

COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT

MISSION

The Department of Community Planning and Economic Development works to grow a sustainable city with more people and more jobs

As we conduct our work, we strive to be:

- Effective public servants;
- Proactive, creative problem solvers;
- Responsible stewards of public resources;
- Strategic partners with enterprise, public and private entities; and
- Respectful public administrators who are responsive to the diverse cultures and changing needs of our community.

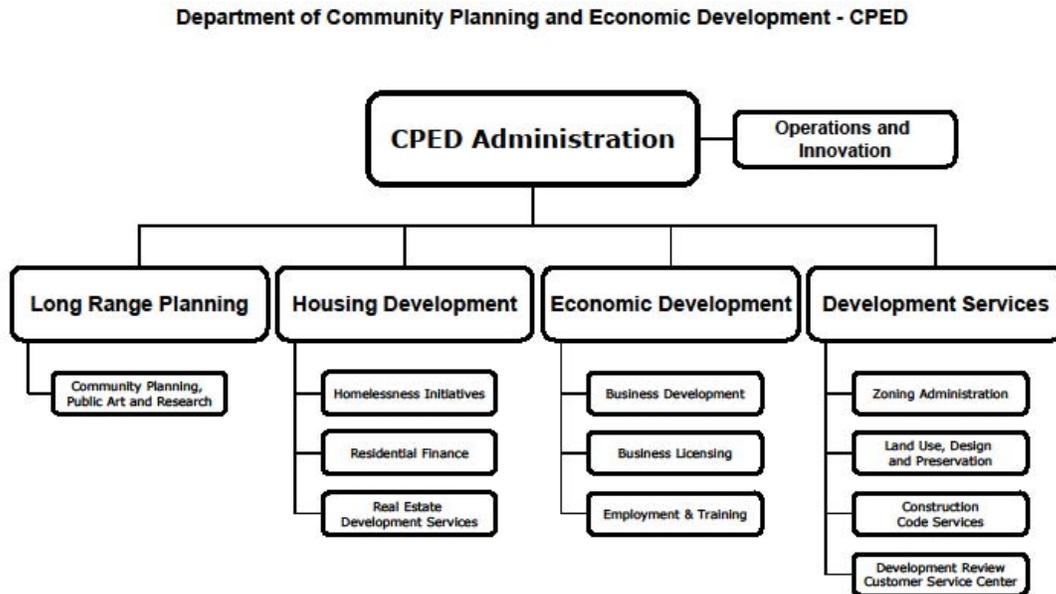
BUSINESS LINES

The Department of Community Planning and Economic Development (CPED) has five business lines:

- CPED and the **Long Range Planning division** author and maintain the City's comprehensive plan, small area plans, and strategic planning initiatives; conducts research; oversees the Public Art Program; guides public realm principles; guides development; and partners in implementation.
- CPED and the **Economic Development & Policy division** support business retention and expansion, creation and attraction in all neighborhoods, including downtown, by providing financing, programmatic and real estate development and expansion tools, and business licensing and compliance guidance.
- CPED and the **Workforce Development division** manage a network that prepares Minneapolis residents, both adult and youth, for living-wage jobs and builds partnerships to improve career opportunities in the city
- CPED and the **Housing Development & Policy division**:
 - Manage real estate investments held for development.
 - Provide due diligence inspections, engineering and closing services for real estate transactions.
 - Finance housing opportunities from single family homes to multifamily rental housing
 - Redevelops outdated, substandard and historic buildings into vibrant community assets.
 - Finance housing for special needs populations including but not limited to the homeless, senior citizens, disabled, and veterans.
 - Attract private, governmental, and non-profit housing investment to the city.
 - Establish housing policy (homeless, senior housing, affordable housing).
 - Intervene with targeted programs in areas of housing market failure in order to restore a healthy housing market, stimulate private investment.
 - Stabilize and increase the tax base and provide employment.

- Manage the city's participation in the Heading Home Hennepin to end homelessness effort.
- CPED and the **Development Services division** manage zoning administration, land use, design and preservation, customer service center for permit issuance, and construction code compliance.

