

CITY OF MINNEAPOLIS

Analysis of Uncontracted Neighborhood Funds

Neighborhood and Community Relations

October 10, 2014

Budget Book Pages F125-F132



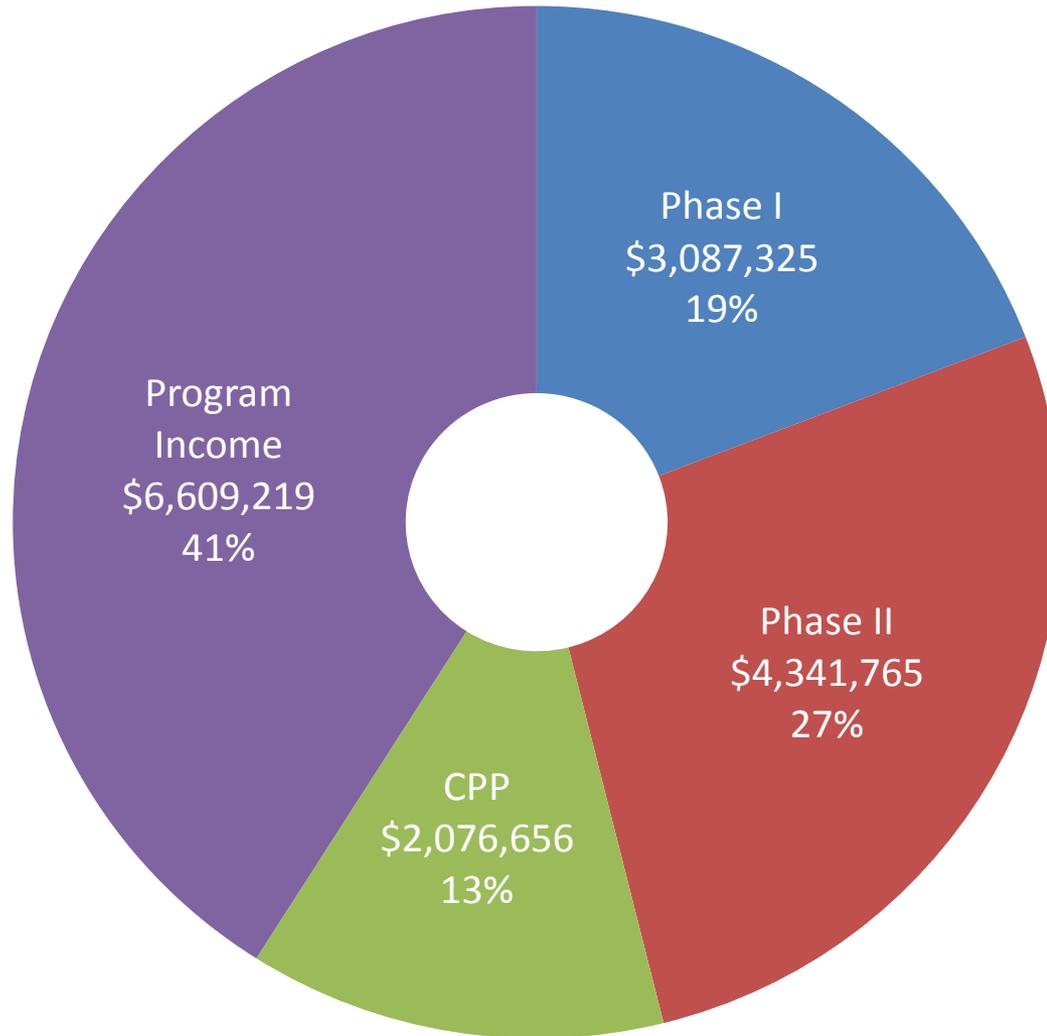
Background: Uncontracted Funds

1991-2014

	Phase I	Phase II	CPP	Total
Plan Allocations	\$184,286,362	41,808,603.00	14,838,628.00	\$240,933,593
Program Income	\$21,776,707	2,806,963.59		\$24,583,671
Total obligations:	\$206,222,221	\$44,211,185	\$14,740,014	\$265,517,264
Expenditures	\$192,357,534	\$28,912,810	\$9,916,067	\$231,186,411
Balance	\$13,864,687	\$15,298,374	\$4,823,947	\$33,987,008
Contracted	\$5,921,932	\$9,202,821	\$2,747,291	\$17,872,044
Uncontracted	\$7,942,755	\$6,095,553	\$2,076,656	\$16,114,965

