

COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT

MISSION

The Department of Community Planning and Economic Development (CPED) works to equitably grow a sustainable city with more people and more jobs through thoughtful design and enhanced environment.

As we conduct our work, we strive to be:

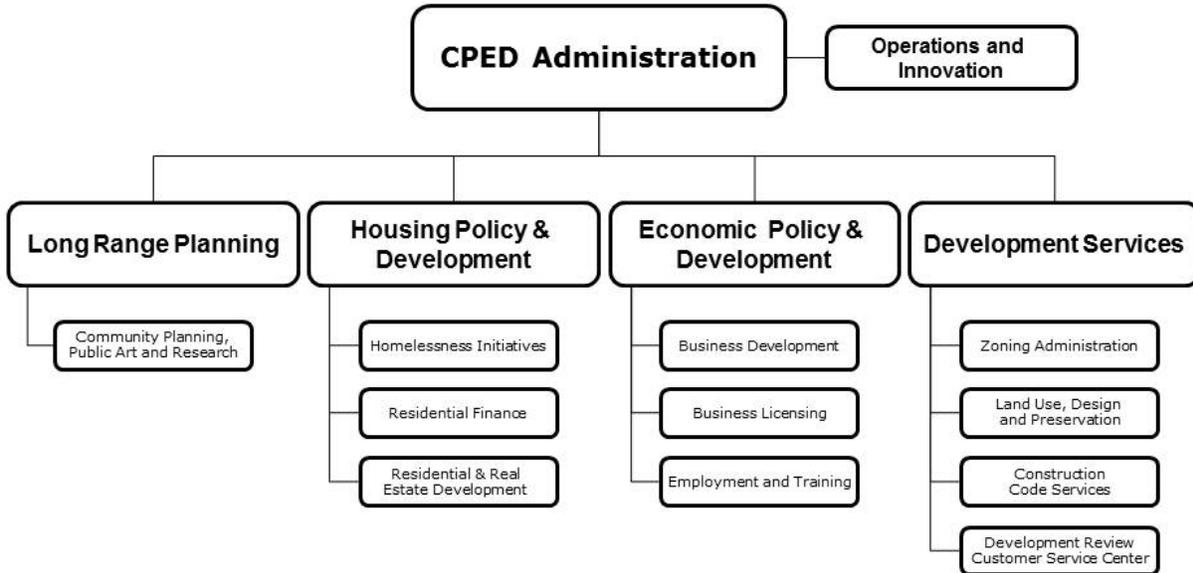
- Effective public servants;
- Proactive, innovative, creative problem solvers;
- Responsible stewards of public resources;
- Results orientated;
- Strategic partners within the enterprise and with public and private entities;
- Respectful public administrators who are responsive to the diverse cultures and changing needs of our community and strive for equitable outcomes; and
- Respectful of our history while looking forward to the future.

BUSINESS LINES

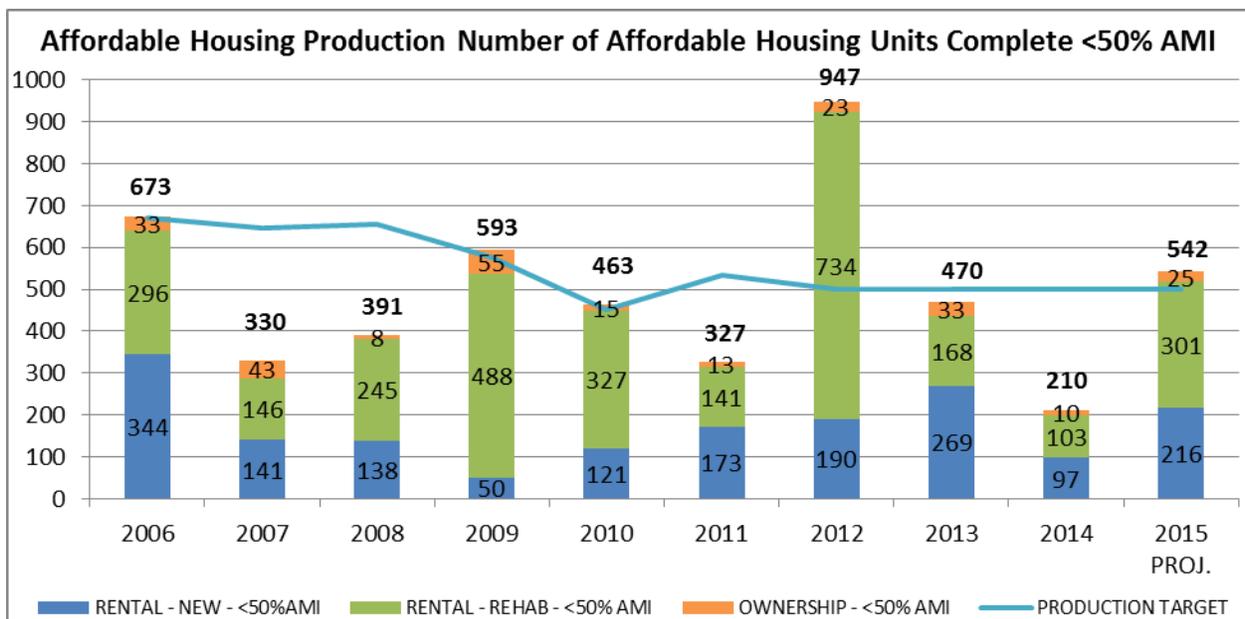
The following broad service areas reflect the primary business lines of the department.

