

Summary of Findings

August 11, 2015 (revised, September 1, 2015)

Background

On November 17, 2014, the Minneapolis City Council directed NCR staff to:

“engage neighborhood associations and the NCEC in developing policy and procedural recommendations for the Council which would establish guidelines for allowable balances of unspent NRP fund allocations and require any neighborhood association not meeting those guidelines to develop a plan with specific timelines on how they will use those funds, as well as developing reporting and monitoring procedures for the deployment of these resources.”

NCR staff distributed a survey in April 2015 to gather initial input from neighborhood leaders on possible guidelines. After drafting a set of guidelines, NCR staff distributed the draft to neighborhood organizations for a 45-day review and comment period between May 13 and June 26, 2015. The following summaries are based on responses to an online survey of neighborhood organization leaders, and comments in response to a 45-day review and comment period.

This document consolidates responses to both the survey and the 45-day review and comment period.

Methodology:

- NCR prepared a survey for neighborhood organization leaders to gather their input and ideas on key elements of the draft guidelines.
- The survey included nine questions covering basic elements of the draft guidelines.
- Beyond answering the questions from a list of proposed solutions, or responses, the neighborhood leaders also were able to comment on each question with any concerns, suggestions, reasoning, or further questions.
- The comments received from the survey have been compiled and analyzed in order to better understand and address common areas of concern, agreement, and disagreement from the various neighborhood leaders.
- 84 individuals participated in completing the survey, and provided more than 270 written comments within the survey.
- NCR distributed copies of guidelines to neighborhood organizations for a 45-day review and comment period, and received feedback from 16 neighborhood organizations.
- Survey responses and comments were reviewed and analyzed for this report.

Overview

Comments indicate that there is no clear consensus regarding review of neighborhood NRP fund balances at a seven year mark. A number of comments indicated support for a review process at seven years following approval of a neighborhood’s NRP plan, while others expressed support for a longer time period. A few recommended a shorter time frame. Some comments indicated confusion about what would occur at seven years, with an underlying assumption that funds would be taken away from a neighborhood organization at seven years (rather than just a review of the status, as in the guidelines).

Many respondents were vocal that their NRP investments were intended as long-term investments that often were contingent on action's by other agencies (such as streetscape projects or housing development opportunities). Many of these commenters also noted that there was no original timeline proposed or required as a condition of approval of NRP plans.

Questions were raised regarding program income coming back to neighborhoods. There was uncertainty about how they would be able to expend their funds, in totality, in the given time frame if they are receiving a continual return on their loan programs.

There was nearly universal support by respondents for providing waivers for extenuating circumstances out of the neighborhood organization's control. Some examples included streetscape projects or housing developments typically implemented by the City (or other agencies) rather than the neighborhood organization. Others stressed the need for patience when neighborhoods were seeking to leverage funds in pursuit of greater development opportunities (such as along Lowry Avenue).

Several commenters provided suggestions regarding alternative methods to ensure expenditure of funds without placing a time limit on use of NRP funds. Some respondents suggested reassessing neighborhoods individually after seven years, or more, to check on the progress of their plans and their current funds (which is consistent with the proposed guidelines).

Survey respondents were divided over the issue of what should occur if a neighborhood was not spending funds within a required time period, and as many respondents indicated support for as opposition to reallocation from one neighborhood to another. One commenter suggested reallocating to nearby neighborhoods.

Summary of Findings:

SECTION I: LONG-TERM NRP PLANNING

Many respondents commented that some neighborhood organizations used funds at a slower rate over a longer period of time to thoughtfully address a greater amount of issues and needs, and to serve a larger amount of people throughout several years; as a result, they were not in favor of the seven-year limit. Participants noted that neighborhood plans were developed with the intent of having long-term impact, to leverage return on funds, and that they successfully encouraged additional long-term investments. They expressed concern that they would now be penalized for their care in investing funds strategically for long-term returns.

Many of their initial plans were made with the mindset and understanding that they should be conscious and cautious with their spending, as well as to create plans that addressed issues that may have taken a much more extended amount of time, thus influencing how and when they spend their funds. These participants argued that setting deadlines for use of NRP funds would unfairly punish neighborhoods that did thoughtful planning, and would result in foolish spending of funds.

See Appendix A: Comments on Long-Term NRP Planning

SECTION II: CHALLENGES AND CHANGING CONDITIONS

Many respondents noted changing conditions within the neighborhood can slow down expenditures. Examples included changes in volunteers and new board members, as well as relationships with outside partners that have impacted their ability to expend funds quickly. While recognizing the importance of expending funds, they also noted the need for flexibility due to continuous growth, development, and changes in their neighborhoods in terms of needs, issues to be addressed and general neighborhood

priorities. They also commented that neighborhood organizations felt a need to check with the community before making changes to their plans.

Some commenters also expressed that the volunteer nature of their organizations also has an effect on the rate of production in regards to the plans. For many of the neighborhoods, the volunteers base shifts frequently and priorities of the volunteers, and board members, such as other jobs and family, impact the time frame of the work.