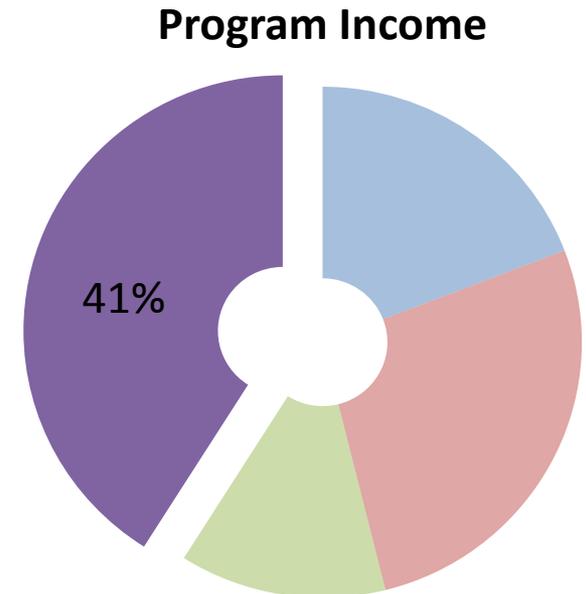
As of August 31, 2014

\$16,114,965 of uncontracted funds



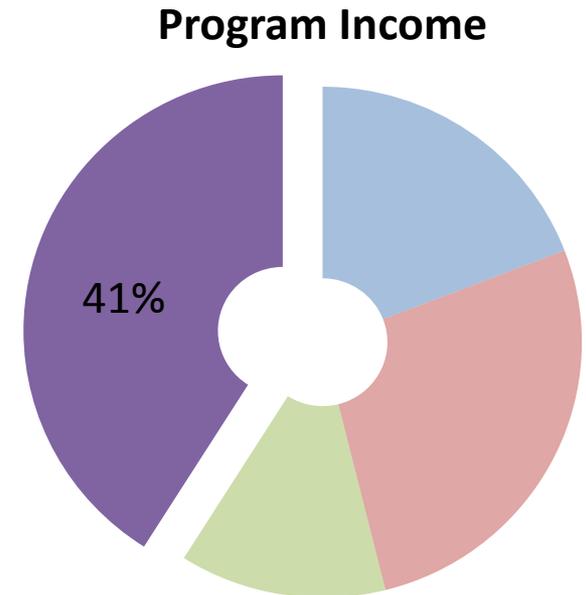
Program Income: \$6,609,219

- \$24.5 million of new revenue generated through neighborhood investments.
(E.g. through repayment of principle and interest on home or commercial loans.



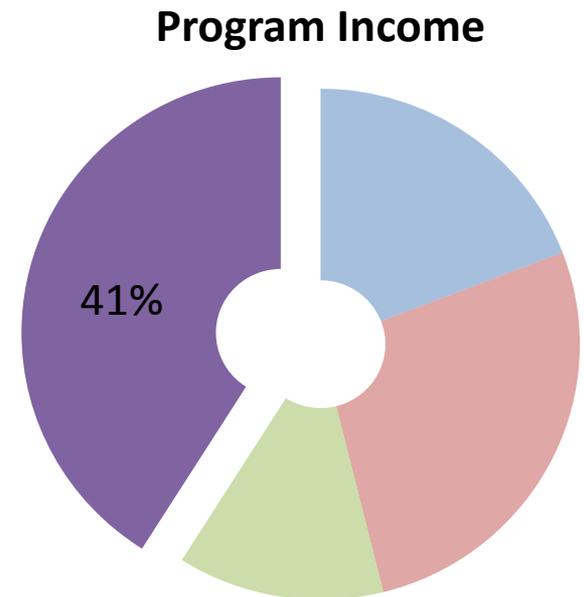
Program Income: \$6,609,219

- \$18.1 million of program income has been re-contracted.



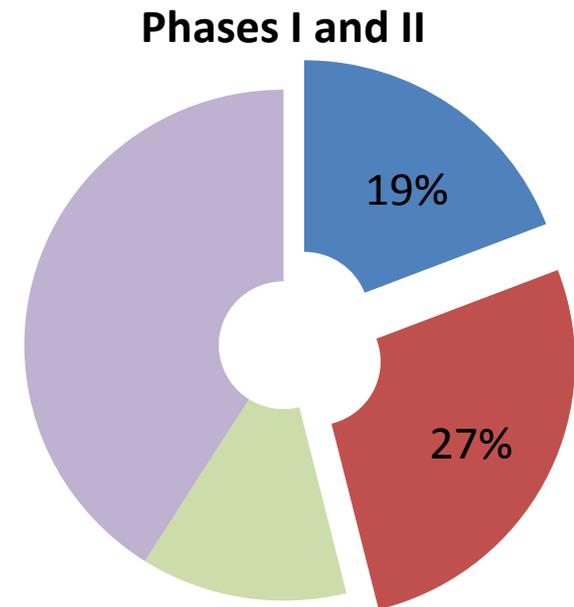
Program Income: \$6,609,219

- Community notification and approval is required before reallocating program income to a new program identified in a neighborhood plan.



