 Affordable
 - 64 senior units
 - 80 large family units
 - 240 comprise of 2 units and less or studios and 1-bedroom units
 - 823 Market Rate
- 117 multifamily housing units rehabilitated
- 16 new single family homes constructed
- 68 single family homes rehabilitated

Our ability to be effective is dependent on how well we are able to allocate resources. Because of our targeted approach, this is a strength for us. However, there are areas of our business where getting enough and the right resources is an opportunity for improvement.

Increased use of innovation center

- The Innovation Center hosted a team from the City Coordinator's office (creative city making) for six months who pioneered a project that worked to integrate art into different aspects of the City.
- The Innovation Center Team implemented a post-usage survey to help improve the coordination and resources the Innovation Center has on July 1st, 2016. 32 surveys have been sent out with a completion rate of 15%.
- The Innovation Center started a new lunch hour summer TED Talk series that has attendees signed up from over 15 different City departments. The first session had 10 participants and there are 81 anticipated participants for the next four sessions with an average of 20 attendees per session.



Innovation Center resources scheduled over 312 events using Outlook from January 2016 to July 2016. In 2015, there were 413 events scheduled in Outlook. For YTD 2016, these numbers appear to be **ahead of last year's pace**.



The Innovation Center hosted over 4,000 attendees with an average meeting size of 13 people from January 2016 to July 2016. In 2015, there were over 4,500 attendees with an average meeting size of 11 people. For YTD 2016, these numbers appear to be **ahead of last year's pace**.

Meeting service standards

- **Web changes and updates:** In 2015, we were able to process all web changes on time, update CPED's website and gained skills to create more dynamic web pages and participated in City-wide web related improvement efforts. We also launched Downtown East Developments webpage resulting in **4,500 page views** with an estimated 1:54 average view.
- **Service Requests:** Consulted, recommended, resolved, approved or tracked **985 (as of Q3 2016) service requests**, notifications and follow-ups related to hiring, office moves acquisition and replacement of new hardware and software or user / service desk assistance and issue resolution. This amounts to a **three fold increase** compared to the same period in 2015. Beginning in 2016, better incident management tools allow for a more data driven approach to tracking these analytics.

Staff Development + Training

The following is an example of staff development and training, which is a high priority for us, but means we have to sometimes make the trade off between doing the work and developing staff to do it better. Additional information is included in the following pages.



- Developing staff on growing code complexity

Staff Development + Training

This is a high priority for us, but means we have to sometimes make the tradeoff between doing the work and developing staff to do it better.

Train and certify staff on growing code complexity in Development Services

- Development plans were emphasized during appraisals. Education budget and training/education hours were increased to provide additional opportunities.
- Several staff participated on code development committees and attended code hearings at the International Code Council Annual Business Meeting. We have staff on the MN high pressure piping board, MN Plumbing Board, Association of MN Building Officials, 10K Lakes Chapter of ICC and MN Association of Plumbing and Mechanical Officials.

In Development Services in 2015...

Staff spent **2,230 hours** in training and education

\$23,500 was spent towards training and education of staff

43 licenses and certifications were obtained or renewed. Because the city's inspection department maintains the proper certifications, the cities ISO rating, which dictates the cost of homeowners insurance, is held to the lowest costs possible.

Challenge Areas

The following are examples of challenges CPED experienced in 2015. Additional information is included in the following pages.



- Reacting to unplanned work and it's tradeoffs
- State of technology
- Data and research needs

Challenge Areas

CPED is often tasked with additional projects. While unplanned work is a natural occurrence, the degree of additional work has meant our department has focused on reactive work. This impacts our ability to be proactive, to work on breaking down silos, and to develop our staff.

These are examples of tradeoffs CPED has to make in order to accommodate unplanned work.

Data and research needs

Results reporting

Program evaluation

Staff development

Case study: an example of work that is not completed because of capacity constraints

English translation services for customers in the Minneapolis Development Review Customer Service Center and for customers in City Hall at the Business Licenses Customer Service Counter.

Customers who do not use English as their primary language of communication do not have access to useful, real-time translation for their questions and needs. The current system requires staff to place a phone call to a remote, off-site service provider. Further, the translation service staff are not familiar with the types of issues our customers are trying get information about and often struggle to clearly explain what they are tasked with translating.

This approach would be more in line with the issues identified in the Business Made Simple discussions. A better approach would be to either provide on-site translators who could meet face-to-face with customers, or train (and compensate) staff to become certified translators.

Challenge Areas

CPED is often tasked with additional projects. While unplanned work is a natural occurrence, the degree of additional work has meant our department has focused on reactive work. This impacts our ability to be proactive, to work on breaking down silos, and to develop our staff.

State of technology

CPED's main technology systems, KIVA and MINS, are antiquated and no longer supported. The limitations of these systems cause inefficient business processes and inadequate data access and reporting.

- The Enterprise Land Management System (ELMS) will be implemented in 2016, replacing multiple existing systems, including KIVA. ELMS will serve permitting, inspections, plan review, licensing, and plan review processes. More than one hundred business processes have been reviewed and improved in the scope of this project.
- The MINS replacement project was initiated in 2016. This system serves processes pertaining to managing property, development projects, and business and loans. These processes and work flows will be reviewed and improved as a part of this project.

Identified data and research needs

CPED sees an opportunity for additional research and data analysis capacity to:

- Better evaluate programs in meeting goals (for example, measuring impact on the tax base)
- Ensure that policies and programs are positioned to meet current and future housing needs
- Report results in a transparent and meaningful way