See Appendix B: Comments on Challenges and Changing Conditions

SECTION III: PLAN REVIEW/REASSESSMENT AT SEVEN YEARS

Respondents generally (but not universally) supported the idea of a neighborhood review of NRP plans at the seven year anniversary of approval of their Phase II plan, while identifying the importance of providing flexibility. There was concern among some respondents that a seven year requirement would be unfair to smaller volunteer run neighborhood organizations. Many expressed concern about imposing a timeline of seven years (or any time limit) after the fact. Some proposed alternative timelines for a review and reassessment, mostly advancing ten-years as a preferred option, with a few supporting early and more frequent reviews.

See Appendix C: Comments on Plan Review/Reassessment

SECTION IV: INDIVIDUAL NEIGHBORHOOD REVIEW

Most participants noted that each neighborhood is different and faces different conditions and issues. As a result, neighborhoods should be reviewed independently, taking into account the different goals and conditions of that neighborhood.

See Appendix D: Comments on Individual Neighborhood Review

SECTION V. TIME ALLOWED FOR PLAN REVIEW

Several commenters stated that a reasonable time frame for plan review and reassessment would be one year. It was expressed that this time frame would allow for proper meeting time amongst the neighborhood boards and resident input and feedback on any plan changes.

There were some commenters who stated that a time frame for review should be neighborhood specific and that perhaps putting a time frame around review and planning could impact the process of neighborhoods planning with respect to the residents and their needs. Also, some concern was stated over the lack of remaining administrative funds for some neighborhoods to conduct this review process.

Several noted that NCR should commit additional staff resources to assist neighborhoods that may have capacity issues.

See Appendix E: Comments on Time Allowed for Plan Review

SECTION VI: THRESHOLDS

Respondents were asked how much of the NRP funds should be contracted or expended at the seven-year anniversary of their Phase II plans. There was no clear consensus, but several suggested lower thresholds than proposed in the draft policy (95% contracted/85% expended).

See Appendix F: Comments on Thresholds

SECTION VII: REALLOCATION OF NRP FUNDS

Respondents were split on the issue of reallocating funds if a neighborhood was unable to develop a plan for reaching the thresholds. Many noted that a neighborhood organization's capacity should also be considered before reallocating funds. Several expressed concern that reallocation of NRP funds would lead to tensions between neighborhoods.

See Appendix G: Comments on Reallocation of NRP Funds

SECTION VIII: PROGRAM INCOME

Respondents mentioned that program income, such as repayment of housing loans, would only serve to increase the amount of funds held for that neighborhood. A question arose about how the program income could be expended within the given time frame if program income is still coming back from these loans? This question created uncertainty for some in providing feedback for the question of the implementation of the seven-year frame.

See Appendix H: Comments on Program Income

SECTION IX: WAIVERS

A common point of agreement was that outside circumstances, such as the schedules and agendas of the city departments, contracts and communications with those connected to the plans outside of the community, influenced how much could be done in a given time period. Commenters expressed that when it came to certain projects, such as housing ventures, much of the timeframe of completion was out of their control. Also, with larger projects, given the amount of time taken to complete the work, the expenditure would be slower, happening over a longer period of time.

There was also mention of neighborhood board turnover and changes as having effects on the time frame in which the organizations works. With board members changing, volunteer numbers shifting, along with outside priorities and engagement of these members and volunteers, more time is necessary for the implementation of plans.

See Appendix I: Comments on Waivers

SECTION X: ROBUST COMMUNITY ENGAGEMENT

Some respondents questioned the thresholds for survey responses provided in the Guidelines, that the survey rates seemed too high. Otherwise, there was little specific response to the recommended guidelines for Robust Community Engagement.

See Appendix J: Comments on Robust Community Engagement

SECTION XI: NEIGHBORHOOD ACCOUNTABILITY

Some suggested that neighborhood organizations should plan and commit to expending their funds within this time frame and not doing so would be irresponsible. If neighborhoods were not expending their funds within seven years, some commenters suggested that their funds should be withheld until a clear plan and time frame for expenditure was set. Others suggested that there should not be a time limit, but if a neighborhood is not expending funds, the issue should be addressed by NCR.

See Appendix K: Sample of Comments on Neighborhood Accountability

SECTION XII: CITY AND NCR ACCOUNTABILITY

Several commenters were vocal in expressing the need for accountability and support on behalf the City and NCR specifically. Respondents expressed concerns that the proposed policy may be punitive in nature, or represents an attempt by the City to take back NRP funds. Several cited barriers or delays caused by changing City policies or lack of support by the City for implementation. Many respondents stated concern about lack of communication and actual involvement between City departments and the neighborhoods themselves, contributing to lack of understanding and support of the plans of the neighborhoods. There was suggestion of educating neighborhoods on long-term planning, NCR staff being more involved with checking in with neighborhoods, timelier notification of any changes regarding NRP funds, and more transparency on behalf of the City and its departments.

See Appendix L: City and NCR Accountability

OTHER COMMENTS

Respondents provided additional comments, such as questioning the need for this policy, and expressing concern that pushing neighborhood organizations to expend funds quickly would result in poorer decision making.