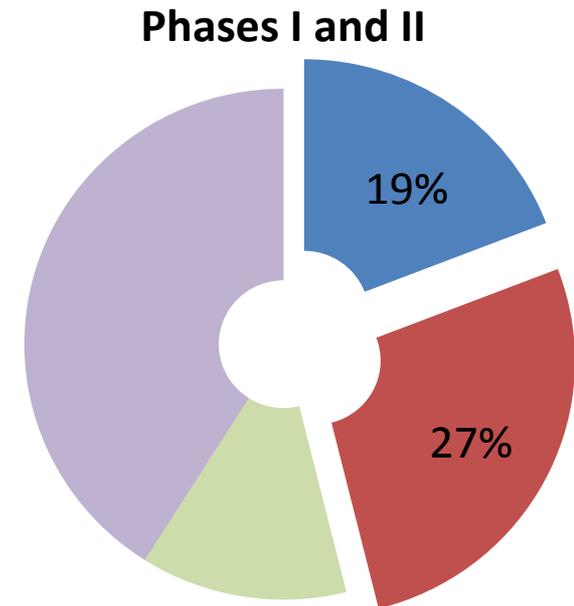
Phase I and Phase II funds: \$7,429,089

- \$226 Million allocated to neighborhood Phase I and Phase II plans.



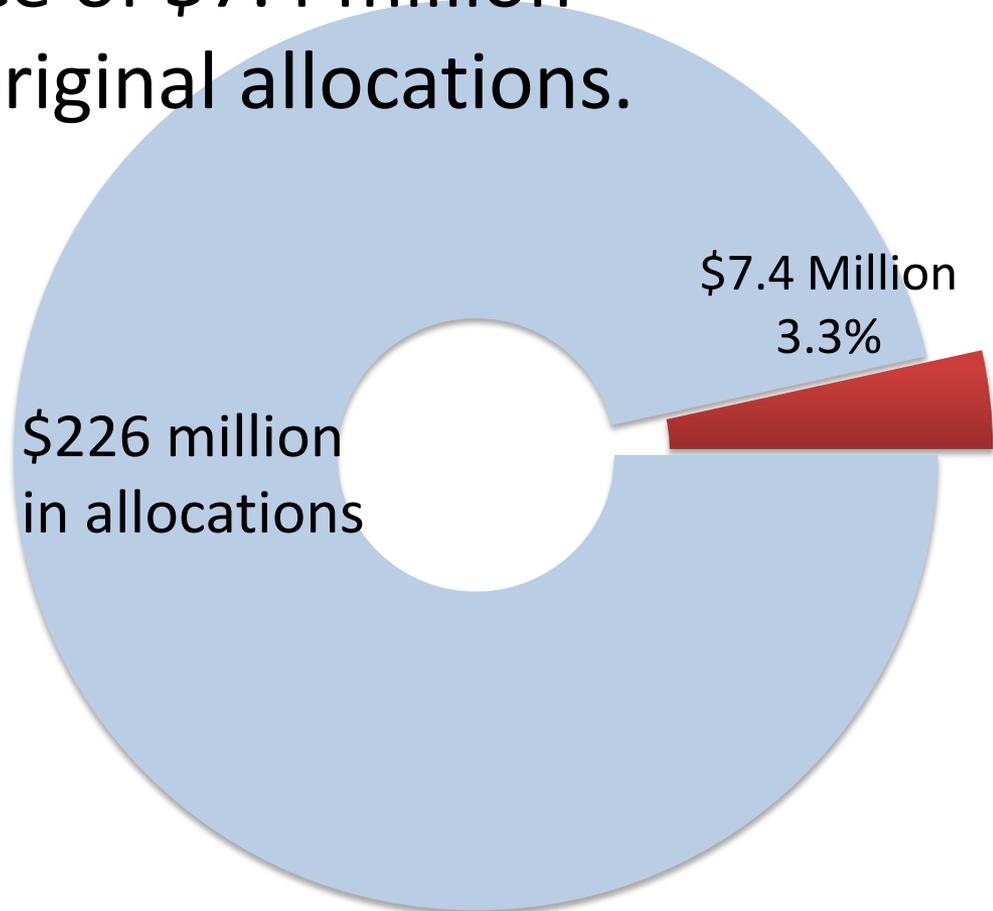
Phase I and Phase II funds: \$7,429,089

- All but \$350,000 uncontracted Phase I and II funds are committed to strategies in approved neighborhood action plans.



