

Framework for the Future

Options for the focus, funding and governance of
NRP Program and Action Plan activities after 2009

Report to the City Council Committee of the Whole
December 20, 2007

Report of the **NRP Work Group**:

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On November 2, 2007, the City Council created an NRP Work Group to “facilitate decision-making relative to Tracks 2 and 3 of the work plan for Community Engagement System Improvements and Related Neighborhood Revitalization Program (NRP) Decisions.” The NRP Work Group was charged with establishing a City position on:

1. a proposed administrative structure to support community engagement activities;
2. expectations of services community or neighborhood organizations would provide through citizen participation contracts; and
3. extending or not a formal program of using discretionary funds for community-initiated projects.

The NRP Work Group met nine times over the course of eight weeks. The Work Group began by identifying each member’s interests related to the continuation of the Neighborhood Revitalization Program (NRP) and outlining a program to address those interests. The framework presented here represents broad agreement on the outlines of a structure for the continuation of the NRP beyond 2009 and its connection to the broader community participation work of the City.

The NRP Work Group’s interests created a focus on five broad themes:

- A. Support the Administrative Needs of Neighborhood Organizations and Help to Build the Capacity of Neighborhood Organizations
- B. Strengthen the Relationship between City and Neighborhood Activities
- C. Create a Neighborhood Investment Fund
- D. Identify and Commit Sources of Funding
- E. Update the NRP Governance Structure

The Work Group’s shared interests for each of these themes are detailed at the end of this report. The Work Group found broad agreement around these themes. The members of the Work Group agreed that:

- the City must provide enhanced administrative funding to neighborhood groups;
- neighborhoods need access to and control over some amount of discretionary funds through a new Neighborhood Investment Fund; and
- the City must reorganize its own administrative structure to provide better support to community participation efforts.

Taken together, the NRP Work Group's recommendations will preserve neighborhood groups' autonomy, provide additional resources to support the administrative needs of neighborhood groups, provide for discretionary funding for neighborhood groups, restructure the City's organizational structure to create a greater focus on community participation, create more resident oversight of the City's community participation efforts, and provide for a greater alignment of neighborhoods' visions and City goals and processes.

Administrative Funding to Neighborhood Groups

The NRP Work Group unanimously agreed that regular, committed funding is essential to sustain capacity at the neighborhood level. This is a basic city service for which the City will provide funding of approximately \$2,000,000 per year.

Discretionary Funding for Neighborhood Groups

The NRP Work Group unanimously agreed that a Neighborhood Investment Fund (NIF) should be established to provide dedicated funds to neighborhood organizations (over and above administrative support). There should be flexibility in the use of these funds to allow neighborhoods to address unforeseen needs and to meet the specific needs of each neighborhood.

The NIF would have two components:

- Funding allocated by neighborhoods to help address neighborhood-identified priorities
 - ◆ Funds would be available to all neighborhoods
 - ◆ Allocations would be made to all participating neighborhoods based on an allocation formula
 - ◆ Each neighborhood would determine the use of its funds based on plans that they produce and are approved by the neighborhood, the Community Participation Governance Board (see page 3) and the City
- Funding allocated competitively for specific projects
 - ◆ Funding would be provided annually based on the City's annual budget and other funds raised
 - ◆ Funds would be available to any neighborhood
 - ◆ Neighborhoods that apply to receive funds from the pool would compete with each other through an RFP process
 - ◆ The City and the Community Participation Governance Board would establish the project areas to be funded and the amounts available
 - ◆ The Community Participation Governance Board would make the grant awards

Funding for the Neighborhood Investment Fund may be expanded or reduced based on the availability of funds. The City's ability to provide funding for the Neighborhood Investment Fund, to a great degree, depends on the actions of others (primarily the

State Legislature and other taxing jurisdictions). Other funding sources potentially include grant funds and participation by state, county, and federal governments.

Proposed Organizational Structure

The NRP Work Group also agreed on the broad outline of an organizational structure for the management and oversight of the Neighborhood Revitalization Program and the City's other community participation activities.