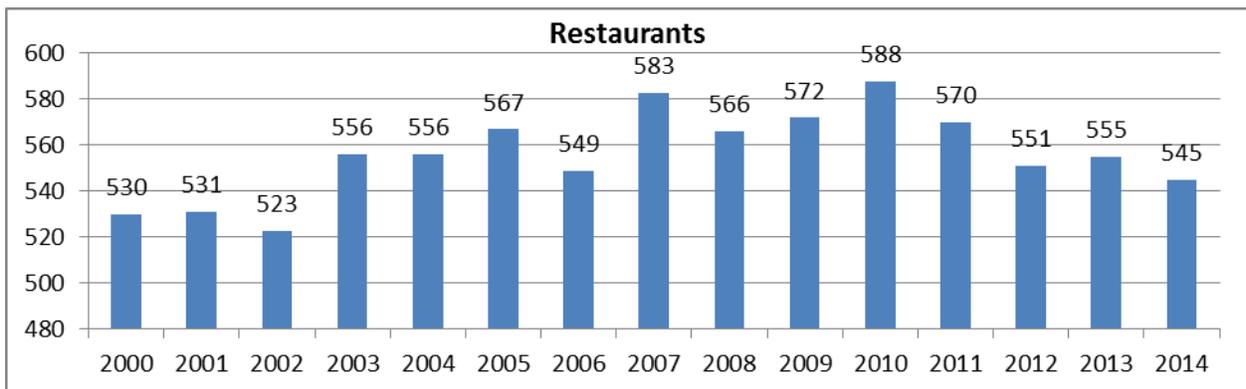
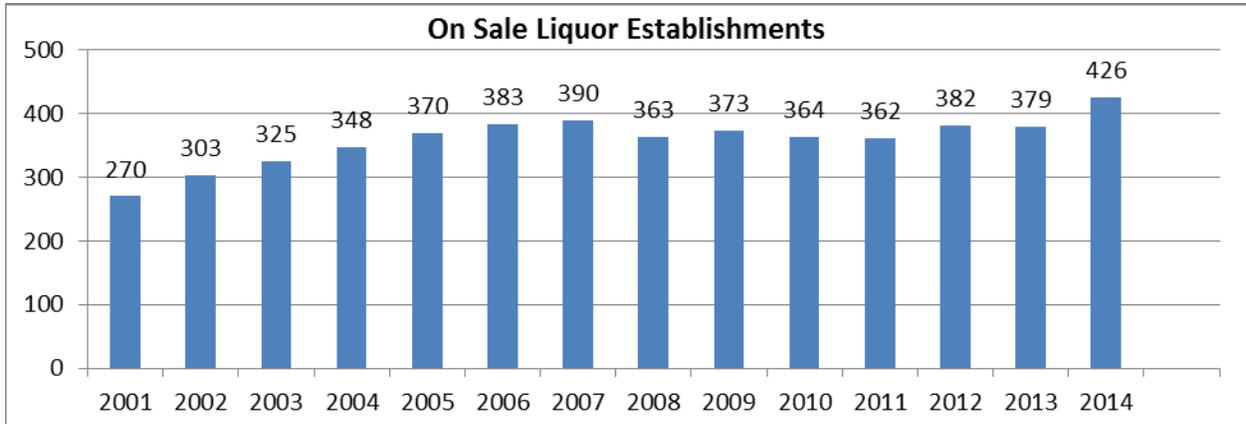
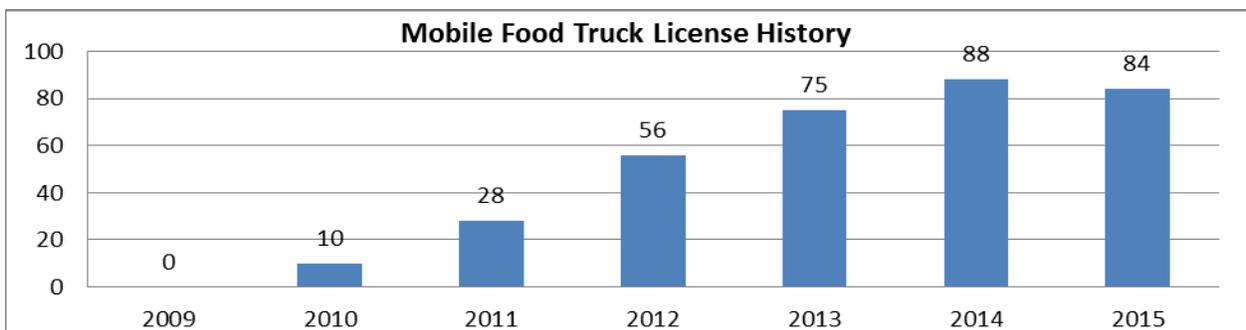
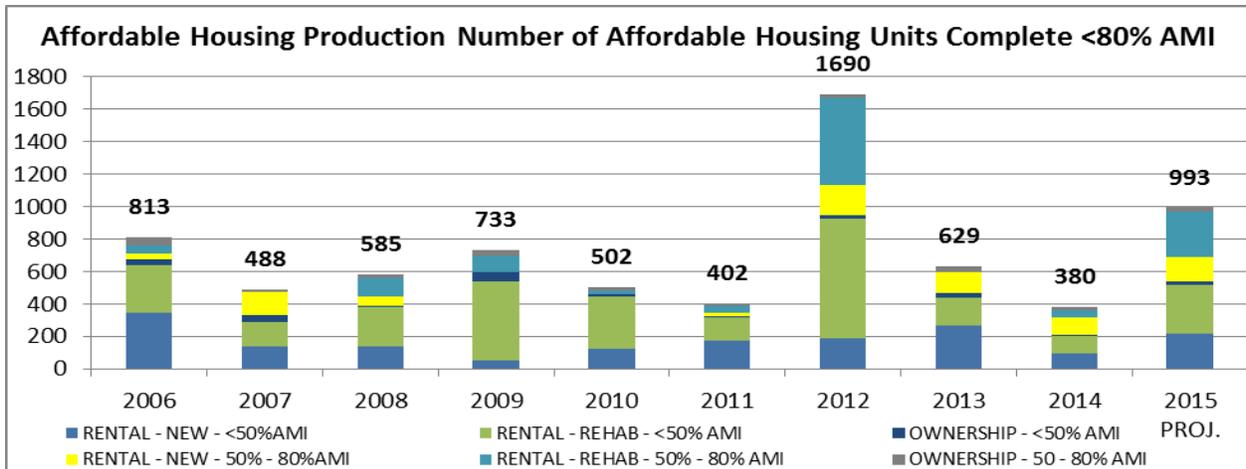
- **Long Range Planning** division prepares and maintains the City's comprehensive plan, small area plans, and strategic planning initiatives; conducts research; oversees the Public Art Program; guides public realm and urban design principles; guides development; manages historic preservation studies, and partners in implementation.
- **Economic Development & Policy** division supports business retention and expansion, creation and attraction in all neighborhoods, including downtown, by providing financing, programmatic and real estate development and expansion tools, and business licensing and compliance guidance.
- **Workforce Development** division manages a network of service provision that prepares Minneapolis residents, both adult and youth, for living-wage jobs and builds partnerships to improve career opportunities in the city.
- **Housing Development & Policy** division establishes housing policy, finances and redevelops single and multifamily residential real estate to stimulate private investment, increase the tax base and sustain a healthy housing market.
- **Development Services** division manages zoning administration, land use, design and preservation, the customer service center and construction code services and serves as the front door for the City's consolidated development activities.