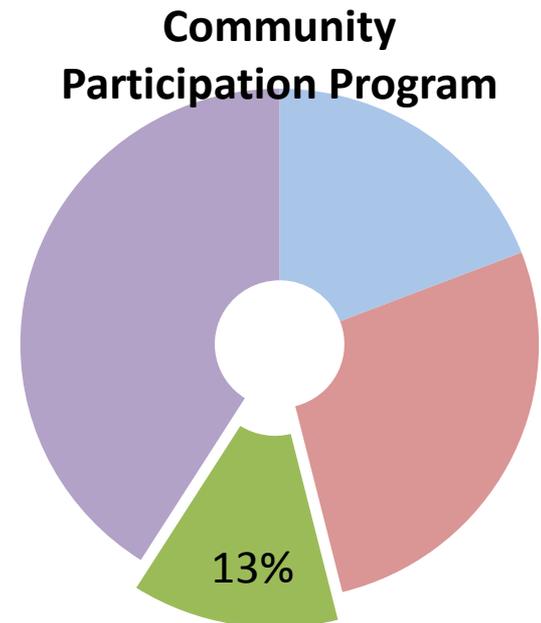
Phase I and Phase II funds: \$7,429,089

- Uncontracted balance of \$7.4 million represents 3.3% of original allocations.



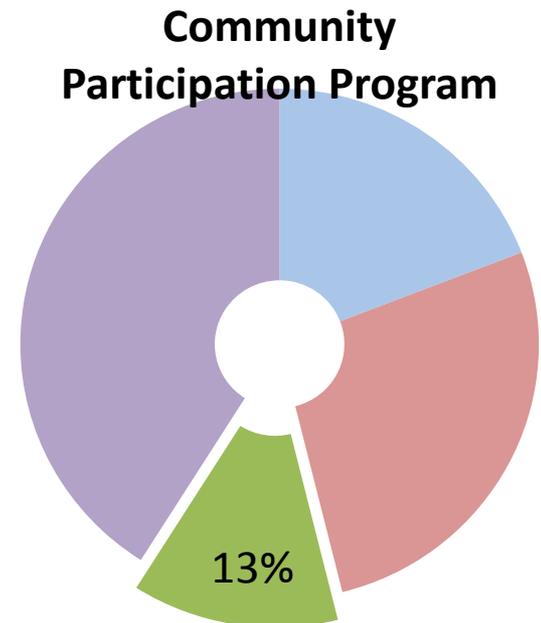
Community Participation Program: \$2,076,656

- \$14.8 million to neighborhood organizations since 2011.



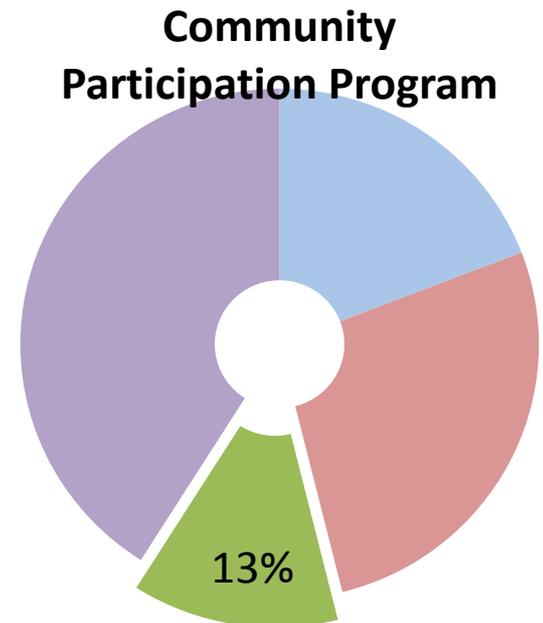
Community Participation Program: \$2,076,656

- \$12.6 million contracted represents 85.3% of the program total.