The structure proposes to create a new resident-controlled Community Participation Governance Board to oversee both the NRP and the City's community participation efforts, which are combined into a new Community Participation Division under the City Coordinator.

The City will provide funding of up to \$1,000,000 per year for Community Participation Division staffing (both community participation and NRP) to support these activities, after 2009.

It must be noted that NRP Director Miller disagreed with the majority of the NRP Work Group on the hiring and supervision of the Community Participation Division Director. Mr. Miller argued that the director should be hired and supervised by the Governance Board, rather than by the City Coordinator.

Community Participation Governance Board

A newly-created Community Participation Governance Board (CPGB) would comprise representatives directly elected by neighborhood groups, representatives appointed by the City Council and Mayor, and representatives appointed by the other members.

The Governance Board would:

- ♦ oversee how the City is working with neighborhoods, including implementation and integration of NRP Neighborhood Action Plans;
- ♦ hold the City's administrative structure accountable;
- ♦ recommend improvements to City's community participation policies, delivery of services and decision-making processes
- ♦ help to design an enhanced community participation program;
- ♦ implement meaningful reform that systematizes community input into City processes;
- ♦ implement the recommendations of the Community Engagement Task Force;
- ♦ provide feedback to City departments on their community participation work
- ♦ oversee administration and implementation of NRP, including administration of Neighborhood Investment Fund (ensure funds are allocated properly and decide on competitive allocations)
- ♦ oversee distribution and use of administrative funds

Community Participation Division

The Director and Program Staff (including City community participation staff and NRP staff) below would comprise a new Community Participation Division within the City Coordinator's office. The Division would focus on:

- ♦ community participation within the City—help to redesign City processes to more directly incorporate community input earlier;
- ♦ implementation of a new, enhanced Citizen Participation Program to include neighborhood group administrative funding contracts; technical support to neighborhood organizations (networking, web, grant-making); and assistance to neighborhood groups in navigating through City departments;
- ♦ NRP staff support to neighborhoods;
- ♦ accessibility to the City— including Limited English Proficiency (LEP) issues and Americans with Disabilities Act (ADA) compliance

Funding Options

Administrative Funding

The NRP Work Group agreed that the administrative funding for neighborhoods (approximately \$2,000,000) and the City's administrative costs to support this new structure (up to \$1,000,000) is a basic City service for which it is the City's responsibility to provide the necessary funding.

Funding options within the City's control that should be explored to fund these costs include, but are not limited to:

1. Allocate a larger portion of the City's annual CDBG revenues to neighborhood funding
2. Reallocation of City's current community engagement costs
3. Use interest earnings from Legacy Fund

Neighborhood Investment Fund

The NRP Work Group recognized that the City's ability to provide funding for the Neighborhood Investment Fund (NIF) is not fully within the control of the City. Rather, the City's ability to provide adequate funding to the NIF will depend on the actions of others (primarily the State Legislature and other taxing jurisdictions). Other funding sources potentially include grant funds and participation by state, county, and federal governments.

The NRP Work Group discussed a variety of funding options for the NIF. The following is not a comprehensive list of options, and those options on the list may not be feasible. The NRP Work Group is not endorsing any of these options, but it does recommend that they be explored. All of these options are not fully within the City's control.

1. Extension of pre-1979 TIF Districts
2. Request that the State remove the LGA reduction related to the decertification of tax increment districts
3. Target Center debt relief
4. Extend the current Real Estate Transaction Fees and dedicate a portion of those fees to neighborhood funding
5. Increase the current Mortgage and Deed registration fees and dedicate a portion of those fees to neighborhood funding
6. Establish a County-wide tax for neighborhood and community revitalization
7. Secure grants and long-term funding commitments and relationships with major local or national companies and foundations
8. Seek participation from other units of government (county, state and federal)

Next Steps

This report will be distributed to neighborhood groups and other key stakeholders in early January 2008. Input will be gathered during the first quarter of the year through a variety of methods. City officials also will brief the City's legislative delegation and other jurisdictions during this time. The NRP Work Group will continue to meet to review the input received and to refine the proposal based on this input.