See Appendix M: Other Comments

Appendix A: Comments on Long-Term NRP Planning

- The fact is those neighborhoods [that] planned smartly for their people to be able to continue to assist them for a long time will be penalized for their wisdom and care.
- There is also an expectation that the neighborhoods should use tools that revolve the funds so that they will be solvent for projects going forward. Any use proposed to use up the money is counter intuitive.
- Many neighborhoods are frugal and wish to keep money available for projects for years to come and for the next generation of leaders. We were told that we should be cautious with our funds and did so.
- Many neighborhoods are trying to use their funds to address problems that took far longer than seven years to form.
- At times, it might be most strategic to hold onto funds for development. Groups may have decided to hold funds until developers were ready to collaborate with the neighborhood.
- This should not be a race to spend every last dime just to spend it. What is wrong with savings and careful thought and waiting for changing circumstances to dictate expenditures?
- We view our NRP funds as a great opportunity to impact neighborhood priorities, and one that is unlikely to be duplicated in the short-to-medium term. We want to use these unique funds carefully. In all our strategy areas, e.g., parks or crime and safety, we count on a volunteer(s) with a strong interest in the area to lead the effort. If we don't have strong volunteer leadership for a strategy, in some cases we will conserve funds for it until we recruit that leadership. (Lynnhurst)

- When NRP Phase I and Phase II funds were approved for neighborhoods through their individual Action Plans, there was not an expectation set up front that the funds would be used within a certain time frame. With that in mind, many neighborhoods reserved funds for future long term planning projects...Seven years is a short term spending goal as compared to the longer term goals and plans of many neighborhoods. (Kenny)
- In the world of development and investment, seven years is a relatively short time. I know that there are projects in the Holland neighborhood that have been unfolding and will continue to unfold for a long time - the Green Campus and Holland Commons, goals as laid out in the Holland Small Area Plan, improvements to our housing stock, and a newly undertaken bicycle infrastructure initiative surrounding the Great Northern Greenway come to mind... As long as a neighborhood is showing intentional and wise planning and strategic investment of its NRP dollars, I do not believe there should be deadlines to spend down nor contract said funding. (Holland)

Appendix B: Comments on Challenges and Changing Conditions

- It's important to be seeking neighborhood input; needs & priorities can change in 7 yrs. time & it's important to reflect the neighbors' opinions in the spending of the funds.
- Neighborhoods should make every effort to spend the funds, but over time neighborhood make up and needs do change so some flexibility is needed.
- Priorities change, staff changes, the process can be confusing.
- As noted neighborhood makeup, needs and values can change as can neighborhood organizations. Neighborhood input on using available funding is always needed to be sure that whatever use the funds are put, the use is in line with neighborhood needs, wants or activities.

- These are volunteer positions that may not allow for projects to be done at a fast rate.
- Too many variables enter into the implementation of these plans to reasonably expect expenditure within seven years: board turnover, tenuous partnerships with other organizations, loss of outside partnership funds, lack of volunteers to implement all aspects of the plan simultaneously or near simultaneously, etc.

- Our situations and available volunteer base with the necessary skill sets to do these things vary wildly. Each neighborhood [is] highly unique. One size doesn't fit all and is totally unfair.
- Some neighborhoods have staff and can expedite funds faster some run on volunteers and work at slower paces.
- Neighborhoods are organized largely around volunteers, and with the disruptions of the Great Recession, we've seen lots of our time spent in simply trying to keep up with changes in our neighborhoods: businesses failing, home foreclosures and massive new development.
- Sometimes there can be capacity issues in getting things done...things change, people move, family and work issues take precedence. There should be a process to help neighborhoods who can't meet the due dates.
- Between the somewhat limited capacity of an all-volunteer board and part-time staff and the need to oftentimes seek outside partners and/or grant funding to help support these initiatives, the work sometimes goes slowly. (Holland)
- If a neighborhood has not passed an NRP Phase II Plan or is not expending funding the NCR department should take this as a signal that there is a problem and work with the existing neighborhood group to remove the impediments to making the expenditures. If the issue is a lack of board membership, NCR community outreach specialists should be put to work in encouraging the rebuilding of the organization. (Columbia Park)
- With the demographics of our neighborhoods changing, it's good to know what the people who live here now want from their neighborhood organizations, instead of relying on a plan that was written 10-15 years ago.

Appendix C: Comments on Plan Review/Re-assessment at Seven Years

- Some neighborhoods don't need any time but many will lose the carefully crafted plans that would have carried them into a stronger future. Some of the weakest neighborhoods who struggled the most will see their money given away to those who out organized them, who had greater administrative knowledge depth among their people.
- We fail to see the reason why neighborhoods should have to conform to a timeline. Why, if the city has already committed funds to the neighborhood, should said funds be put at risk? (Beltrami)
- Neighborhood organizations with the support of their director volunteers should have plans drafting how to [strengthen] their community assets and reach out and partner with other organizations.
- Conducting some kind of modified neighborhood review process makes sense...there needs to be good assistance from knowledgeable NRP staff to assist with this planning process and organizations need to be allowed to spend funds to complete the process.
- [If a project] is no longer needed or no longer timely...they [the neighborhood organization] can then ask to do a plan mod.
- There is probably some value in asking neighborhood organizations to account for progress in the implementation of their plans. It does seem that a follow-up accounting of this kind should be limited to organizations that do not seem to be making progress in implementing their plans.
- Knowing that situations may change, the plan should be re-assessed at the 7 year mark if the funds are unspent and updated accordingly.
- All NO's should be required to review plans after seven years regardless of amount of funds spent.
- A plan review on some level after 7 years is a good idea.
- With the 7 year line in the sand, it does force neighborhoods to review plans, available funding, and spending activity which should be done annually anyway.
- Plan [review] every 7 years is a good idea. It does not mean they have to redo completely, though.
- Perhaps all should review their plans after seven years, but not with an eye toward the seven year shakedown, rather just because it makes sense to review their plans after that long.