Community Participation Program: \$2,076,656

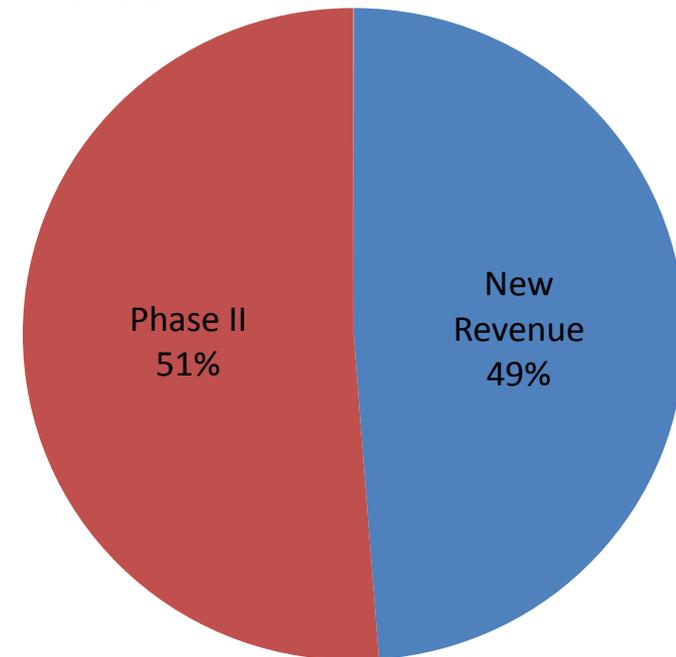
- Uncommitted funds can be retained by NCR for other community engagement work after two funding cycles



Uncontracted and Reprogrammed Funds

- \$10 million uncontracted funds reprogrammed from NRP Phase II to fund Community Participation Program in 2010 Budget Process.

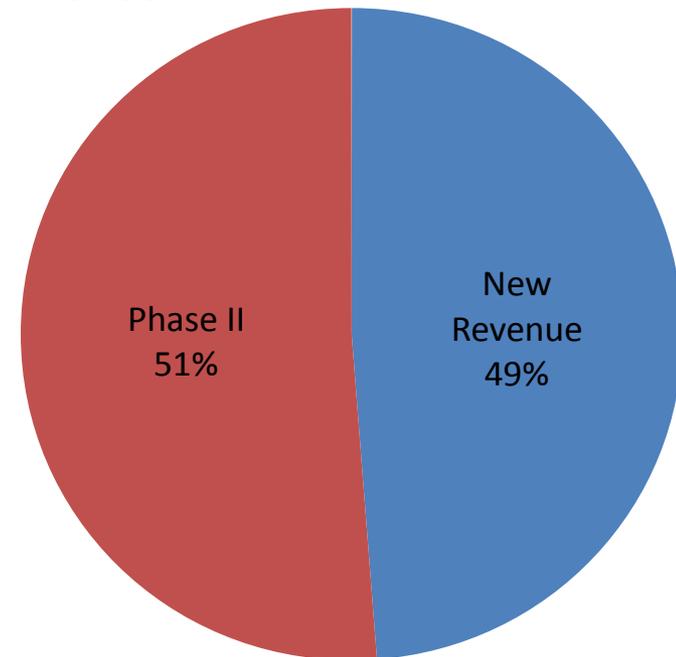
CPP funds



Uncontracted and Reprogrammed Funds

- \$7.6 million of CPP allocations through 2014 is from reprogrammed Phase II NRP funds (51%)