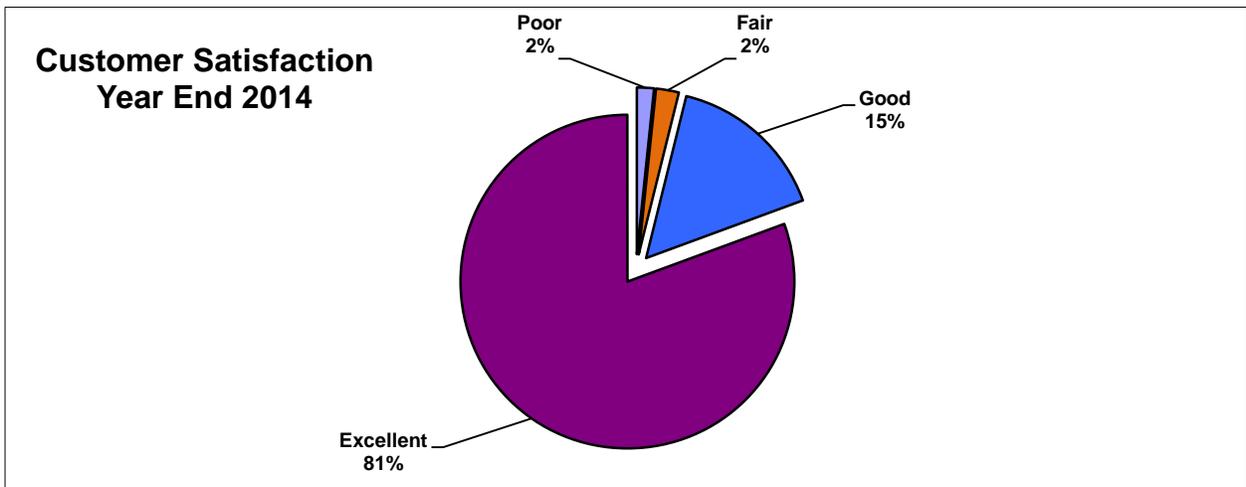
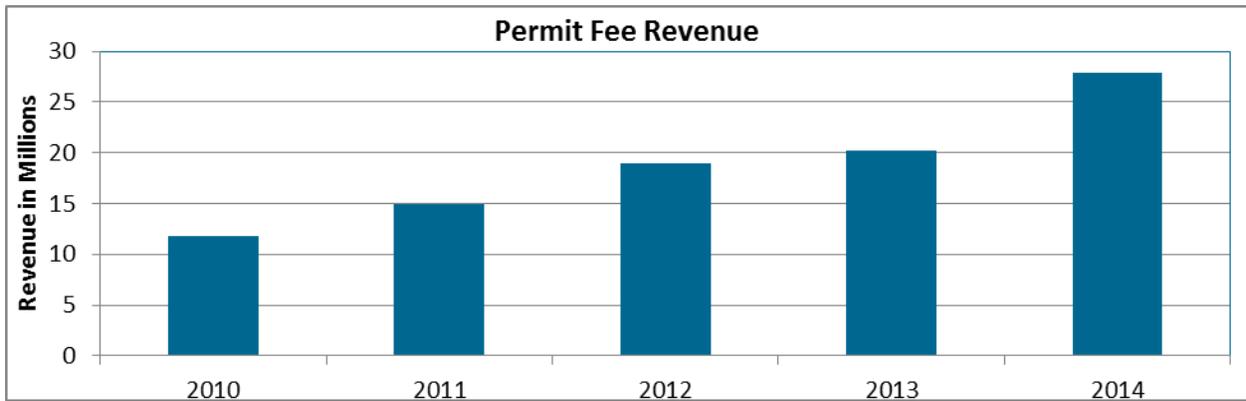
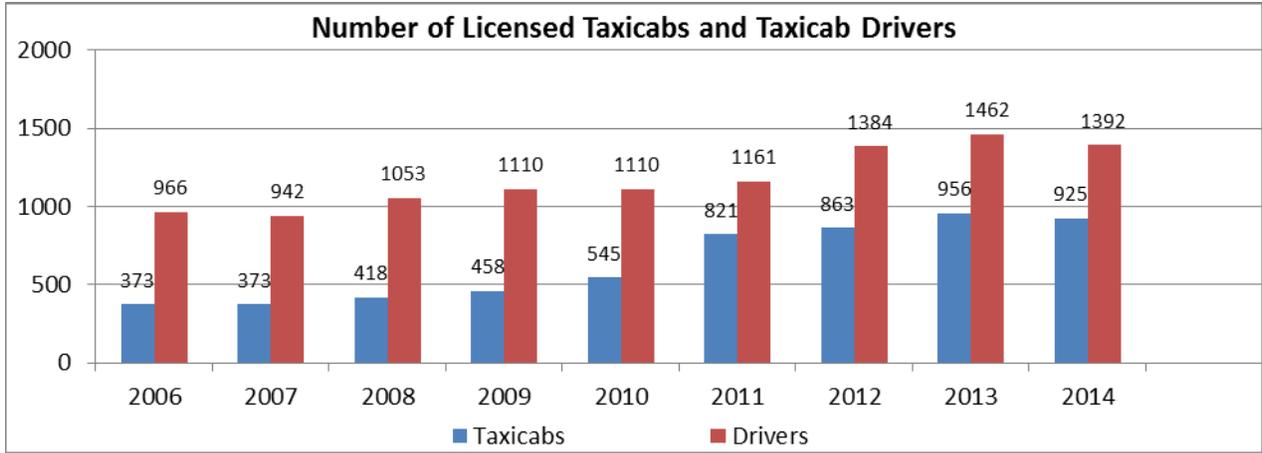
ORGANIZATION CHART



