

Our Mission:
The Minneapolis Downtown Improvement District's purpose is to *make Downtown a thriving and competitive environment* for recruiting and retaining businesses, employees, residents, shoppers and visitors. The District accomplishes this *by delivering clean, safe, green, and better services* that raise the standard of care and behavior in downtown.

“DID has vastly improved Downtown!”

-Employee & Resident

2011 Operating Plan

We are pleased to present you with an overview of DID services proposed for 2011. But first, we must acknowledge the first full year of DID services proved to be very successful in making the experience of being downtown enjoyable for employees, shoppers, visitors and residents. From providing business recommendations and directions, to cleaning up our downtown, the feedback we are receiving shows the direct connection between services and the improved perception of downtown as the place to be. This feedback is excerpted throughout this plan. In addition to the anecdotal comments, our results added up (as shown below). We look forward to continuing the good work of DID into 2011. We thank you, and all of our stakeholders, for your partnership in improving downtown.

Fast Facts – DID First Year Service Results (July 2009 – June 2010):

<i>Pedestrian Assistance/Recommendations</i>	58,867
<i>Passive Panhandling</i>	1,421
<i>Aggressive Panhandling</i>	557
<i>Request for Police Assistance</i>	400
<i>Trash Removed (pounds)</i>	774,313
<i>Graffiti abated from public elements</i>	5,753
<i>Pressure wash (block faces)</i>	1,490
<i>Weeds removed (block faces)</i>	1,152
<i>Annuals and Perennials planted</i>	16,300
<i>De-icer/snow-melt used (pounds)</i>	2,450
<i>Lives saved (choking baby, CPR for heart-attack, etc.)</i>	17+
<i>Perception of Safety (survey after 3 mos of service)</i>	Improved 14%
<i>Perception of Cleanliness (survey after 3 mos of service)</i>	Improved 25%



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**“ Your services have improved downtown so much,
it's cleaner and safer. Keep up the good work!”** - Employee

THE DISTRICT MODEL & GOVERNANCE

DID is patterned after many other successful districts that exist nationwide, where studies reflect increased property values resulting from businesses and people wanting to locate in cleaner, safer, greener, and better areas. DID is 100% business led and business managed, utilizing sound business principles and the same quality and cost controls demanded by businesses when managing private properties: we provide transparency in all functions, efficiencies in procurement and implementation methods, as well as accountability. An independent audit report is delivered to the City by March 31st each year. DID is a private, stand alone, 501(c)6 organization with a wholly controlled 501(c)3 subsidiary, Minneapolis SafeZone Collaborative. DID is governed by a Board of Directors comprised of business leadership from within the district who bring a broad depth and breadth of expertise to the oversight of DID operations, as follows: a) Up to ten members representing properties paying DID service charges (the properties vary in property type, size, and location within the district); b) Up to five members representing employers in the district; and c) Up to ten members representing specific professional expertise, strategic alignments, and/or important constituent voices. The membership of the Board will change from time to time as terms are filled or expire. The membership as of July 1, 2010, was as follows:

- **PROPERTY MEMBERS:** **David Sternberg, Chair** (Brookfield Properties: City Center, Gaviidae), **Bill Chopp** (Hines Interests: Wells Fargo Center, 50 S. 6th, ING portfolio, US Bank Plaza), **Jim Durda** (Inland American Office Management: IDS Center) **Kevin Fossum** (Piedmont Office Realty Trust: US Bancorp Center), **Collin Barr** (Ryan Companies US: Capella Tower, Retek Tower, AT&T Tower, TCF Tower, Perkins & Will, W Hotel), **David Menke** (Opus Northwest, LLC: various parking lots/development sites), **Bruce Engelsma** (Kraus-Anderson Construction Company: Kraus-Anderson Corporate Headquarters), **Jean Kane** (Welsh Companies: Shinders redevelopment, International Center), **Chip Johnson** (Turnstone LLC: Pence Building and parking lot)
- **EMPLOYER MEMBERS:** **Brian Pietsch** (Ameriprise Financial), **Mike Litwin** (Target Corporation), **Brent Hanson** (Wells Fargo), **David Wright, Vice Chair** (US Bank), **David Wilson** (Accenture)
- **EXPERT MEMBERS:** **Tom Hoch, Secretary/Treasurer** (Hennepin Theatre Trust), **Rob Hall** (Hospitality Association, Chair, and The Depot Minneapolis), **Robert Anderson** (Loring Green, Resident), **Tim O'Connor** (Downtown Council, Chair, and Hays Companies), **John McCall** (University of St. Thomas/Non-Profit Property), **Russ Nelson** (Minneapolis Foundation, Board Member, and Nelson, Tietz & Hoye), **Jeff Gendreau** (Baker Tilly Virchow Krause/Finance-Audit), **Mark Hamel** (Dorsey & Whitney/Legal)

