
APPENDIX A: DETERMINING FUNDING LEVELS

A. Funding Cycles

Allocations will be based on a three-year funding cycle. (However, the funding cycle beginning in July 2012 will be 18 months).

- The allocation formula will be revised for each three-year cycle, using the most complete and current data available.
- Final allocations based on the three-year funding cycle will be approved by the NCR Director.
- Neighborhood organizations may submit a proposal for funding for the three-year period as described in Section IV of the Community Participation Program guidelines.
- Contracts will be initiated or extended on an annual basis within any three-year period. Balances on contracts may be rolled over to subsequent years within a three-year funding cycle, subject to review of performance by NCR staff.
- Unused funds may be accrued past the three-year funding cycles if the contracting neighborhood organization provides a plan for use of accrued funds.

B. Allocation Formula

Eligible neighborhood organizations will be allocated community participation funds according to the following formula.

Neighborhood Size (30%)

Population – 20% of a neighborhood’s total allocation will be based on the population of the neighborhood. The total number of people residing within all neighborhoods will be divided into the funds allotted to this variable to determine a per capita allocation. The population of each neighborhood will be multiplied by the per capita allocation. **Source: U.S. Census Bureau**

Housing Units – 10% of a neighborhood’s total allocation will be based on the number of housing units in the neighborhood. The total number of housing units within all neighborhoods will be divided into the funds allotted to this variable to determine the per unit allocation. This per unit

allocation will be multiplied by the number of housing units within a neighborhood. **Source: Minneapolis Assessor's Office**

Under-represented Groups (40%)

Non-Homesteaded Housing Units – 10% of a neighborhood's total allocation will be based on the number of non-homesteaded housing units in the neighborhood divided by the total number of housing units in the neighborhood (the "non-homesteaded housing ratio"). The total number of the non-homesteaded housing ratios within all neighborhoods will be divided into the funds allotted to this variable to determine the per non-homesteaded housing ratio allocation. This per non-homesteaded housing ratio allocation will be multiplied by the non-homesteaded housing ratio for each neighborhood. **Source: Minneapolis Assessor's Office**

Index of Racial/Cultural Diversity – 20% of a neighborhood's total allocation will be based on an index of the racial and cultural diversity within the neighborhood. The Shannon Diversity Index is a statistical formula commonly used in population and biology studies to weigh the relative diversity of a community. The source data is the U.S. Census classes for race (White, Black, American Indian, Asian/Native/Hawaiian and Other, Some other race alone, and two or more races). A neighborhood with equal numbers of individuals from each class would have a higher score than a neighborhood with a large number of individuals from a single class.

Source: U.S. Census Bureau

Language Spoken at Home – 10% of a neighborhood's total allocation will be based on the number of residents who speak English less than "very well." The total number of residents speaking English less than "very well" within all neighborhoods will be divided into the funds allotted to this variable to determine the per "person" allocation. This per person allocation will be multiplied by the number residents that speak English less than "very well" within a neighborhood. **Source: American Community Survey**

Income (10%)

Low-Income Residents – 10% of a neighborhood's total allocation will be based on the number of persons in a neighborhood with family incomes less than two-times the poverty rate. The total number of individuals for all neighborhoods will be divided into the funds allocated to this variable to

determine the income allocation. This per unit allocation will be multiplied by the number of individuals below two-times the poverty that live within a neighborhood. **Source: American Community Survey**

Neighborhood Livability (20%)

Crime Statistics – 10% of a neighborhood’s total allocation will be based on the average number of Part 1 crimes that were committed in the neighborhood over the most current three-year period. These crimes include homicide, rape, robbery, aggravated assault, burglary, motor vehicle theft and arson. The total average number of these Part 1 crimes committed within all neighborhoods will be divided into the funds allotted to this variable to determine the per crime allocation. This per crime allocation will be multiplied by the average number of these crimes committed within a neighborhood over the most current three-year period.

Source: Minneapolis Police Department

Foreclosures – 10% of a neighborhood’s total allocation will be based on the average number of foreclosed properties in the neighborhood over the most current three-year period divided by the total number of structures in that neighborhood (the “foreclosure ratio”). The total of the foreclosure ratios within all neighborhoods will be divided into the funds allotted to this variable to determine the per foreclosure ratio allocation. This per foreclosure ratio allocation will be multiplied by the foreclosure ratio for each neighborhood. **Source: City of Minneapolis Healthy Housing Indicators**