SELECTED RESULTS MINNEAPOLIS MEASURES







A Hub of Economic Activity and Innovation

CPED Long Range Planning Division

General Funds: \$2,150,260
Other Fund: \$548,003

| Long Range Planning Division has four key components:

- (1) Comprehensive Planning actively aligns the City's planning, economic development, housing development, and transportation planning functions into a sustainable, regional framework for managed growth over the next generation.
- (2) Research includes civic technology initiative, creative financing and applied research.
- (3) Art in Public Places is comprised of six areas of regular work activity which include art in public places, conservation, technical assistance to other agencies, public art policy, proposals for art on city property, proposals for art on private property.
- (4) Qualitative Urbanism focuses on creating a separated design review track for CPED owned properties, creating public realm strategic plan and guidelines, establishing consistent graphic standards for requests for proposals and requests for qualifications and establishing coordinated governmental framework for all public realm improvements.

Adult Workforce Development

General Fund: \$876,840
Other Funds: \$4,616,181

Adult Workforce Development supports Minneapolis residents in gaining employment through three programs; Minneapolis Works and RENEW Minneapolis, both serving low-income Minneapolis job seekers; and the Dislocated Worker Program, helping recently laid off adults return to the workforce. In partnership with fifteen community-based agencies the adult programs provide career counseling, job readiness training, job search assistance, and job placement.

Many of the clients served through the program have multiple barriers to employment, including ex-offender status, lack of consistent work history, unstable housing, low educational attainment, and/or chemical dependency.

In 2013, the Adult Workforce Development programs assisted over 2,000 Minneapolis residents through employment training, career navigation, and job counseling services; where nearly 1,000 gained employment. The remaining 1,000 continue to utilize employment services provided by these programs to secure permanent or temporary employment. The average cost per participant in the adult programs is \$2,618, including tuition assistance for nearly 40% of all participants.

Youth Training and Development

General Fund: \$1,189,426
Other Funds: \$3,490,994

The City of Minneapolis Youth Programs aim to create a strong future workforce by reducing youth unemployment and racial employment disparities. The youth programs provide employment for low-income Minneapolis youth, ages 14-21, are comprised of two distinct but

well linked programs; the STEP-UP Program and the Year Round WIA Youth Program. Both programs are designed to give Minneapolis youth from minority communities and low-income families the tools to find their place within the workforce.

STEP-UP, the most recognized Minneapolis youth program, serves close to 2,000 Minneapolis youth every summer, connecting them to real and valuable summer work experiences. STEP-UP interns receive critical work readiness training prior to being placed in a summer job. Through STEP-UP, youth learn good work habits, earn wages, and gain experience while providing valuable services to local businesses. Augmenting the summer job experience is the opportunity to attend camp, participate in workshops, and earn high school credit via classroom training.

The Year Round WIA Youth Program provides over 1,000 youth - all of whom have multiple barriers, including homelessness, high school dropouts, juvenile criminal records, etc. - with year round stabilization programming, including employment placement services. This program increases youths' long-term employability by enhancing educational, occupational, and leadership skills.

Development Services - Customer Service Center

General Fund: \$2,734,284

Other Funds: \$158,073

The Customer Service Center serves as the front door and service center for the City's consolidated development activities and focuses on consistent, streamlined customer service. It ensures high-quality development while requiring that building construction and rehabilitation projects meet the City's standards in terms of safety, livability and health and environmental sensitivity. Business licenses, pet licensing and critical parking permits may also be obtained at this center.

Business Development

General Fund: \$5,852,974

Other Funds: \$3,988,391

CPED works with businesses to start, stay and grow in Minneapolis with the objectives of equitable job growth, tax base growth and community vitality. The toolbox includes business loans and façade grants, business consulting and technical assistance, site search assistance, and commercial real estate development.

Living Well

Homeownership Support & Development

General Fund: \$1,543,172

Other Funds: \$3,808,504

This program is designed to assist with the development and support of ownership housing. The portion of the strategy is critical to return the housing market to a more healthy condition. This program is used to support development through rehabilitation. The main focus of the program is to provide prevention, reinvention, repositioning and property management. The major sub programs include Green Homes North, Home Ownership Works, Minneapolis Advantage

program, Senior Citizen Housing Initiative, Owner Occupied Rehab, Vacant and Boarded program and property management of vacant and boarded properties,

Affordable Housing Development

General Fund: \$3,993,151
Other Funds: \$9,095,447

This program provides necessary financing for the development or redevelopment of housing that is safe and affordable with projects that are eco-friendly and create significant construction and property management industry jobs.

Land Use, Design and Preservation

General Fund: \$2,779,525
Other Funds: \$897,281

The Land Use, Design, Preservation and Zoning department guides development as required by law, helping residents and property owners invest in the City in a way that aligns with the City's comprehensive plan and development regulations. The department is responsible for managing, reviewing, and enforcing land use, zoning, preservation, and environmental review applications. The department staffs and administers public processes, including public meetings of the City Planning Commission, Heritage Preservation Commission and Zoning Board of Adjustment. The department performs administrative reviews and preservation permits at the customer service center, as well as guiding ongoing regulatory reform affecting land use and development.