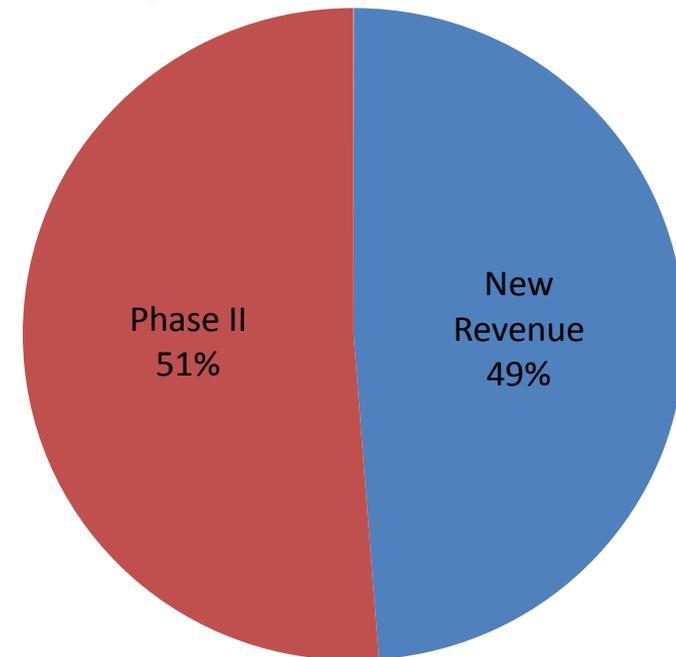
CPP funds



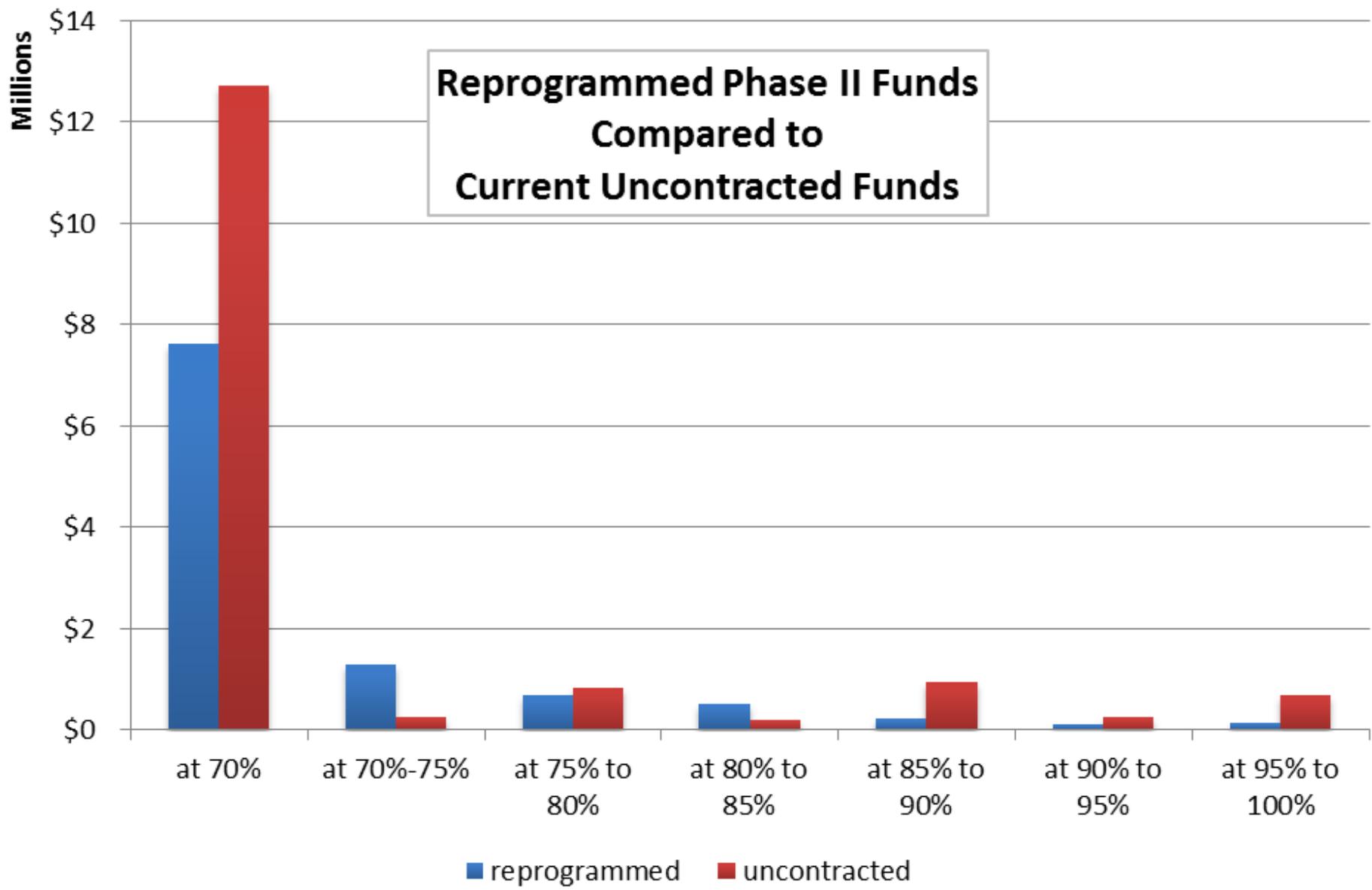
Uncontracted and Reprogrammed Funds

- Neighborhood organizations with highest amount of funds reprogrammed in December 2010 also have the highest current level of uncontracted funds.

