



Request for City Council Committee Action from the Department of BIS

Date November 2, 2006

To: The Honorable Paul Ostrow, Chair, Ways and Means Committee

Subject: Digital Inclusion Task Force Request for Approval of Minneapolis Foundation as Fund Agent and Determine the Elected Official to Represent City of Minneapolis on the Interim Advisory Board

Recommendation Approve selection of Minneapolis Foundation as fund agent. Select an elected official to serve on the Interim Advisory Board.

Prepared by Catherine Settanni

Submitted by Karl Kaiser _____, 673-3910
Chief Information Officer

Approved by Steven Bosacker _____
City Coordinator

Presenter in Committee Karl Kaiser

Policy Review Group Not Applicable

Permanent Review Committee (PRC) Approval – Not Applicable

Financial Impact: Not applicable

Financial Impact (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information

The Digital Inclusion Task Force, working with the Minnesota Council on Foundations, developed an RFP to solicit proposals from community foundations to manage the Digital Inclusion Fund. The RFP asked respondents to address how the Digital Inclusion Fund might support local non-profit organizations in their efforts to provide technology access and literacy programs serving low-income, new immigrant, displaced worker, senior and new-technology users. The RFP asked for the foundations' history regarding technology funding and sought answers to the following questions:

- What are the foundation fees for managing such funds?
- Are support services and technical assistance available?
- How does the foundation manage third-party funds in terms of community participation and inclusion (process)?
- What kind of return on investments does the foundation typically earn on fund assets?
- How will the foundation work with the city and the Digital Inclusion Task Force to establish the funds' criteria and include community members in priority setting and funding decisions?

On Friday, October 20, 2006 the Digital Inclusion Task Force met to discuss how best to manage anticipated funds resulting from the Wireless Minneapolis/ Community Benefits Agreement between U. S. Internet and the City of Minneapolis.

At this meeting, representatives from the Minneapolis Foundation presented an overview of their capabilities and the recommended approach they would utilize to work with the Digital Community Advisory Board, and its steering committee, to both develop fund guidelines and oversee re-granting of Digital Inclusion Funds to local non-profit organizations. Prior to the October 20th 2006 meeting, conversations were also held with the Headwater's Fund to discuss their capabilities and recommendations.

The meeting began with a closed Digital Inclusion Task Force discussion to discuss agenda items and generate ideas and questions related to the selection of a fund management partner. At the completion of this discussion, Minneapolis Foundation representatives were invited to present to task force members.

Minneapolis Foundation Vice President of Development, Stuart Applebaum, answered task force members' questions regarding financial, legal and management issues related to a Digital Inclusion Fund, and Joanne Walz, Minneapolis Foundation Program Officer, talked about the history of community involvement and successes associated with several other funds managed by the Minneapolis Foundation.

Following this presentation, Task Force members continued their closed door discussion and voted unanimously to recommend the Minneapolis Foundation as the fund management partner, and with City of Minneapolis approval, to begin working with their Program Officers to develop fund guidelines. These guidelines will be based on community input gathered during outreach efforts related to the wireless initiative, and the Foundation will be obligated to honor these guidelines into the future, regardless of who serves on the advisory board.

The Digital Inclusion Task Force recommends the creation of an Interim Advisory Board, to be comprised of twelve (12) members of the original Digital Inclusion Task Force and four (4) additional selected participants. Several community members who participated in the Digital Inclusion Coalition roundtable meetings have also asked to be included on this interim board.

In addition, the Task Force recommends the inclusion of one elected official or other City of Minneapolis representative, as well as one representative from U. S. Internet, to serve on this interim advisory board to help develop the fund guidelines, and establish a process for selecting members of the Digital Community Advisory Board which may be drawn from members of the Interim Advisory Board and/or the community at large.

Since several City Council Members have expertise with both the wireless initiative and community benefits agreements in general, we invite the Council to recommend a representative to this board.

The Task Force will meet monthly beginning in mid-November, and finalize fund guidelines by May 1, 2007. In order to facilitate the next steps, the Digital Inclusion Task Force respectfully request the City Council to approve the recommendation of the Minneapolis Foundation as the fund management partner; approve the attached or amended list of recommended Interim Advisory Board members; select and approve additional representatives; and authorize the Interim Advisory Board to begin its work.

Current Interim Advisory Board Members

Daniel Gumnit- Intermedia Arts
Jose Y Diaz- Latino Economic Development Center
Sarah Koschinska-Project for Pride in Living
Malik Bush-Phyllis Wheatley Center
Tovah Flygare-Central Labor Union
Rae Montgomery- U of M Extension
Sheldon Mains- Mpls Libraries
Rick Birmingham-MAP for Non Profits
Mark Siegel-Disabilities Services, MDHS
Kathy O'Conner- United Way
Nan Miller-Office of Family Involvement, Minneapolis Public Schools
Kurt Kimber- Community resident
John Richard- Pillsbury United Communities
Catherine Settanni, Community Technology Empowerment Project

