Request for City Council Committee Action
From the City Coordinator

Date: February 17, 2009
To: Ways and Means Committee
Referral to: None

Subject: Start-Up Costs for Downtown Improvement District

Recommendation: Authorize City Finance Officer to negotiate a loan to the Minneapolis Downtown Improvement District for necessary start-up costs

Previous Directives: a) Ordinance 2008-Or-102 establishing a Downtown Business Improvement Special Service District

Prepared or Submitted by: Charles Elliott 673-2621

Approved by: Steven Bosacker, City Coordinator _____

Patrick Born, Finance Officer_____

Presenters in Committee: Patrick Born, Finance Officer

Financial Impact (Check those that apply)

__X_ No financial impact - or - Action is within current department budget.
(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

Community Impact (use any categories that apply)

__Neighborhood Notification
_X_City Goals
__Comprehensive Plan
__Zoning Code
__Other

__Not applicable

Background/Supporting Information Attached
On December 12, 2008 the City Council established the Downtown Business Improvement Special Service District. They also authorized City officers to negotiate and execute a contract with the Minneapolis Downtown Council, its subsidiary, or an approved assignee for the management and service provision in the proposed District.

Parts of establishing the entity that will manage the Downtown Improvement District (DID) are start-up costs as follows:

- Staff & Management
- Legal Services
- Accounting Services
- Information Technology
- Communications
- Rent

The Downtown Council's budget for these start-up costs is $192,000 and City staff is recommending the City loan the Downtown District the necessary funds.