- 7 years should be a line in the sand - not a hard and fast time line. If there is a need to go beyond 7 years, there should be documented reasoning as to why and what the next line in the sand will be.
- I do not agree that seven years is an appropriate timespan during which to mandate that neighborhoods must have their NRP funds and program income 95% contracted and 85% spent down (or request a waiver or re-do their plans), especially as there has been no timeline specified as neighborhoods have completed plans. (Holland)
- I think the funding should be allocated, contracted or earmarked IF and when possible in approx. 7 years. But there MUST be flexibility because of items noted previously. Also, the 7 year time frame should start from now not from some point in time in the past. Some neighborhoods got Phase II funding later than others.
- NENA will reach the 7-year mark in 2017 and while we're optimistic that programs will be implemented soon, expending 85% by 2017 or 2018 is beyond our reach. We hope to not be required to complete yet another planning process in 2017 when we hit our 7-year mark nor be punished for not expending the funds when we can demonstrate progress and the ability to spend by 2021. (Nokomis East)
- ...guidelines that recommend expenditure of funds in a certain time frame [are] useful... [certain programs] would be reviewed and revised or abandoned in favor of more appropriate plans in a more timely manner.
- I prefer 100% complete at 10 years, exceptions allowed.
- A much longer time-frame is not only reasonable but necessary, perhaps 15 or 20 years.
- The Phase II requirement that 70% of the funds be spent on housing initiatives may present a hardship in neighborhoods that do not have failing housing infrastructure.
- I was not aware of a 7-year limit. What were the guidelines supplied by the NRP project originally?
- When NRP plans were written, there was no end date given that the funds need to be used by.
- If neighborhoods would have known of this requirement at the outset they would have written their plans very differently.
- By Statute and by design there was no end date. We want our funds back from the neighborhoods who spent theirs and then took ours thanks to Council action.
- This would only make sense if NCR/NRP and the City had informed neighborhood organizations of the use or lose it aspect of their contract at the time of signing.
- You have to make this clear up front—not after the fact!
- These are 10 year plans. Why are we not using that number?
- 10 years would be more appropriate.
- I like ten years because that's how it was talked about at the time.
- I think 10 years is more reasonable. Some neighbors have large projects with multiple partners. If the project doesn't go as planned, the neighborhood has to go to plan B or back to the drawing board.
- We were told it was a '10 year' plan and that is what we called the CLPC plan - a 10 year plan. Dropping in a random 7 year number makes absolutely no sense.
- 10 years seems more reasonable.
- The City has a 5-year capital improvement program and looks at long range improvements from that frame. It might be more appropriate to model neighborhood planning after the City's 5-year CIP.
- Review should be quarterly with discussion and [increased] opportunities for collaborative efforts.
- The REVIEW itself should happen before seven years to help neighborhoods boards renew their familiarity with their NRP plans and strategies, and any relevant small area planning. (Holland)

- The review of funds would happen once every two years. The review should happen based on a specific date and not be on a rolling basis. (Lyndale)

Appendix D: Comments on Individual Neighborhood Review

- Each neighborhood org should be assessed independently
- I think each neighborhood should be evaluated on how effectively it leverages and invests its funding in creating a more livable, vibrant neighborhood.
- Depending on the neighborhood some may take more time than others to use funding and create the processes necessary to distribute funds.
- Depends upon what [types] of strategies are contained in the action plan.
- It really depends on the content of the Phase I and II plans. One idea would be to work with specific organizations that have large sums of money available to put together timelines that work with each individual Phase I or Phase II plan (rather than grouping all neighborhoods with remaining funds in the same timeline).
- I think a neighborhood organization could be very active, very responsible, and making great progress on the implementation of its plan and still appear to have a high NRP fund balance.
- This depends on the characteristics of the neighborhood. If the neighborhood is fairly [homogeneous], has a high percentage of educated people and a low percentage of deep poverty, things could move quickly. If the neighborhood has great diversity, deep poverty and a low education level, things take much longer and there are fewer people to carry the committee structure often needed.
- Leave it up to the neighborhood. The City needs to let the neighborhoods do their organizing thing.
- The LHiNC Board believes it is the best interest of the neighborhood to revisit the Phase I and Phase II Plans and develop a plan that: 1)utilizes the remaining funds in a timely manner and 2) achieves the maximum benefit for our neighborhood.
 - Options that will be considered include: develop specific plans for using current balances within existing strategies; reallocate funds within a Plan to a different strategy; or develop new strategies that will added to existing Plans. Funds can still be used within existing strategies during this process.
 - LHiNC will engage in a robust outreach effort to gather ideas and input from the community with a goal of voting on the final plan at the Board Meeting in November 2015. (Linden Hills)
- Some neighborhood priorities take longer -- sometimes much longer : NCR acknowledges this in the waiver part of the draft policy, but we believe the issue goes beyond the time it takes to implement a defined and funded project by a single city agency. (Lynnhurst)
- Enforcing a seven year threshold may be less appropriate for parts of neighborhood plans, and while a robust re-engagement process can be important in some situations, the process uses limited volunteer capacity for a neighborhood such as ours, and funds, and could be tailored to accommodate that. (Lynnhurst)
- The fact that neighborhoods have remaining fund balances does not mean that they are not using the funds. There are several reasons for balances to be dormant for an unspecified amount of time:
 - a. The neighborhood might be partnering with another organization on an initiative and waiting for the timing to align for a more comprehensive outcome
 - b. The funds are in a loan program and the demand is seasonal or depend ant on the economy
 - c. Neighborhoods should not be put into a position of feeling they need to spend money in order to keep it moving, reduce the balance or because the City is pressuring them— that is bad planning, policy and bad investment