Themes and Shared Interests

As stated above, the NRP Work Group began its discussions by identifying each member's interests related to the continuation of the Neighborhood Revitalization Program. These interests focused on five broad themes. These themes and the Work Groups' shared interests are presented below.

A. Support the Administrative Needs of Neighborhood Organizations and Help to Build the Capacity of Neighborhood Organizations

Shared Interests:

1. Neighborhood groups are autonomous organizations.
2. Ongoing support is necessary to maintain capacity.
3. We need to help build the capacity and leadership development of neighborhood groups through training and educational opportunities.
4. We need to encourage and support the involvement of diverse populations in neighborhood organizations.
5. Create, support and maximize opportunities for the empowerment of residents. (More people will be involved if they feel they have some control.)
6. The City should enhance its professional support to neighborhoods from City staff (i.e., area planners, Public Works/Traffic, Police, Inspections, etc.). Teams of City staff should be explored.
7. Alternative methods and models for involvement should be encouraged and taught.

B. Strengthen the Relationship between City and Neighborhood Activities

- Improve the Integration of City and Neighborhood Activities
- Create a Structure within the City to Support Neighborhoods

Shared Interests:

1. Increase efforts to integrate neighborhood priorities and plans into City plans, goals, programs, projects, and activities. Priorities or programs supported by many neighborhoods should be considered for adoption as citywide goals, guidelines, principles, programs or activities.
2. Increase efforts to integrate City plans, goals, programs, projects, and activities that impact neighborhoods into the priorities and plans of neighborhoods.
3. Expand efforts to inform neighborhoods and residents about current City goals, processes, policies and services.
4. Increase efforts to expand collaboration and coordination between neighborhoods and between neighborhoods and local government jurisdictions, departments of the City, non-profits, and community-based organizations.
5. Improve responsiveness of City to neighborhood plans, projects, programs and activities.
6. Strengthen the direct relationship between the City and neighborhoods.
7. Create a structure within the City to support neighborhoods.

8. Ensure that the services currently performed by NRP staff (e.g., plan development support, contract development and management, etc.) continue to be performed in a cost effective and efficient manner

- Improve City Service Delivery

Shared Interests:

1. Find new ways of doing business and encouraging creativity and innovation (e.g., demonstration projects and employee suggestions for improvement).
2. Increase professional support to neighborhoods from the City (i.e., area planners, Public Works/Traffic, Police, Inspections, etc) and consider creating staff teams to support and collaborate with neighborhoods (also noted in A above).
3. Establish systemic and consistent expectations of City employees.
4. Provide training to City staff about neighborhoods, their history and organizations. This training should also include reviews of approved neighborhood action plans.
5. Work with NRP and neighborhoods to include a “City Department” orientation as part of a training curriculum.

C. Create a Neighborhood Investment Fund

Shared Interests:

1. There should be some funding for neighborhood activities (discretionary funding) over which neighborhoods have control.
2. Funding should be flexible to allow for shared priorities (money for neighborhood priorities and City priorities).
3. Access to resources needs to be universal (available to all neighborhoods), but funding does not need to be equally divided; allocations should be need-based and consider other sources that are available.
4. Ensure accountability (while recognizing neighborhood organizations’ independence) by monitoring financial and contractual activities generated by program funding.
5. There should be flexibility in the use of funds to address unforeseen needs in the future and to reflect the specific needs of each neighborhood.

D. Identify and Commit Sources of Funding

Shared Interests:

1. The method and sources of funding must be consistent with the City’s adopted budget principles.
2. Every effort should be made to identify and commit funding source(s) that are stable, predictable and available for a significant period of time.
3. Every effort will be made to develop a legislative agenda that addresses neighborhood needs, stabilizes future funding for neighborhood initiatives, and can be supported by the City, NRP and the neighborhoods

E. Update the NRP Governance Structure

Shared Interests:

1. Modify the NRP governance structure so that it recognizes financial contributions as a basis for membership on the governing board.

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