

**City of Minneapolis
2013 Budget
Financial Plan**

Neighborhood & Community Relations Special Revenue Fund

Background

The Neighborhood & Community Relations (NCR) Special Revenue Fund accounts for neighborhood revitalization efforts funded by TIF district funds. It is primarily managed by the NCR department with the assistance of the Finance & Property Services Department.

In 2008, the Minnesota Legislature passed special legislation authorizing the City of Minneapolis to establish a non-contiguous redevelopment tax increment financing (TIF) district comprised of all, or portions of, the property located within the City's 15 existing pre-1979 TIF districts. The legislation provided that the new district could be (and was) certified on January 1, 2010 and must be terminated no later than December 31, 2020. This new TIF district is the Consolidated Redevelopment Tax Increment Financing District. The tax increment revenue generated by the Consolidated TIF District may be spent anywhere within the City of Minneapolis.

Pursuant to the Special Legislation, tax increment funds from the Consolidated TIF District may be expended only 1) to pay principal and interest on bond obligations issued by the City or the Minneapolis Community Development Agency ("MCDA") for Target Center; and 2) for neighborhood revitalization purposes.

Historical Financial Performance

In 2011, the City established this Fund and through 2011, the NCR portion has established a fund balance of \$2.4 million. The City decided to reduce property tax levies in 2012-2013 by using reprogrammed NRP resources (\$10 million) to fund neighborhood revitalization services for these two years.

2013 Budget

Revenues

The total revenue budgeted for 2013 is \$1.3 million; \$1.2 million of this is the result of a transfer in of reprogrammed Phase II NRP funds.

Expenditures

Expenditures from the NCR Special Revenue Fund include funding for Neighborhood Support Services and NCR Administrative costs. Total budgeted expenditures for 2013 are \$1.3 Million.

Mayor's Recommended Budget

The Mayor recommended no changes to the proposed budget for this fund. Additionally, on a one time basis, the Mayor recommended \$25,000 in one-time funding for Resident Partners.

Council Adopted Budget

Council approved the Mayor's recommendations.

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NCR Special Revenue Fund

	2011 Actual	2012 Budget	2012 Projected	2013 Budget	% Chg From 2012 Projected	2014 Forecast	2015 Forecast	2016 Forecast
Sources of Funds:								
Consolidated TIF	5,133					5,122	5,309	5,361
Transfer in- Reprogrammed Phase II NRP Funds (01SNR)		5,210	1,200	1,200	0.0%			
Transfer in- NRP Fund Interest- Post 2009 (01SNR)				104				
Total Sources	5,133	5,210	1,200	1,304	8.7%	5,122	5,309	5,361
Uses of Funds:								
Community Participation Program	2,009	4,010	836		-100.0%	3,700	3,800	3,900
Rebuilding Our Community				104				
Community Innovation Fund							300	
Reserve Fund								
2012-2013 Equity Fund			370					
Neigh. Support & Admin	680	1,200	1,200	1,200	0.0%	1,236	1,273	1,311
Total Uses	2,689	5,210	2,406	1,304	-45.8%	4,936	5,373	5,211
Net Income	2,444	-	(1,206)	-	100.0%	186	(64)	150
Fund Balance -Beginning	-	2,444	2,444	1,238		1,238	1,424	1,360
Fund Balance - Ending	2,444	2,444	1,238	1,238		1,424	1,360	1,510