- d. A neighborhood might be waiting for a funding cycle in order to leveraging their funds
Leveraging has resulted in much bigger and better projects that have benefit the neighborhood and the City
- e. Events happen in neighborhoods that take the focus off of a project and redirect it to another. Some of the less urgent NPR strategies get back burnered due to a more pressing issue -- time lines need to be flexible (Whittier)

Appendix E: Comments on Time Allowed for Plan Review

- Take a month to do a survey have meetings and plan accordingly.
- Six months of planning and another six months for implementation.
- 6-12 months is reasonable. While 6 is usually long enough, sometimes it can take longer to get everything just right.
- A one year window seems generous, yet tight enough to ensure attention to timelines.
- A year is a reasonable time frame for neighborhoods to have meetings, review/readjust plans and get city approval for changes and reallocations.
- From recent experience in our neighborhood it takes almost a year to id task force, explore options, gain board and neighborhood support before implementation.
- If there is any desire for this to be a 'teaching moment in such a setting, forget speed and opt for more than six months or even a year. The planning process was meant to be more than that for many of us in the low income neighborhoods.
- City should investigate why and work with the NRP to create a reasonable plan.
- I think it's a good idea to review plans. It also is a good opportunity for NCR to offer assistance to those struggling neighborhoods.
- The city should provide staff assistance to help a neighborhood having capacity issues.
- At most, your many NCR staff could sit down with staff and briefly ask what is going on, or keep in touch with the neighborhood organization so they already realize what the roadblocks are and help to unblock them.
- If a neighborhood is taking more than the time allowed the city should offer assistance to make the process move along. Remember that many of the neighborhoods are incredibly diverse and often times are run by volunteers.
- Maybe if after the board's review or accounting of its plan implementation is complete, if the city finds success lacking, the neighborhood relations people could more directly assist the neighborhood in developing a reasonable plan.
- It should not be so much time to make the whole beast look different, but enough time to engage, learn & analyze needs & desires.
- During this process, detailed programs don't need to be drawn up, but the overall strategy and dollar amount can be agreed upon through wide-spread community engagement.
- Additional funding would be needed. There is no admin funding left.
- The Guidelines do not indicate a timeline in which the new plan needs to completed and the funds spent. Do neighborhoods have a new seven year time frame to spend the funds? Or is there a different time frame that is anticipated? This should be clearly laid out in the Guidelines. (Kenny)
- What happens after the plan is submitted? There is no reference to the plan review timeline/process/amount of time that the funding review is extended, etc. (Beltrami)

Appendix F: Comments on Thresholds

- 50 percent, depending on circumstances. But talk to neighborhood first to show your staff has a handle on what is going on before you issue edict that reports must be written on time-money wasting admin work.
- ...there should be some flexibility with the time frame. Perhaps the policy should say contracted versus expended.
- The Contracted limit might be reduced to, perhaps, 85% in some cases.
- I think the level should be closer to 80%.
- Add a minimum balance threshold so neighborhoods with lower balances will not be impacted adversely by the draft guidelines. (Waite Park)
- Since the 85% expended stipulation will be consistently unobtainable for these programs our recommendation is to lower or eliminate the 85% expended stipulation or add language ensuring waivers for programs like these to continue in perpetuity. (Waite Park)
- The percentages in item B should be an or not an and (Lyndale) - Change “those neighborhood organizations that have not expended at least 85% and contracted at least 95% of the original plan allocation plus program income”