ORGANIZATION CHART



Updated 7/31/13

Jobs & Economic Vitality

CPED Long Range Planning Division

General Funds: \$1,728,189
Other Fund: \$1,386,929

Long Range Planning Division has four key components:

- (1) Comprehensive Planning: this program actively aligns the City's planning, economic development, housing development, and transportation planning functions into a sustainable, regional framework for managed growth over the next generation
- (2) Research: includes Civic Technology initiative, Creative Financing and Applied Research
- (3) Art in Public Places: the six areas of regular work activity include Art in Public Places, conservation, technical assistance to other agencies, Public Art Policy, proposals for art on city property, proposals for art on private property

- (4) Qualitative Urbanism: this new initiative focuses on creating a separated design review track for CPED owned properties, creating public realm strategic plan and guidelines, establishing consistent graphic standards for Requests for Proposals and Requests for Qualifications and establishing coordinated governmental framework for all public realm improvements.

Adult Workforce Development

General Fund: \$636,581
Other Funds: \$3,586,640

The Adult Program is designed to assist low-income Minneapolis adults find and retain employment. This program consists of two distinct programs; the Adult Program (including RENEW), serving low-income Minneapolis job seekers; and the Dislocated Worker Program, serving recently laid off adults looking to return to the workforce. The services to job seekers are provided by 13 community-based agencies compete for performance-based contracts through a request for proposal process

The Adult Program including RENEW uses a network of community-based non-profits and the State of Minnesota Workforce Centers, City of Minneapolis Employment and Training and helped over 700 low-income residents find employment in 2012. Many of the clients served through the program have multiple barriers to employment, including ex-offender status, lack of consistent work history, unstable housing, low educational attainment, and/or chemical dependency issues. By customizing training for job seekers, RENEW can more easily and successfully matches applicants to employer need.

The Dislocated Worker Program fills an important need for Minnesota jobseekers and aids employers by providing a pool of experienced workers to meet future labor needs. The goal of the program is to help the dislocated worker return to the workforce quickly into a suitable job at comparable wage. This program is funded by both federal Workforce Investment Act (WIA) and Minnesota Workforce Development funds. City of Minneapolis Employment and Training contracts with DEED at the two Minneapolis Workforce Centers, HIRED, RESOURCE, Inc.'s Employment Action Center, and Goodwill/Easter Seals to provide the services.

Youth Training and Job Development

General Fund: \$647,218
Other Funds: \$2,562,352

The Minneapolis Youth Program is comprised of two distinct but well linked programs; the STEP-UP Program and the Year Round WIA Youth Program. Both programs are designed to give Minneapolis youth - specifically those from minority communities, low-income families, and youth with barriers to employment - the tools find their place within the workforce.

STEP-UP, the most recognized Minneapolis youth program, serves close to 2,000 Minneapolis youth per summer, connecting them to real and valuable summer work experiences. STEP-UP interns receive critical work readiness training prior to being placed in a summer job. This training provides the necessary skills to succeed on the job and helps position participants for further education and career success.

Supported by federal funds the Year Round WIA Youth Program provides youth with year round employment placement services. This program increases youth's long-term employability by

enhancing educational, occupational, and leadership skills. Youth must be economically disadvantaged and have at least one of the following at-risk barriers to be eligible for services: basic skills deficient, school dropout, homeless, runaway or foster child, disabled, pregnant or parenting, offender, and requires additional assistance to complete an educational program or secure and hold employment.

A Safe Place to Call Home

Homeownership Support & Development

General Fund: \$1,265,702
Other Funds: \$4,711,864

This program is designed to assist with the development and support of ownership housing. The portion of the strategy is critical to return the housing market to a more healthy condition. This program will be used to support development through rehabilitation. The main focus of the program is to provide prevention, reinvention, repositioning and property management. The major sub program include Green Homes North, Home Ownership Works, Minneapolis Advantage program, Senior Citizen Housing Initiative, Owner Occupied Rehab, Vacant and Boarded program and property management of vacant and boarded properties,

Development Services - Customer Service Center

General Fund: \$2,481,314
Other Funds: \$379,218

The Customer Service Center serves as the front door and service center for the City's consolidated development activities and focuses on consistent, streamlined customer service. It ensures high-quality development while requiring that building construction and rehabilitation projects meet the City's standards in terms of safety, livability and health & environmental sensitivity. Business Licenses, Pet Licensing and Critical Parking permits may also be obtained at this center.

