



MEMORANDUM

April 17, 2008

To: Minneapolis City Council, Committee of the Whole
From: Robert D. Miller *RDM*
Re: Analysis of Annual Expenditures by Neighborhood Groups

At its April 3, 2008 meeting the Minneapolis City Council Committee of the Whole requested that NRP staff prepare an analysis of the annual level of NRP funding used by neighborhood organizations to cover the staffing and operating expenses associated with the services they provide to the community. This analysis was to be a broader and more comprehensive assessment of neighborhood costs than the estimate that formed the basis for the administrative funding commitment contained in the draft "Framework for the Future."

In order to provide a representative sample, NRP compiled and reviewed payments made to neighborhood groups from City Fund CNRO (the NRP "Program" Fund) during the years 2002 through 2007. City Development Finance Division staff also reviewed the list of payments to help assure that only appropriate payments were included in the analysis.

The results include only payments made directly to neighborhood groups for their NRP-related activity, and only for expenses incurred to cover the staffing and operating expenses associated with their services to the community. The review excluded any payments made to these groups for housing or commercial loan and grant programs, other small grant programs, any other program for which the neighborhood group functioned primarily as a pass-through (e.g., a neighborhood master plan carried out by a subcontractor to the neighborhood), or other programs that were important, but not essential, to the group's function as a neighborhood organization (e.g., community gardens).

Below is a summary of our findings:

City of Minneapolis Fiscal Year	Total Paid for Neighborhood Staffing and Operating Funds
2002	\$3,309,082.92
2003	\$3,258,648.02
2004	\$3,060,845.93
2005	\$2,961,167.70
2006	\$2,928,471.43
2007	\$3,010,585.92

Please note that the figures above do not include the approximately \$350,000 per year provided to neighborhood groups through the City's Citizen Participation Program.