Appendix G: Comments on Reallocation of NRP Funds

- The process allows for neighborhoods to reallocate funds throughout the process. If a neighborhood has changed its priorities I think that they will reallocate funds to projects that will reflect their current needs.
- Use this reviewal as an opportunity to reassess & redirect, not as a way to scoop 'unnecessary funds'.
- The WPCC believes that redistributing such funds to other neighborhood groups may create unwanted tension and animosity among neighborhood groups. Therefore it is recommend that if funds are to be reallocated, they should be returned to the city of Minneapolis for use within the general fund. (Waite Park)
- The reallocation is just a really really bad idea and pits neighborhoods against one another.
- Certainly those funds should not be reallocated to other neighborhoods, which could exacerbate neighborhood inequalities. Obviously to punish neighborhoods with uncontracted funds is to undermine the fairness and local control in neighborhood revitalization that the program was instituted to accomplish.
- Further - it is our feeling that many of the inactive neighborhood organizations are in under-represented areas & demographics within the City. 'Pulling' funds from these organizations seems unjustified. If anything, more should be done to engage it's citizens (Beltrami)
- The neighborhood shouldn't be punished for the failure of the neighborhood group. The funds should still be reserved for the neighborhood, but held until the process is complete.
- CPNA feels that in no case will there be a need to remove funds from a neighborhood group and reallocate them elsewhere in the city. The formula to disburse the funds was set up to serve the communities based on need. A reallocation of funds should require the NRP board and the NCR department to prove the need has changed based on census data etc... and then in an open process produce a new formula that would include all neighborhoods. The City Council should take no action regarding unexpended funds without an in-depth examination as to why and what remedies were offered and facilitated by those charged to support the neighborhoods, the NCR staff. The language about reallocation should be removed. (Columbia Park)
- If there is an active neighborhood organization that just needs more time to make changes, then the funds should be held for them. If there is no neighborhood interest in committing to the process to plan for the funds, then they should be moved into a special fund that can be reallocated.

- If a neighborhood is not actively operating or spending their NRP funds a reallocation to other neighborhoods could occur.
- If a neighborhood is just sitting on NRP funds and do not have an active plan that is working (NCR should first tell neighborhoods they have 1 year to ramp up their work) then funds could be allocated to other neighborhoods that are actually doing the work.
- If significant funds remain unspent, I would hope the department would identify other neighborhoods still requiring basic development support and determine whether some level of funding could be redirected.
- The neighborhood should have an opportunity to show that have been working toward a new plan. If no work has been done, the neighborhood should lose the funds.
- I believe it is possible to identify neighborhood associations that have been underfunded and request organizations with unspent funds to approve a reallocation of those funds to assist fellow organizations.
- HPNA is expected to perform at the same level as established neighborhood organizations who have hundreds of thousands of dollars in their coffers while we are penniless...This formula produces a cycle of consistent and perpetual under funding... The current funding formula is unjust and it is inequitable. It causes unnecessary disparity ...If neighborhoods can't get it together to spend their funding in a timely manner, maybe they are over funded and the funding should be re distributed.
- I would be concerned if neighborhood organizations had formed and are operating effectively, staffed appropriately, and positively impacting the community at both staff and BOD level yet still had unexpended NRP funds. If the funds are not needed to serve the NRP purpose, it may suggest that the funds may need to be redistributed to ensure a level playing field and an opportunity for underserved neighborhoods to develop effective operating capacity.
- Funds should be withheld, but with the discretion allowed to pay staff to work on the implementation of a new plan.
- Before offering unused funds to other neighborhoods, the City should be required to notify all residents of the neighborhood.
- Continue to hold funds, or pool funds for collaborations among the targeted neighborhood and other community or neighborhood organizations in the same geographic area or NCEC District.

[Appendix H: Comments on Program Income](#)

- Money initially spent on housing for loans etc. does (and should) get paid back. When the loans are paid back that puts money back into the available funds that then need to be spent again.
- Many neighborhood organizations have loan (or other) programs that generate income. Is it the purview of the City to not allow the program income to roll back into the loan programs, or can neighborhoods continue to rely on this as a revenue source past 2021?
- Are principal payments received on the loan considered to be unexpended when the intention is for LOANS to be paid back into that account (i.e., it's a revolving loan program, not a grant program)?
- I also disagree that program income should be included in any calculation that evaluates whether a neighborhood has spent enough of its money during any timespan...neighborhoods should have the option of allowing for replenishment that can contribute to significant public projects rather than having to spend down the money as it trickles back in. (Holland)
- Windom Park Citizens in Action has judiciously invested a portion of its NRP funds in a revolving loan program. This program has helped homeowners make a variety of improvements to their homes and given businesses the means to expand their operations. Over the years, WPCiA has reinvested the interest from these loans back into the revolving loan program, ensuring the program will continue to assist neighborhood homeowners and businesses for years to come – unless, that is, the

NRP fund recommendations are adopted, forcing a short-term expenditure of “the original plan allocation plus program income.” (Windom Park)