A Safe Place to Call Home

Business Licensing

General Fund: \$4,026,626
Other Funds: \$245,891

This program regulates business licensing for liquor establishments and over 200 other types of businesses and annually licenses 11,000 businesses and individuals. The service includes assisting business owners through various regulatory processes, license application review, background checks, on-site facility inspections, and the collection of license fees with an annual renewal billing system.

Construction Code Services

General Fund: \$10,583,248
Other Funds: \$744,556

Construction Code Services (CCS) ensures the comprehensive application of the Minnesota State Building Code and applicable city ordinances. CCS consists of the three business lines of construction plan review, construction inspections, and programs. Construction plan review accepts all applications for building, elevator, mechanical, and plumbing work that require a plan review and a permit. Plans are reviewed and permits are issued for these projects. Construction inspections performs all required inspections for building, elevator, mechanical, and plumbing work covered by issued permits and respond to complaints regarding construction

projects. Programs include elevator registration and annual inspections, code compliance, truth-in-sale-of-housing, certificate of occupancy, and fire escrow.

A City that Works

CPED Debt Service & Transfers

Other Funds: \$31,785,230

This program relates to the administration and management of certain CPED financial resources, both with external partners and between CPED funds. This program provides for the transfer of revenues necessary to pay annual debt service on bonds and other contractual obligations issued to undertake various CPED activities as well as the internal transfer of eligible revenues to finance CPED development activities.

FINANCIAL ANALYSIS

Expenditure

For 2016, Community Planning and Economic Development's (CPED) budget is \$95.1 million, an increase of 2.5% or \$2.4 million from the 2015 budget. The increase is attributable to routine inflationary operating increases and the Mayor's recommended additions.

Revenue

In 2016, the department anticipates \$101.5 million in revenue, a decrease of \$6.8 million or 6.3% from 2015. Use of Fund Balance decreased by \$9.5 million, while department revenues increased by \$2.7 million. Revenues in the department exceed expenditures due to the nature of license and permit fees as general fund resources that are used to fund city-wide operations.

Fund Allocation

In 2016, 37.5% of the department's budget is funded from general fund resources, or \$35.7 million. The remaining budget is funded from federal and state grants, tax increment property taxes and transfers as well as other resources.

Mayor's Recommended Budget

The Mayor recommended additional ongoing General Fund appropriation of \$210,000 (2 FTE) for delivery of the Comprehensive Plan, \$850,000 from CPED special revenue funds for continuation of the Great Streets program, \$180,000 (1 FTE) for the Next Steps for Disconnected Youth program (along with \$320,000 from federal funding), \$100,000 (1 FTE) for the Work ready Youth Minneapolis program, \$100,000 (1 FTE) for the Development Review Customer Service Center, and \$112,000 for a Build Leaders Program for Youth Development in conjunction with the Health Department. The Mayor's recommendation includes a General Fund appropriation of \$424,000 (4 FTE) for building inspector positions.

The Mayor recommended one-time funding from the general fund of \$1,000,000 for the City's Affordable Housing Trust Fund and \$1,000,000 for other Affordable Housing Programs to meet the needs of family housing. The Mayor's recommendation also includes an additional \$850,000 in new federal funding, as well as \$150,000 in reallocated resources for the Affordable Housing Trust Fund. The Mayor also recommended one-time funding from the general fund of \$100,000 for an Opportunity Hub – Cedar Riverside, \$175,000 for a minimum wage study, \$50,000 for Green Zones, and \$25,000 for Nokomis East Senior Center. The Mayor also

recommended reorganization with a cost savings of \$150,000 as part of the budget rightsizing efforts.

