

Self-Managed Special Service Districts

Thursday, January 31, 2013

3:30 p.m. to 5:00 p.m.

Public Works Hiawatha Maintenance Facility

1901 East 26th Street (East 26th Street & Hiawatha Avenue)



Meeting Notes

Mike Kennedy, Public Works Director of TM&R

Welcome

Review Agenda

Opening Remarks

- Why is City Developing a policy?
- Why now and why the compressed timeframe?
- Today's meeting assumes some basic understanding of SSDs
- Impact on existing SSDs
- Misconceptions: SSDs vs. BIDs
- How to provide feedback after today's meeting

Michael McLaughlin, Urban Works, Inc.

Overview of the City-Managed and DID Special Service District service delivery models

Topics under Consideration for a Self-managed Special Service District Policy

Feedback and comments received from the audience are shown under each topic heading

District Formation

DID and City-Managed SSDs follow the same formation procedures as proscribed by MN Statute

- City should look into changing the State Legislation to allow BIDs
- City should lobby for renewing State enabling legislation which expires this year (June 2013)

Governance

Refer back to slides "Overview of DID Model" and "Overview of City-Managed SSD Model"

- City should contract with a local District Management Entity (DME)
- City should allow DME to hire a manager
- DME administrative costs may be cost prohibitive
- The DME Board should be comprised of property owners as well as other groups like business tenants, and non-profits
- An external body should have oversight to ensure adequate representation

Commitment to Existing City Services

For both the DID and City-Managed SSDs services must be above and beyond what City ordinarily provides

- No comments from audience

District Management Entity Eligibility

The DME will have to demonstrate that they have the knowledge, capacity, and experience to manage the district

- DME should have to prove they can do the work
- DME should have a strong business plan and management team
- DME should be local and have some past experience doing this kind of work
- A non-profit could be formed to serve as the DME for multiple districts

Budget Setting & Operating Plan

Refer back to slides “Overview of DID Model” and “Overview of City-Managed SSD Model”

- No comments from audience

Eligible Services

- City should broadly enumerate eligible services in each district’s ordinance

Procurement of Services

Ordinance and Policy Considerations:

- RFP for service agreement with District Management Entity
- Equal Benefits
- Non-discrimination and Affirmative Action
- Small and Underutilized Business Enterprise Program
- Living Wage
- Prevailing Wage
- Awarding of Subcontracts
- Disclosure of Conflicts of Interest

Operational and Financial Transparency

- DME should provide operational and financial information on website to inform ratepayers and the City of what the district is doing
- DME should comply with open meeting laws and data practices

Oversight

- A council member representative and City staff person should be on the DME board or required to attend all board meetings
- Financial audits may be cost prohibitive for smaller DMEs, but some level of financial reporting is necessary

Transition from Existing District

- Existing districts can remain City-managed. The proposed Self-Managed model would be optional.
- Existing districts established under the “Special Session Laws” will need to re-petition to re-establish themselves under MN Statute 428A before assuming a self-managed model
- Existing districts established under 428A may also need to re-petition before assuming a self-managed model
- A new district would need to be established in accordance with provisions and procedures described in MN statute 428A

District Sunset and Renewal

- Districts should have an initial sunset clause of five years – maybe longer after initial five years

Next steps:

- Additional comments can be submitted to Andrew Carlson at Andrew.carlson@minneapolismn.gov and must be received by Friday, February 8th in order to be considered as part of the staff report to City Council.
- Draft Policy Review and Public Comment at the Transportation & Public Works Committee on Tuesday, February 26th at 9:30 a.m. in the Council Chambers, room #319.
- Potential action by Transportation & Public Works Committee on Tuesday, March 19th at 9:30 a.m. in the Council Chambers, room #319.