Appendix I: Comments on Waivers

- There may be circumstances that arise governing the expenditure of NRP funds dedicated for specific strategies. In some cases the neighborhood organizations may be dependent on government units for funds intended to leverage other projects.
- Too often the delays are caused by CITY departments themselves -- for example, very slow to return phone calls, reluctance to meet with neighborhood volunteers/committees/staff, failure to respond in a timely and consistent fashion, causing neighborhood delays or loss of momentum
- [in certain cases (housing, etc.)] timeline and expenditure are out of the hands of the neighborhood.
- Some neighborhoods face set-backs such as organizational turn-over or projects that don't quite work out as intended and may need more than seven years. If a neighborhood is actively trying to spend NRP funds, I see no reason to limit to 7 years.
- Many entities with whom neighborhood organizations partner operate under much longer time-frames or fall through altogether...the city might decide to pull a transportation project for which a neighborhood designated matching funds...Essentially, the neighborhood might think their funds all but spent, until suddenly the money is restored when the project collapses...Conversely, the neighborhood might identify a promising project that does come to fruition, but the scale of the project dictates that the neighborhood's portion of the project is set more than seven years after the neighborhood organization's plan approval.
- Often times a plan includes the city or the park board or some other government agency that has not added the project that the neighborhood wants to their CIP...[The neighborhoods] should not be penalized because they do not control the project.
- If the lack of expenditure is due to the delay by City of Minneapolis Public Works, the Minneapolis Park and Recreation Board, the Minneapolis School Board or Hennepin County to bring a capital project forward in a timely manner a discussion should take place with that government body to partner to come up with a solution, which may include holding the funds until a project comes to the top of the Capital Improvement Plan (CIP) for that body. (Columbia Park)
- I think there should be instances, or waivers, when this may not be possible.
- With an allowance for special circumstances and with the assistance and guidance of NRP staff when needed.
- Long-term investments, partnerships with city, county, state, and federal agencies, and reinvestment of program income can all influence the amount expended or contracted, and many times those factors are beyond the control of the neighborhood.
- Provided that there is momentum on using the funds to follow Phase I and II plans, and neighborhood organizations can show progress, then there should be an allowance for extending any timeline the City proposes.
- The industry standard should be considered with additional assessment given to the fact that neighborhoods are not typically staffed by city planning, housing, and development professionals.
- The neighborhood should be allowed to explain why funds were not spent and if the explanation is reasonable, keep the funding.
- (Change) A recent plan modification, contract close-out or receipt of program income within the last five years that may temporarily result in the neighborhood being below thresholds.
Expand waiver to include:
 - Money is in an active contract but it hasn't been spent yet.
 - A contract is pending. (Cedar Isles Dean) (East Calhoun)
- There should be a shelf-life for waivers of three to five years, depending on the waiver...There needs to be clearly articulated criteria for issuing of waivers. (Lyndale)

- It's unclear what qualifies as an "unexpected circumstance" under waivers. (Nokomis East)

Appendix J: Comments on Robust Community Engagement

- In the Community Engagement piece, I think there should be review of the criteria required for outreach to be considered acceptable - in particular the survey response rates. (Holland)
- We suggest that instead of a number of households that the target be a percentage of the estimated number of households in a given neighborhood. Also, that the 70% response rate be lowered to something more reasonable (30-50% at most). (Beltrami)
- When Holland was formulating our NRP Phase II Plan, we were told by the survey company we hired that a 15-20% response rate was exceptional...70% for targeted survey takers may be a higher threshold than many neighborhoods could reasonably hit within the typical one-month duration of a survey. (Holland)

Appendix K: Neighborhood Accountability

- I cannot envision a circumstance where a project cannot execute within seven years. Taking longer calls into question the neighborhood's proper fiduciary and project management controls...Taking longer than seven years is unreasonable and irresponsible.
- Going forward, neighborhoods should commit to expending their funds within a certain time and fulfill that commitment regardless of any external circumstances.
- If a neighborhood is actively trying to spend NRP funds, I see no reason to limit to 7 years. If a neighborhood is just sitting on money, that's a different issue and should be addressed by NCR.
- If you have some specific problem with some specific neighborhood organization's handling of the funds, take it up with that neighborhood and work out a plan of action; don't come after all of us for what appears to be some imagined problem or desire on the part of the city council to take away influence and funding from neighborhoods who don't kow-tow to them.
- The concern with NRP is that it is designed to allow neighborhoods to govern themselves and spending without a lot of input from NRP representatives. This line of questioning appears to be trying to apply hindsight to a problem the department did not effectively anticipate in implementation.

Appendix L: City and NCR Accountability

- I believe the City should have considered the potential disruptions in all of its funding decisions and develop a standard plan and response to disruptions. Corrections are always available if the City is willing to stand up and stand behind its original plan.
- The city has strict, and often changing expectations of how funds are used. The city also continues to decrease funding - and has clawed back some funds. These all make funding hard to use.
- Please spend your time educating these city council members, not harassing neighborhood organizations over this petty attempt to get your mitts on money.
- I do not believe NCR as currently constituted is capable of fairness smart analysis in such assessments. The political and ideological environment there is such that intimidation and arbitrary insensitive judgments often prevail regarding people and circumstances and wisdom and generosity in understanding is in short supply.
- Threatening to take the funds back - particularly when there is no guarantee the city will expend those reclaimed funds on behalf of the affected neighborhood...is not productive of NRP goals.
- The board was confused and upset that this survey appears to indicate a foregone conclusion to eliminate neighborhood funding in favor of cronyism and a district council type organization that existed prior to the NRP initiative.
- Help neighborhoods do good work. Quit creating obstructions. Do a better job explaining what we do to council or hire someone who can.