Livable Communities, Healthy Lives

Affordable Housing Development

General Fund: \$1,556,161
Other Funds: \$8,983,361

This program provides necessary financing for the development or redevelopment of housing that is safe and affordable with projects that are eco-friendly and create significant construction and property management industry jobs.

Business Development

General Fund: \$5,064,679
Other Funds: \$3,880,750

CPED works with businesses to start, stay and grow in Minneapolis with the objectives of job growth, tax base growth and community vitality. This program uses a tool box consisting of:

- business and commercial real estate loans,
- sale of City-owned commercial properties,

- site selection assistance;
- business retention visits encouraging businesses to stay and grow in Minneapolis;
- guidance on navigating City systems - especially procurement opportunities and regulatory requirements;
- alerting businesses to opportunities for contracts and sales;
- business networking opportunities and business-to-business targeted introductions; entrepreneurial business consulting through relationships with;
- facilitating redevelopment grants from other governmental entities, and;
- through our Employment and Training colleagues, providing employee training and recruitment assistance.

Land Use, Design and Preservation

General Fund: \$2,580,100
Other Funds: \$935,969

This program carries out legally-mandated regulations required by the Code of Ordinances, MN statutes (including the 60-day law), and US Federal law. The ongoing work of the program is integrated to ensure that growth and change in Minneapolis (through property development and building construction) is consistent with the City’s adopted Comprehensive Plan, adopted policies, and land use and preservation ordinances and laws. The program includes six inter-related bundles of service:

- Staffing Commissions
- Administration and permit review
- Development consultation/Customer service
- Ordinance amendments
- Preservation reviews
- Environmental reviews

A Safe Place to Call Home

Business Licensing

General Fund: \$3,781,436
Other Funds: \$372,733

This program regulates business licensing for liquor establishments and over 200 other types of businesses and annually licenses 11,000 businesses and individuals. The service includes assisting business owners through various regulatory processes, license application review, background checks, and on-site facility inspections, and the collection of license fees with an annual renewal billing system.

Construction Code Services

General Fund: \$9,596,362
Other Funds: \$1,419,702

Construction Code Services (CCS) is responsible for the administration of the Minnesota State Building Code. The state mandates the administration of the building code by all municipalities in the state under the direction of a certified building official. CCS accomplishes this through its three business lines of construction plan review, construction inspections, and programs. In addition, CCS administers the requirements of Title 5 of the Minneapolis Code or Ordinances (MCO) and various other ordinances that include management of the truth-in-housing program

and the code compliance program. The administration of codes and ordinances ensures public safety and health in the built environment.

A City that Works

Pre-Development Activities

General Fund: \$823,700
Other Fund: \$55,441

This program provides funding for activities and expenses related to pre-development. As the city's development department, unpredicted catalytic development opportunities arise throughout the year. This program provides resources to engage and invest in those opportunities so that they may become a reality.

CPED Debt Service & Transfers

Other Funds: \$36,401,013

This program relates to the administration and management of certain CPED financial resources, both with external partners and between CPED funds. This program provides for the transfer of revenues necessary to pay annual debt service on bonds and other contractual obligations issued to undertake various CPED activities as well as the internal transfer of eligible revenues to finance CPED development activities.

FINANCIAL ANALYSIS

Expenditure

The total CPED's budget increased from \$87.7 million to \$94.8 million from 2013 to 2014. This is an increase of \$7.1 million, or 8%. The CPED's 2014 expenditure budget reflects the following changes from 2013:

- \$4.4 million pay down for the CDBG Letter of Credit for Block E
- \$200,000 for Grow North program
- \$185,000 for Midtown Global Market
- \$74,000 for Step-Up program
- 5 new FTEs

Revenue

In 2014, the department anticipates \$93.87 million in revenue, a 6.3% increase from 2013.

Fund Allocation

In 2014, 31.8% of the department's budget is from the general fund, or about \$30.16 million. The remaining budget comes from federal and state grants, tax increment property taxes, transfers, licenses and permits as well as other sources.