DID is managed by a small staff of professionals with expertise in real estate and project management as well as services procurement and oversight. Services are implemented via contracts with vendors. Please visit the DID website for more information about services implementation, staffing, board, committee membership, etc.

ASSESSMENT METHODOLOGY

Properties are subject to an assessment based on: a) Services that are lineal in nature, (e.g., sidewalk sweeping), are based on the lineal frontage of a property; b) Services that benefit the entire district without relationship to lineal frontage (e.g., greening) are based on the property's Gross Building Area (or land area if undeveloped) per City Assessor records; and c) in 2011, the district is divided into three service areas based on pedestrian demand, and costs are prorated to these areas accordingly. A map of the service areas, (core, standard plus, and standard) is available on the DID website. This balancing of Lineal Frontage, GBA and pedestrian demand properly addresses the relationship between the quantity of people within a building and area and the use of the DID services. Please contact DID with questions about the calculation for a specific property (or to identify the Lineal Frontage and GBA for that property).



OPEN HOUSE: OPPORTUNITY FOR Q&A

A public hearing will be held on September 14, 2010, to discuss the services and estimated budget details in this 2011 Operating Plan. Prior to the public hearing, DID will host an open house to answer questions from property owners in an informal setting. Please join us on Wednesday, September 8, 2010, 8:30-9:30 a.m., at the DID offices, 81 South 9th Street, Suite 260.

DISTRICT WEBSITE: A RESOURCE - www.MinneapolisDID.com

Please visit the DID website for more information about services; the governance board, committees, and staffing; to sign up for mailing lists; or to send us a comment. Throughout the year, we will also post on the website important notices and information about various things related to downtown.

DID CONTACT INFORMATION

For further information about this 2011 Operating Plan or DID in general, please contact us at 612.338.3807, info@MinneapolisDID.com, via fax at 612.338.0634, at Minneapolis Downtown Improvement District, 81 South 9th Street, Suite 260, Minneapolis, MN 55402 or visit www.MinneapolisDID.com.

PAYMENT PROCESS

Subject to approval of the services and service charges, the 2011 service charges will be combined with other special assessments on property tax statements issued by Hennepin County and payable in 2011.

NICOLLET MALL AND HENNEPIN THEATER DISTRICTS

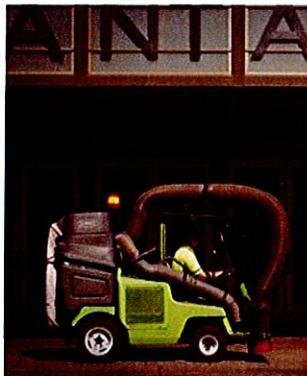
For property owners who have paid into the prior Nicollet Mall or Hennepin Avenue districts: any unspent amounts paid into existing districts will be used to offset new DID charges until the balance is eliminated. Deficits for amounts spent but not yet collected for existing district services will be handled through separate service charges until eliminated. For a schedule of credit/deficit balances remaining for specific property/s, in either of these districts, please contact the DID.

RESIDENTIAL AND NON-PROFIT PROPERTY

Residential and certain non-profit property is exempt from paying service charges for the DID (although many have opted to pay voluntarily since they also benefit from the services). If you represent an exempt property and would like to contribute and/or would like DID to present the program to your board for consideration, please contact Sarah Harris at the DID office, 612-338-3807.

AWARDS: You too can be a winner!

The Jury came in – and the results wereIn July, our Green Design and Infrastructure Committee toured downtown and juried a number of fabulous green features and spaces created by private property owners . From large scale gathering spaces to sidewalk cafes, parking lot edges, and small scale greening at building entries, these investments have elevated the experience of being in downtown. We're keeping the winners secret until they can be announced with great fan-fare at the end of the year. But remember, if you have created a fabulous public space or feature, or if you know someone else who has, be sure to let us know so we can consider it for the 2011 competition. The awards will be publicized and will inspire even more properties to create an engaging and inviting sense of place.