CPP funds



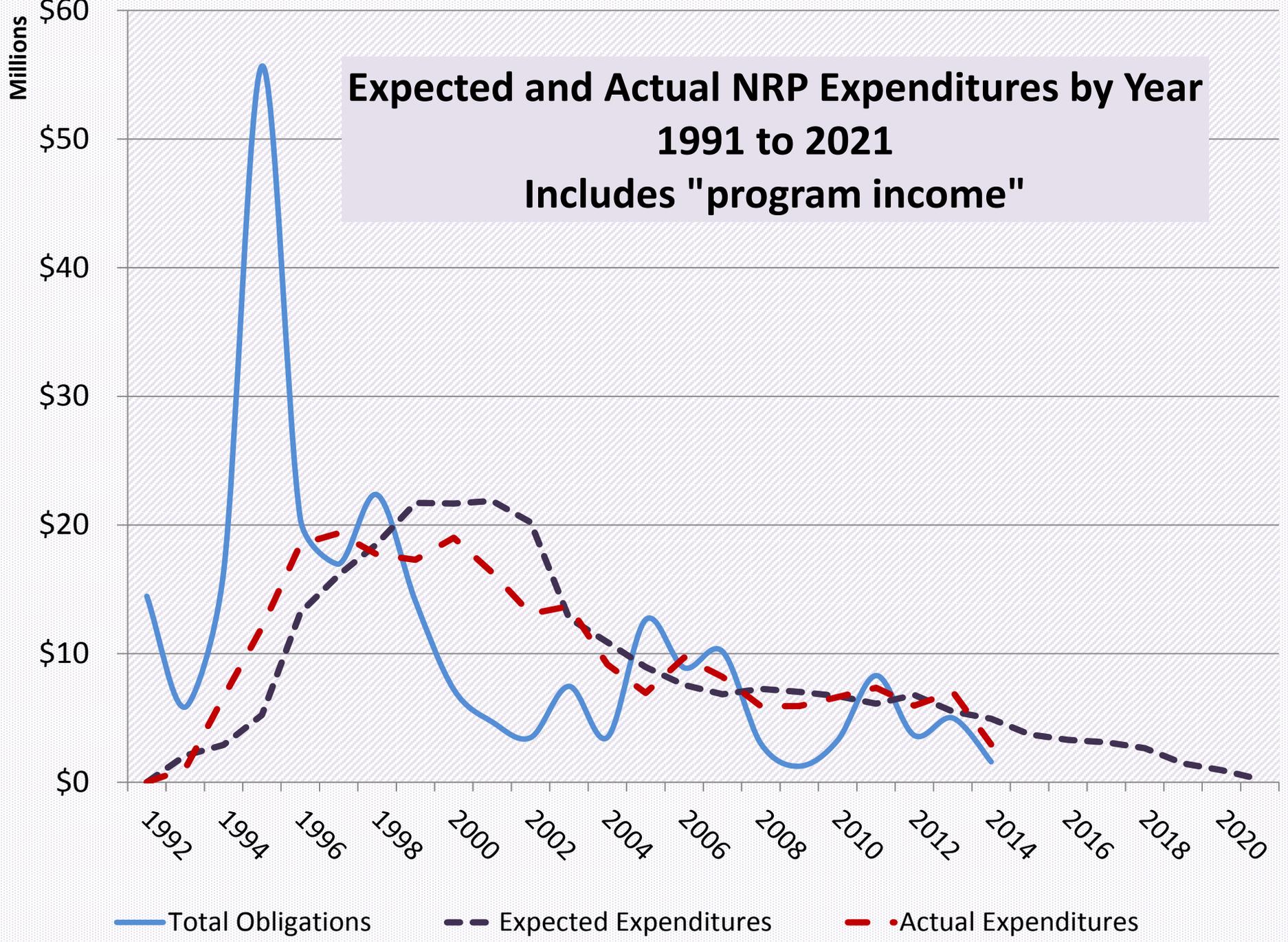
Reprogrammed Phase II Funds Compared to Current Uncontracted Funds



Rate of NRP Fund Expenditures

- NRP Phase I and Phase II designed as ten year plans.
- Actual year-by-year expenditures of NRP funds are closely correlated to expected year-by-year expenditures.
- Neighborhood organizations are projected to expend all Phase I and Phase II funds by 2021.

**Expected and Actual NRP Expenditures by Year
1991 to 2021
Includes "program income"**



Factors Affecting Contracting of Funds

- Volunteer lead neighborhood organizations.
- No required timeframe for spending NRP funds.
- Neighborhoods entered NRP over time.

Factors Affecting Contracting of Funds

- Uncontracted balance includes funds committed to projects that have not yet started.
- Program income requires community process to be reprogrammed.

Factors Affecting Contracting of Funds

- Neighborhood organizations were actively discouraged from contracting Phase II funds due to funding uncertainties.

“Given the volatility of projections to date, NRP and its component neighborhoods have been reluctant to rely on the current forecast as they make contractual and other Neighborhood Action Plan spending decisions.”