Mayor's Recommended Budget

The Mayor recommended additional ongoing funding from the General Fund to support the following efforts: \$185,000 for City support of the Midtown Global Market; \$74,000 to enhance the City's Step-Up program; \$400,000 for enhancing the City's permit and construction inspection capabilities needed due to the recent increases in construction activity; and the realignment the department's administrative services into the General Fund to allow for greater future flexibility in the utilization of development-related funds. Further, the Mayor recommended an additional one-time General Fund appropriation in the amount of \$300,000 for the Construction Code Services Division to prevent service reductions.

**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2011 Actual	2012 Actual	2013 Adopted	2014 Mayor's Recommended	Percent Change	Change
GENERAL						
SALARIES AND WAGES	1,767,088	1,638,302	9,928,843	12,676,226	27.7%	2,747,383
FRINGE BENEFITS	652,825	622,798	3,753,291	4,836,107	28.8%	1,082,816
CONTRACTUAL SERVICES	555,549	810,066	3,796,137	7,439,957	96.0%	3,643,820
OPERATING COSTS	281,606	475,625	1,168,541	2,736,982	134.2%	1,568,441
CAPITAL	38		1,387,591	2,472,170	78.2%	1,084,579
TRANSFERS	0	10,000				0
TOTAL GENERAL	3,257,106	3,556,791	20,034,403	30,161,442	50.5%	10,127,039
DEBT SERVICE						
DEBT SERVICE	2,526,028	2,493,426	2,861,682		-100.0%	(2,861,682)
TRANSFERS	648,221	675,075				0
TOTAL DEBT SERVICE	3,174,249	3,168,500	2,861,682		-100.0%	(2,861,682)
CAPITAL PROJECT						
SALARIES AND WAGES	37,734	72,359	74,046	74,447	0.5%	401
FRINGE BENEFITS	14,992	29,785	26,508	27,965	5.5%	1,457
CONTRACTUAL SERVICES	225,599	72,511	504,445	342,588	-32.1%	(161,857)
OPERATING COSTS	3,956					0
CAPITAL	700					0
TOTAL CAPITAL PROJECT	282,981	174,656	605,000	445,000	-26.4%	(160,000)
ENTERPRISE						
SALARIES AND WAGES	181,239	193,066	249,614	172,225	-31.0%	(77,389)
FRINGE BENEFITS	54,847	61,150	84,010	59,637	-29.0%	(24,373)
CONTRACTUAL SERVICES	2,378,861	2,152,182	618,783	358,259	-42.1%	(260,524)
OPERATING COSTS	24,256	6,960	18,400	6,000	-67.4%	(12,400)
CAPITAL	1,868	909	130,000	1,400,000	976.9%	1,270,000
DEBT SERVICE	24,525	15,194				0
TRANSFERS	499,224	1,381,411				0
TOTAL ENTERPRISE	3,164,820	3,810,871	1,100,807	1,996,120	81.3%	895,313
SPECIAL REVENUE						
SALARIES AND WAGES	8,055,325	7,562,315	6,025,782	3,359,973	-44.2%	(2,665,809)
FRINGE BENEFITS	2,294,348	2,208,992	2,101,802	1,252,873	-40.4%	(848,929)
CONTRACTUAL SERVICES	32,638,565	26,016,601	20,036,860	19,167,493	-4.3%	(869,368)
OPERATING COSTS	3,804,055	3,764,710	2,910,241	1,124,414	-61.4%	(1,785,827)
CAPITAL	41,543,665	52,069,073	20,761,497	17,660,182	-14.9%	(3,101,316)
DEBT SERVICE	0		108,574	107,311	-1.2%	(1,263)
TRANSFERS	20,814,387	23,566,042	11,194,302	19,562,608	74.8%	8,368,306
TOTAL SPECIAL REVENUE	109,150,344	115,187,733	63,139,058	62,234,852	-1.4%	(904,206)

**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2011 Actual	2012 Actual	2013 Adopted	2014 Mayor's Recommended	Percent Change	Change
TOTAL EXPENSE	119,029,499	125,898,552	87,740,950	94,837,414	8.1%	7,096,465