- This program gave the decision making power to the neighborhoods so they could be creative and many great projects have come out of this out of the box thinking. Is there some problem that the city is not sharing with the neighborhoods regarding the process?
- Address this issue with neighborhoods that are not spending any money, not a broad brush indictment of all neighborhoods. Talk to neighborhood organizations first about these issues and you may realize they are not issues.
- There is responsibility on the part of those who approve the plans to help direct the neighborhoods in directions that are attainable.
- Neighborhood should be educated on long term planning...to date there has been no time frame and all we get from city are threats and actually coup of taking over the money.
- This whole process outlined here has a punitive feel and a forced inability to tailor the situation to the unique requirements of fairness and intelligence that should be advised given the uniqueness of the neighborhoods.
- Additionally to develop a communicative system that keeps neighborhood aware of opportunities for community building.

Appendix M: Other Comments

- In the big picture, this is a low balance, reflecting responsible spending and a handsome return on neighborhood investment and planning. Neighborhoods, NRP and NCR should be proud of this and the City should leave a process that is working alone. (Whittier).
- ...an expectation is different than a requirement.
- I do think guidelines that state an expectation that funds will be used by xxx time or a plan revision made by xxx time if it is evident that funds are not being used as anticipated.
- I would encourage the NCR to create a group of selected neighborhood leaders from each quadrant of the city to be a part (with our NCEC Directors) of helping to come up with guidelines that will support and encourage neighborhoods in creating and implementing investment strategies that address their unique needs and continue the city on its upward trajectory. (Holland)
- Especially problematic is that the draft guidelines shift the incentives for the neighborhood from wise investments (where money might be used efficiently and in accordance with thoughtful neighborhood priorities) to quick investments (where money is spent so that it isn't re-appropriated). (Windom Park)
- The recently published draft "Guidelines for Review of NRP Funds" represent a short-sighted, one-size fits-all vision for NRP funds still available to neighborhood organizations and a problematic approach to ensuring those funds' expenditure. (Suzanne Janse-Vreeling, Windom Park)
- What is the process to request additional funds as large neighborhood projects outlined in Action Plan strategies then become necessary? Community Participation Program funds do not cover substantial projects and neighborhoods will lack funds to leverage for large neighborhood projects and developments. (Kenny)
- Where do the Neighborhood Priority Plan funds fall? Are they part of the Phase II allocation? (Victory)
- LNA does not object to a process that supports and encourages neighborhood organizations to wisely use their NRP funds as long as the policy is not punitive, does not allow the City to reprogram NRP funds to other neighborhoods or City purposes, and neighborhood organizations have a chance to engage their community members to determine how they want to invest the funds. (Lyndale)
- In some cases a neighborhood does not even know they have unspent funds – it happened to us. Phase I dollars that were leftover in a contract that was closed many years ago, suddenly were made known to us years later... Better tracking and communications with neighborhoods is needed... Maybe if there were more frequent updates as to where funding stands, it would help neighborhood groups to spend the money within the 7-year timeframe. (Marcy Holmes).
- The Phase II requirement that 70% of the funds be spent on housing initiatives may present a hardship in neighborhoods that do not have failing housing infrastructure. Has the city done a study to see if the money allocated to NRP to the current date has met the legislated mandate for the 20 years of the program?
- By threatening the removal of funds, the city is encouraging poor fiscal discipline and abbreviated decision making. Adopting a "use it or lose it" policy will force neighborhoods to allocate money in a way that allows

undeserving or poorly defined projects to move forward. It creates a terrible precedent for interactions between the city and the neighborhoods as it destroys trust. (St. Anthony West).

- NRP funds are already restricted in what they can be used for. Adding a further hurdle will only serve to complicate and add costs to the process. The St. Anthony West Neighborhood Organization will have to take time out of its efforts against the emerald ash borer, creating a small area plan, producing a newsletter, fundraising, combating crime, improving parks, and several other initiatives in order to comply with these useless and costly bureaucratic hurdles. (St. Anthony West)
- NRP funds were intended for revitalization/development. Many of these projects require partners most often the City or the Park Board. These bureaucracies are very slow to respond to neighborhoods' issues, concerns or projects. (Victory)
- We do not understand nor agree with the need for additional "policy and procedural recommendations," as not only would they be superfluous but also potentially at odds with existing policy and use of funds contained in our approved, Neighborhood Action Plan...We feel strongly that what is now being asked of us will promote irresponsible and panicked spending simply to avoid the appearance of lack of activity in a program and risk of losing funds, an unintended and short-sighted result of a "solution in search of a problem." (Whittier)
- If the City needs more information about the use of NRP funds, we recommend that in lieu of new policy, process and guidelines, NCR continue the existing oversight of the neighborhood Action Plans, spending and balances and make recommendations if needed for plan modifications or fund reallocation. (Whittier)
- With respect to NRP, WPCiA sees an emphasis on "Neighborhood" and is concerned about what might be lost when revitalization is viewed from farther away. (Windom Park)
- The city must focus on understanding the diverse needs and choices of neighborhoods in spending NRP funds; wielding the retraction or reallocation of NRP funds as a punishment for neighborhoods who happen to have funds remaining pits neighborhood organizations against the city and against each other. (Windom Park)