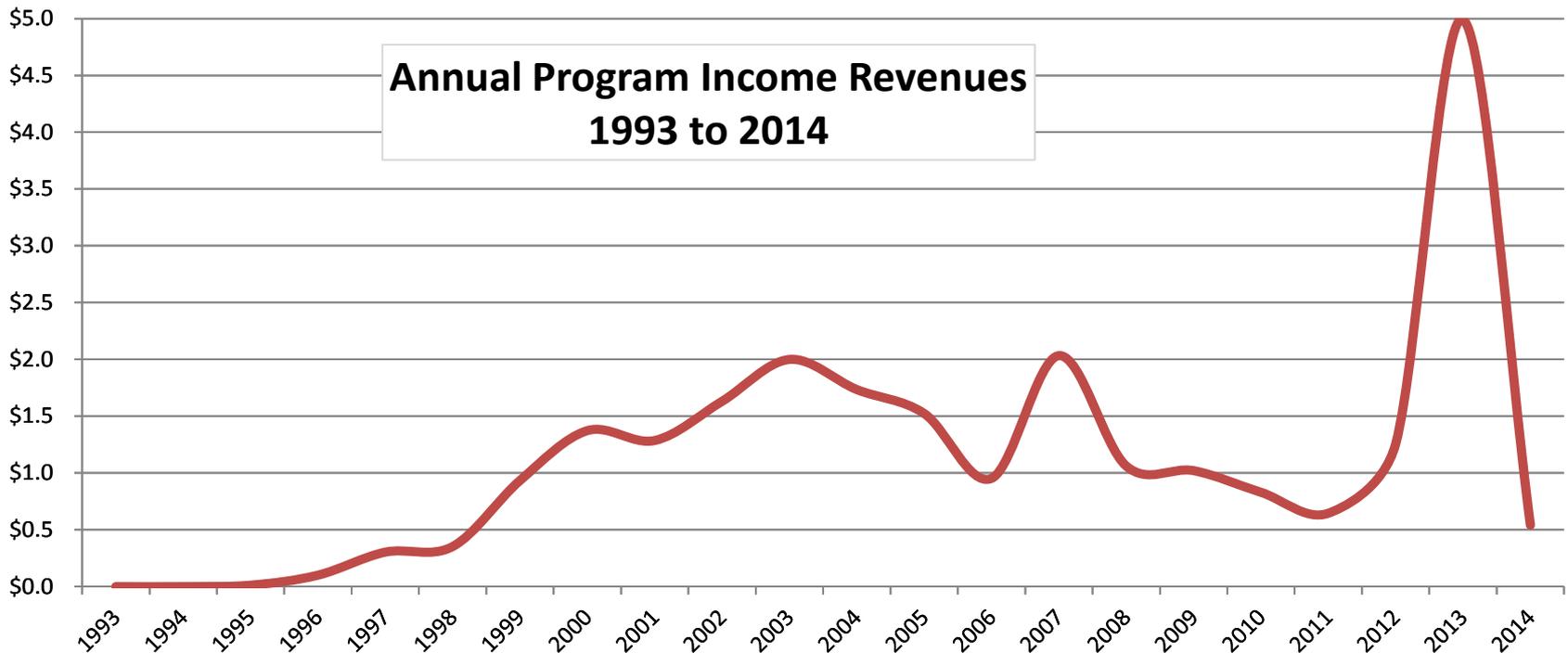
2007 Finance Department report to Ways and Means/Budget Committee

Factors Affecting Contracting of Funds

- More than half of NRP Phase II program funds only came in after repayment of Brookfield loan at the end of 2009.

Factors Affecting Contracting of Funds

- \$4 million of program income recalled from nonprofit housing vendors in 2013.



Commitments of Uncontracted Funds

- Home repair, homebuyer assistance and emergency home repair programs:
 - Jordan neighborhood: \$425,000
 - Lowry Hill East: \$500,000
 - Hawthorne: \$400,000
- East Phillips:
 - \$50,000 reserved for Phillips Community Center Pool
 - \$47,000 for community safety initiatives
 - \$30,000 for community engagement activities.
- Holland:
 - \$200,000 for a commercial loan fund.
- Southeast Como
 - \$20,000 homebuyer assistance

Commitments of Uncontracted Funds

- Several contracts and amendments are circulating for signatures.

Near North: SEED project

Waite Park: neighborhood signs

Windom: community garden

Armatage: safety, traffic and airport noise initiatives

Logan Park: Central Avenue bridge lighting

Central: food access project

Victory: co-working initiative

HPDL: NPP initiatives

Audubon: Rain gardens

Kenwood: SWLRT Section 106 review

Marshall Terrace: welcoming and water quality initiatives

Lowry Hill East: neighborhood signs

Cedar-Isles-Dean: Rain gardens

Fulton: small grant program