REVENUE	2011 Actual	2012 Actual	2013 Adopted	2014 Mayor's Recommended	Percent Change	Change
GENERAL						
CHARGES FOR SALES	0	0	1,000	37,000	3,600.0%	36,000
CHARGES FOR SERVICES	369,895	558,801	696,000	3,446,000	395.1%	2,750,000
FINES AND FORFEITS	0	0	163,000	127,000	-22.1%	(36,000)
LICENSE AND PERMITS	777,426	1,086,271	23,892,410	27,542,000	15.3%	3,649,590
OTHER MISC REVENUES	1,173	29	21,000	2,250,000	10,614.3%	2,229,000
SPECIAL ASSESSMENTS	17,156	96,197	7,000	7,000	0.0%	0
GENERAL	1,165,650	1,741,298	24,780,410	33,409,000	34.8%	8,628,590

SPECIAL REVENUE						
CHARGES FOR SALES	1,251,103	1,830,120	0		0.0%	0
CHARGES FOR SERVICES	9,545,193	8,752,818	1,518,000		-100.0%	(1,518,000)
CONTRIBUTIONS	21,144	104,562	0		0.0%	0
FEDERAL GOVERNMENT	20,349,814	13,798,261	4,867,961	4,826,773	-0.8%	(41,188)
FINES AND FORFEITS	0	0	37,690	177,000	369.6%	139,310
INTEREST	820,456	672,089	140,292	191,076	36.2%	50,784
LICENSE AND PERMITS	0	0	241,000	241,000	0.0%	0
LOCAL GOVERNMENT	503,741	2,072,174	0		0.0%	0
OTHER MISC REVENUES	6,455,138	11,016,326	3,944,800	4,606,000	16.8%	661,200
PROPERTY TAXES	56,735,079	50,833,890	38,328,897	41,699,902	8.8%	3,371,005
RENTS	4,439,021	4,171,800	3,269,506	2,802,220	-14.3%	(467,286)
SALES AND OTHER TAXES	293	293	0		0.0%	0
SPECIAL ASSESSMENTS	0	0	82,000	82,000	0.0%	0
STATE GOVERNMENT	12,241,527	17,149,107	2,100,000	2,100,000	0.0%	0
TRANSFERS IN	6,528,286	9,942,971	4,891,811	2,885,705	-41.0%	(2,006,106)
SPECIAL REVENUE	118,890,794	120,344,410	59,421,957	59,611,676	0.3%	189,719

CAPITAL PROJECT						
OTHER MISC REVENUES	0	0	0	445,000	0.0%	445,000
TRANSFERS IN	360,000	175,000	605,000		-100.0%	(605,000)
CAPITAL PROJECT	360,000	175,000	605,000	445,000	-26.4%	(160,000)

DEBT SERVICE						
INTEREST	126	129	0		0.0%	0
TRANSFERS IN	3,280,203	3,090,044	2,861,682		-100.0%	(2,861,682)
DEBT SERVICE	3,280,329	3,090,173	2,861,682		-100.0%	(2,861,682)

