

Resolution
of the
City of Minneapolis

By Benson, Lilligren, Ostrow, Hodges, Gordon, Colvin Roy and Schiff

Securing investment in the neighborhoods of Minneapolis, Hennepin County, the Metropolitan Region and the State.

Whereas, there are 15 pre-1979 tax increment financing districts in the Minneapolis Common Project that will be decertified in 2009; and

Whereas, the Target Center is a public entertainment facility of regional and state significance that has been supported by Minneapolis taxpayers in addition to a \$750,000 yearly contribution from the State of Minnesota; and

Whereas, after decertification of the pre-1979 tax increment districts, the Target Center, its debt, its capital needs and its operating costs will remain an obligation of the City of Minneapolis and the Common Project; and

Whereas, investment in the neighborhoods of Minneapolis through the Neighborhood Revitalization Program ("NRP") has been funded from Common Project revenues since 1989; and

Whereas, NRP has been a highly successful, innovative effort to bring residents into the priority-setting process of our city, mobilizing the untapped resources, energy and creativity of our residents; and

Whereas, the Minneapolis City Council, with the Mayor's office and the NRP Executive Director, have presented a draft Framework for the Future on the options for the focus, funding and governance of the NRP and Action Plan activities after 2009, which support direct administrative funding for neighborhood organizations and future discretionary funding for neighborhood-directed activities through a proposed "Neighborhood Investment Fund"; and

Whereas, Hennepin County invests in Minneapolis neighborhoods through the Hennepin County Community Works program, transit and transportation improvements and other activities; and

Whereas, the 2001 revisions made by the State Legislature to the tax code resulted in dramatic reductions to the Common Project revenues, including a loss to the neighborhoods of Minneapolis through the NRP of at least \$85 million and the revenues to be derived therefrom, and a loss of city-wide development capacity of an even greater amount;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the City of Minneapolis urges the State of Minnesota to enact legislation to extend the pre-1979 tax increment financing districts in the Minneapolis Common Project.

Be It Further Resolved that the Intergovernmental Relations staff hereby is directed to work with the Hennepin County Board of Commissioners, and the Minneapolis Legislative delegation, and other partners in neighborhood revitalization efforts to develop a bill to extend the pre-1979 tax increment districts of the Common Project for the minimum time necessary to cumulatively provide over the period of extension:

(1) \$100 million to allow the City to fund the administrative and programmatic needs of a neighborhood revitalization program that includes support for neighborhood organizations and neighborhood-directed action plans after 2009 in the City of Minneapolis);

(2) \$100 million to fund repayment of the Target Center bonds and the capital improvements necessary for Target Center to remain a first class facility as required by contract; and

(3) Provide continuing support for discretionary development investments by the City of Minneapolis, and if Hennepin County decides to participate in the funding of a future neighborhood revitalization program, provide funding support to Hennepin County for Hennepin County's Community Works, transit initiatives, or other investment programs of common benefit to the County and City.

Be It Further Resolved that the City opposes any portion of legislation that addresses governance issues of a future neighborhood revitalization program until completion of the community feedback process about the Framework for the Future including a final decision by the City Council.