**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Mayor's Recommended	Percent Change	Change
GENERAL						
SALARIES AND WAGES	10,406,710	13,825,813	13,486,163	14,641,764	8.6%	1,155,602
FRINGE BENEFITS	3,763,011	4,904,943	5,118,623	5,675,173	10.9%	556,550
CONTRACTUAL SERVICES	3,884,190	5,442,353	8,041,412	7,870,121	-2.1%	(171,291)
OPERATING COSTS	1,573,370	2,452,727	2,430,060	2,846,717	17.1%	416,657
CAPITAL	17,451	2,293,821	3,405,730	4,695,730	37.9%	1,290,000
TOTAL GENERAL	19,644,732	28,919,658	32,481,988	35,729,506	10.0%	3,247,517
DEBT SERVICE						
CONTRACTUAL SERVICES		40				0
DEBT SERVICE	2,523,532	2,562,690		3,184,960		3,184,960
TRANSFERS	638,075	647,458				0
TOTAL DEBT SERVICE	3,161,606	3,210,188		3,184,960		3,184,960
CAPITAL PROJECT						
SALARIES AND WAGES	68,681	67,350				0
FRINGE BENEFITS	28,546	24,164				0
CONTRACTUAL SERVICES	450,370	207,501				0
OPERATING COSTS	3,064	1,366				0
TOTAL CAPITAL PROJECT	550,661	300,382				0
ENTERPRISE						
SALARIES AND WAGES	313,541	115,740	111,368	111,005	-0.3%	(363)
FRINGE BENEFITS	108,393	44,713	38,332	37,741	-1.5%	(591)
CONTRACTUAL SERVICES	2,116,698	2,056,832	1,020,800	1,105,500	8.3%	84,700
OPERATING COSTS	8,480	4,037	6,000	1,000	-83.3%	(5,000)
CAPITAL	57,458	5,763				0
DEBT SERVICE	6,538	474				0
TRANSFERS	155,605	45,300				0
TOTAL ENTERPRISE	2,766,714	2,272,858	1,176,500	1,255,246	6.7%	78,746
SPECIAL REVENUE						
SALARIES AND WAGES	5,912,156	3,815,036	3,739,330	3,891,229	4.1%	151,899
FRINGE BENEFITS	1,744,316	1,079,664	1,404,247	1,444,319	2.9%	40,073
CONTRACTUAL SERVICES	22,833,388	13,726,478	17,858,659	19,485,901	9.1%	1,627,242
OPERATING COSTS	5,163,060	4,197,208	1,541,052	716,927	-53.5%	(824,125)
CAPITAL	42,691,578	35,627,095	17,746,232	17,423,852	-1.8%	(322,380)
DEBT SERVICE			105,372	104,709	-0.6%	(663)
TRANSFERS	17,176,513	19,555,253	16,691,950	11,871,406	-28.9%	(4,820,544)
TOTAL SPECIAL REVENUE	95,521,012	78,000,735	59,086,841	54,938,344	-7.0%	(4,148,498)

**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION**

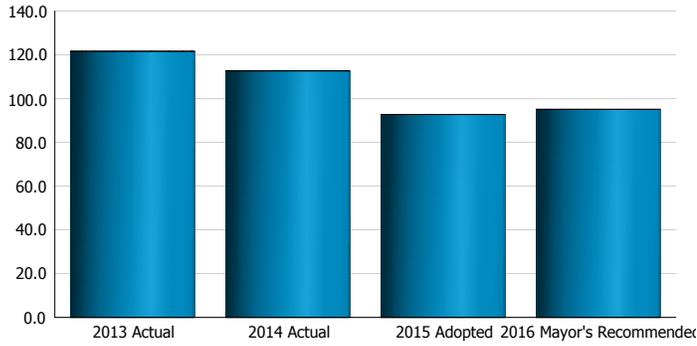
EXPENSE	2013 Actual	2014 Actual	2015 Adopted	2016 Mayor's Recommended	Percent Change	Change
TOTAL EXPENSE	121,644,726	112,703,822	92,745,330	95,108,055	2.5%	2,362,725
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Mayor's Recommended	Percent Change	Change
GENERAL						
CHARGES FOR SALES	382	4,241	1,000	1,000	0.0%	0
CHARGES FOR SERVICES	813,616	3,376,205	4,196,000	4,153,000	-1.0%	(43,000)
FINES AND FORFEITS	150,376	106,038	163,000	163,000	0.0%	0
INTEREST		175,662			0.0%	0
LICENSE AND PERMITS	28,812,342	37,742,397	29,107,000	32,368,000	11.2%	3,261,000
OTHER MISC REVENUES	1,284	2,448,935	2,155,000	2,977,000	38.1%	822,000
SPECIAL ASSESSMENTS	116,839	29,543	7,000	30,000	328.6%	23,000
STATE GOVERNMENT		1,552			0.0%	0
GENERAL	29,894,839	43,884,574	35,629,000	39,692,000	11.4%	4,063,000
SPECIAL REVENUE						
CHARGES FOR SALES	11,658,645	1,171,865			0.0%	0
CHARGES FOR SERVICES	7,190,353	3,162,629	130,000	130,000	0.0%	0
CONTRIBUTIONS	256,364	182,600			0.0%	0
FEDERAL GOVERNMENT	15,558,487	(4,298,135)	5,134,392	4,507,201	-12.2%	(627,191)
FINES AND FORFEITS	22,000	30,000			0.0%	0
GAINS	12,980	86,000			0.0%	0
INTEREST	289,251	96,364	510,540	497,208	-2.6%	(13,332)
LICENSE AND PERMITS	220,492	196,694			0.0%	0
LOCAL GOVERNMENT	1,989,055	1,787,045			0.0%	0
LONG TERM LIABILITIES PROCEEDS			11,597,519	2,135,540	-81.6%	(9,461,979)
OTHER MISC REVENUES	10,531,647	8,349,738	4,438,973	3,481,074	-21.6%	(957,899)
PROPERTY TAXES	37,247,205	43,301,011	42,581,363	40,950,390	-3.8%	(1,630,973)
RENTS	3,948,531	4,130,360	2,587,500	962,500	-62.8%	(1,625,000)
SALES AND OTHER TAXES	73	109			0.0%	0
SPECIAL ASSESSMENTS	67,440	15,724	300,000	300,000	0.0%	0
STATE GOVERNMENT	18,262,392	12,449,774	1,821,500	1,845,000	1.3%	23,500
TRANSFERS IN	7,033,225	10,404,217	2,243,379	2,559,446	14.1%	316,067
SPECIAL REVENUE	114,288,142	81,065,994	71,345,166	57,368,359	-19.6%	(13,976,807)
CAPITAL PROJECT						
LICENSE AND PERMITS	630				0.0%	0
TRANSFERS IN	528,000	297,000			0.0%	0
CAPITAL PROJECT	528,630	297,000				0
DEBT SERVICE						
INTEREST	124	130			0.0%	0
TRANSFERS IN	3,112,346	3,364,711		3,184,960	0.0%	3,184,960