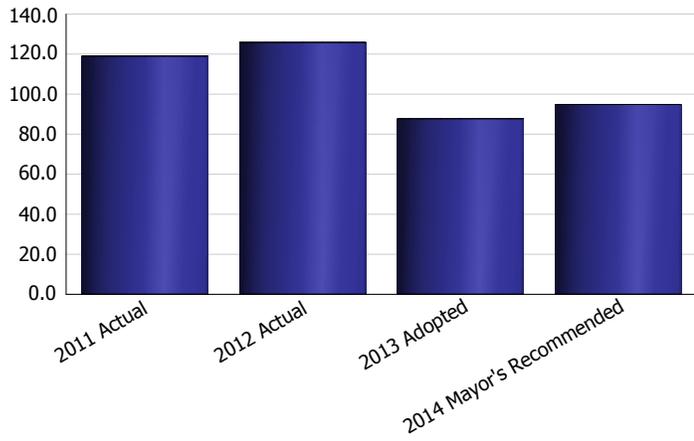
ENTERPRISE

**COMMUNITY PLANNING & ECONOMIC DEVELOPMENT
EXPENSE AND REVENUE INFORMATION**

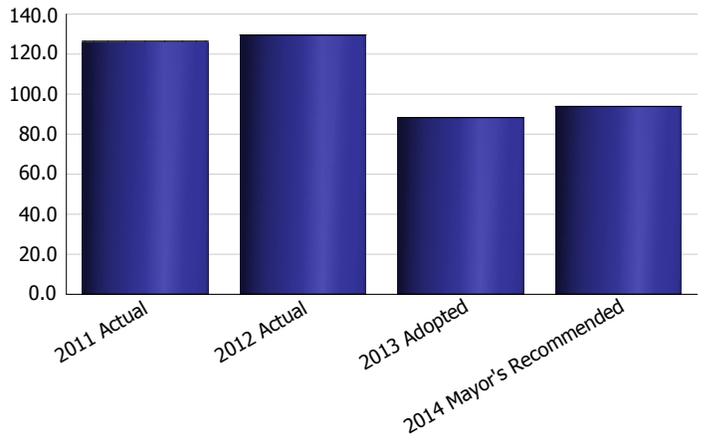
REVENUE	2011 Actual	2012 Actual	2013 Adopted	2014 Mayor's Recommended	Percent Change	Change
CHARGES FOR SALES	5,000	0	0		0.0%	0
CHARGES FOR SERVICES	2,199,348	3,458,875	0	400,000	0.0%	400,000
INTEREST	191,718	44,888	0		0.0%	0
OTHER MISC REVENUES	0	0	625,000		-100.0%	(625,000)
RENTS	275,000	275,000	0		0.0%	0
TRANSFERS IN	0	400,000	0		0.0%	0
ENTERPRISE	2,671,066	4,178,763	625,000	400,000	-36.0%	(225,000)
TOTAL REVENUE	126,367,839	129,529,645	88,294,049	93,865,676	6.3%	5,571,627

COMMUNITY PLANNING & ECONOMIC DEVELOPMENT EXPENSE AND REVENUE INFORMATION

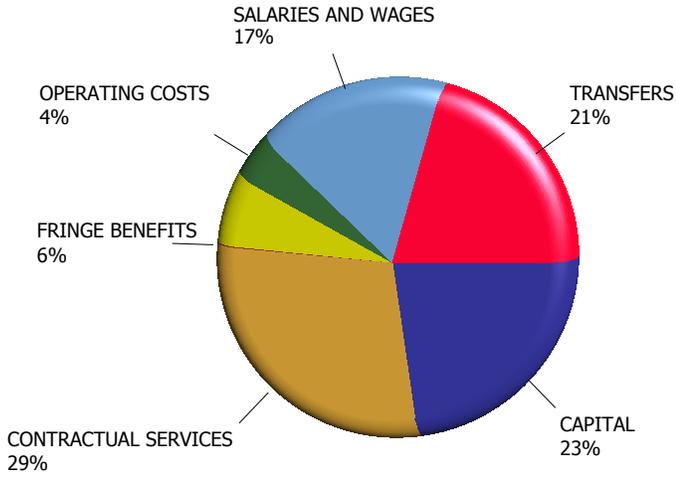
Expense 2011 - 2014
In Millions



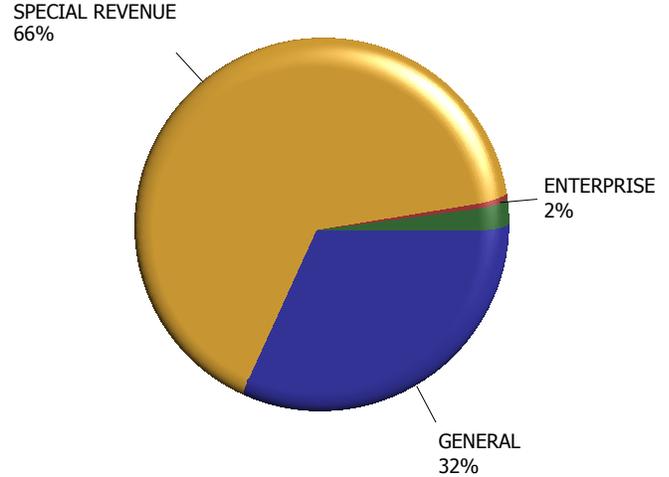
Revenue 2011 - 2014
In Millions



Expense by Category



Expense by Fund



COMMUNITY PLANNING & ECONOMIC DEVELOPMENT

Staffing Information

Division	2011 Budget	2012 Budget	2013 Budget	2014 Mayor's Recommended	% Change	Change
TOTAL CPED	124.00	116.79	224.80	229.99	2.3%	5.19
Overall	124.00	116.79	224.80	229.99	2.3%	5.19

Positions 2011-2014