“What a great service – what a great City! Because of the Ambassador service, we’ll be back!”
- Visitor

2011 SERVICES PLAN AND ESTIMATED BUDGET - MINNEAPOLIS DOWNTOWN IMPROVEMENT DISTRICT

SOURCES			
Service Charges	Services Prorated to Lineal Frontage (LF)		2,235,550
Service Charges	Services Prorated to Gross Building Area (GBA)		3,988,635
Other	Non-assessment sources		74,350
TOTAL SOURCES			\$6,298,535
USES			
Service	Description	Method	+/-
Safe	Deploy Safety Ambassadors to: Patrol sidewalks as "eyes and ears" (on foot, bike, etc.); Provide greeter/hospitality services; and address aggressive behaviors (panhandling, inebriates, intimidating behavior). Implement Safezone initiatives in coordination with property owners and business owners including Bar Watch, Give Real Change, Courtwatch and Downtown 100 programs.	Allocated	2,141,340
Clean	Remove litter (ATV, pan and broom); Empty trash receptacles; Graffiti abatement from publicly owned surfaces; Scrub all streetscape surfaces including sidewalks; Pressure-wash sidewalks (as scheduled); Weed removal from sidewalks, Snow tidying on sidewalks and corner pedestrian ramps (property owners will still manage first-response snow services, DID will focus on consistency of snow removal and working with owners to make sure they meet City ordinance requirements for removal); Document and report all private property issues.	LF	1,141,225
Green	Plan, provide, install, and maintain green features in multiple locations downtown during various seasons. Serve as technical resource to property owners who want to implement greening.	GBA	600,000
Public Area Maintenance	Maintenance and repair of enhanced streetscape elements and systems. In 2011, Nicollet Mall streetscape maintenance will focus on safety issues with costly aesthetic repairs minimized while a long term renovation plan is developed and funding sources are sought.	GBA	571,500
Snow	Continue snow removal services on Nicollet Mall.	GBA	297,400
Communications	Annual report, quarterly newsletters, maps, user surveys, ratepayer database, and website, etc.	GBA	80,780
Program Mgmt	Staff and management services allocated by program type	Allocated	767,340
Administration	Rent, parking, office supplies, postage, equipment, professional services, insurance, telephone, IT, Internet, financing costs, bank fees, and other administrative expenses	Allocated	354,020
Contingency		Allocated	344,930
TOTAL USES			\$6,298,535

Some DID services may occur on private property when doing so benefits the broader area and furthers the mission of DID. Vendors will assist in determining the frequency of service required to achieve a consistent, predetermined standard throughout the district. Areas with higher pedestrian traffic or usage require greater frequency and/or faster response times. The service level areas (map available on website) have been determined, in part, based upon these anticipated response times and frequencies.

The turbulent economy gives us pause as we communicate this services plan to the DID rate-payers. As with any business, recessionary times require investing in added service to protect our competitive edge. We must remain ever-vigilant in making downtown attractive to business investment. While focusing on our goal to provide service, we will also seek competitive pricing and cost controls wherever possible. The 2011 proposed budget has increased only 1.79% from 2010 primarily due to the unionization of our Ambassadors. Costs for additional greening and other scope have been offset by reductions gained from operating efficiencies stemming from stabilized services. Each property will experience year to year variances in charges based on the ratio of its lineal and gross building area to that of the overall district. Changes to the Assessor's data for each property from year to year can also impact amounts applied. Contact the DID management office for questions about allocations to specific properties.

DID would like to thank the Operations and Services Budget Committee for their efforts in preparing this budget and providing expertise on oversight of services. These members are: **Dave Wright/US Bank (Chair), Nancy Aleksuk, Third Degree/Swervo, Larry Bick/Xcel Energy, John Campbasso/Kraus-Anderson, Dave Dabson/Piedmont, Diane Heimel/Rice Real Estate, Tom Hoch/Hennepin Theatres, Mike Litwin/Target, John Luke/Hilton, Nils Snyder/Welsh Cos., David Wilson/Accenture, and Amy Wimmer/Hines.**



“Please stay the course, keep the Ambassadors visible, and continue to make downtown a pleasant experience.”
- Visitor