**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION**

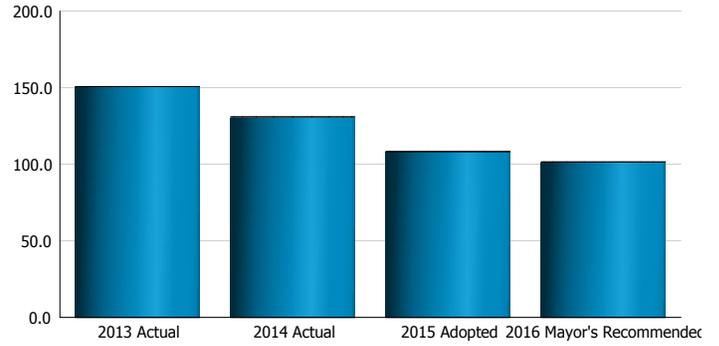
REVENUE	2013 Actual	2014 Actual	2015 Adopted	2016 Mayor's Recommended	Percent Change	Change
DEBT SERVICE	3,112,470	3,364,841		3,184,960		3,184,960
ENTERPRISE						
CHARGES FOR SALES		75,675			0.0%	0
CHARGES FOR SERVICES	2,100,136	1,721,864	1,270,000	400,000	-68.5%	(870,000)
GAINS		70,675			0.0%	0
INTEREST	27,129	27,740			0.0%	0
LONG TERM LIABILITIES PROCEEDS		(70,675)	26,800	855,246	3,091.2%	828,446
RENTS	206,250	17,217			0.0%	0
TRANSFERS IN	555,605	447,490			0.0%	0
ENTERPRISE	2,889,119	2,289,986	1,296,800	1,255,246	-3.2%	(41,554)
TOTAL REVENUE	150,713,200	130,902,395	108,270,966	101,500,565	-6.3%	(6,770,401)

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT EXPENSE AND REVENUE INFORMATION

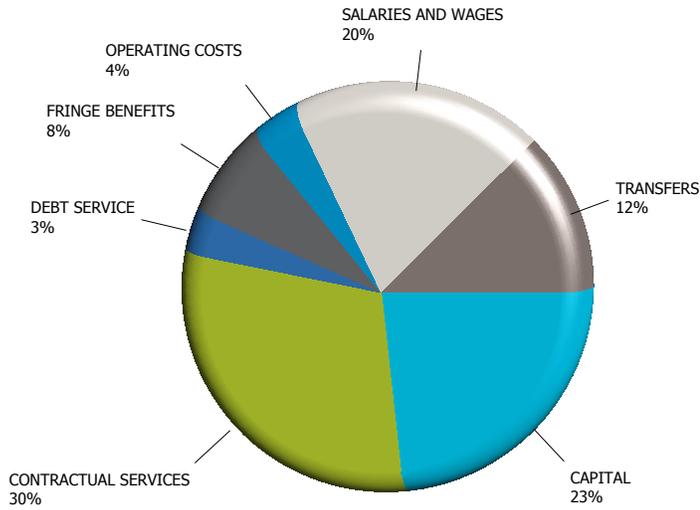
Expense 2013 - 2016
In Millions



Revenue 2013 - 2016
In Millions



Expense by Category



COMMUNITY PLANNING & ECONOMIC DEVELOPMENT

Staffing Information

Division	2013 Budget	2014 Budget	2015 Budget	2016 Mayor's Recommended	% Change	Change
TOTAL CPED	224.80	230.00	230.00	239.00	3.9%	9.00
Overall	224.80	230.00	230.00	239.00	3.9%	9.00

Positions 2013-2016

