

The MCDA (as did the MHRA) bases its relationship with neighborhoods on a contract signed by both parties. This has been the traditional relationship between Agency and groups since PACs were created in the late 60s.

The Agency includes in its annual budget to the Mayor and City Council a line item for citizen participation which is approved by the Board of Commissioners. In CDBG Year X, there are three types of groups funded:

1. Target neighborhood groups -18.
2. Non-target neighborhood groups -26.
3. Public housing resident councils -3.

All of the above are funded out of CDBG monies and two groups, the Cedar Riverside and Nicollet Island PACs are funded out of tax increments.

For CDBG Year XI (1985-86), the Board of Commissioners has approved \$500,000 for citizen participation and submitted it along with their annual budget to CLIC, the Mayor, and the City Council.

For comparison, the MCDA's current citizen participation budget and the past three years (excluding CR & Nicollet Island) looks like this:

<u>Year X (1984-85)</u>	<u>Year IX (1983-84)</u>	<u>Year VIII (1982-83)</u>	<u>Year VII (1981-82)</u>
\$300,425	\$62,000	\$62,000	\$298,363
47 groups funded	12 groups funded	3 groups funded	15 groups funded

Year X, along with increased funding, brought a new component to funding groups: the Council allocated \$265,000 to target neighborhood groups and \$35,425 to non-target groups. Target groups were funded based on proposals submitted and non-target groups were given grants of \$570.00 each. Although the Agency has entered into contracts for services with the non-target groups for distribution of information on MCDA programs, it is assumed that most of the grant will go to sustaining their organizations.

Because the Agency has been the City's tool for Urban Renewal projects and neighborhood revitalization, it has been responsible for maintaining relationships with neighborhood groups who represent those neighborhoods affected by these programs.

HISTORY

1947

The Minneapolis Housing and Redevelopment Authority was created:

- a. To build, own and operate low-rent public housing—family and elderly.
- b. To plan and execute Urban Renewal projects.
- c. To administer all relocation programs for persons displaced by public improvements.

1954

The Housing Act of 1954 created Urban Renewal and required that cities designate an advisory committee "to work to build the kind of participation that is ready to take action and share responsibility in developing and carrying out a Workable Program for community improvement.... " Minneapolis' response — CLIC.

Early Urban Renewal projects:

- a. "Hi-Lo" Development—Northeast Minneapolis
- b. Lower Loop development
- c. Glenwood Redevelopment area.

1966

Demonstration and Metropolitan Act (Model Cities)

Model Cities legislation required "widespread... feasible participation." In order for a City to receive Model Cities money, it had to establish a structure where neighborhood residents could assist in policy and program planning, implementation, and operation, with City providing technical assistance.

Model Cities was administered by the MHRA and the Model Cities Planning and Policy Committee formulated policy on issues including employment, health services and housing in the Powderhorn Community.

1968

Urban Renewal legislation required the formation of Project Area Committees (PACs) in all urban renewal areas.

The MHRA contracted with PACs for specific services as well as to ensure the support for their continued functioning as the official citizen body representing the interest of residents and others in the project area. Some examples:

- a. NRRC
- b. St. Anthony
- c. Seward
- d. Cedar Riverside

1974

Housing and Community Development Act — (the CDBG program)

Granted cities great discretion in initiating citizen involvement. Cities had to grant adequate information to the public, hold public hearings, and provide citizens adequate opportunity to participate in the development of the CDBG application.

The MHRA continued with contracting with groups throughout the early and middle 70s, even though it was not mandated by federal legislation.

1977

Carter strengthened the 1974 Act which mandated that:

1. A written citizen participation plan be submitted to HUD;
2. Participation had to be facilitated throughout all stages of development, implementation, monitoring and evaluation.
3. Adequate representation of low-moderate income groups, minorities, and other affected persons; and
4. Technical assistance had to be provided at the neighborhood level.

Act also called for comprehensive revitalization program --focus on slums or blighted areas and coordination of efforts of public and private agencies and neighborhood organizations.

The focused areas were called Neighborhood Strategy Areas and MHRA entered into contracts with groups. Groups hired own staff, gained greater resources and autonomy.

1980

Elimination of 1977 CDBG amendments — New Federalism — Legislation reduced citizen participation requirements, neighborhoods no longer emphasized, and cities given discretion.

Present requirements: ,::

1. Furnish citizens with information concerning the amount of CDBG funds to be available...for community development and housing activities that may be undertaken with those funds;
2. Hold at least one public hearing to obtain the views of citizens on the grantee's housing and community development needs; and
3. Publish its proposed statement of community development objectives and projected use of funds so as to afford affected citizens an opportunity to examine the statement's contents and the grante~8s community development performance. [Section 570.301 b 1-3]

1981 -82

1. City Council eliminated NSAs and formal recognition of their groups.
2. City Council designated target area boundaries, retained option of funding groups, but reduced funding to groups from \$300,000 to \$62,000.
3. MCDA was organized, centralized its offices downtown, closed all neighborhood offices except one and reduced its neighborhood based staff from 19 to 4.
4. City Council created the Center for Citizen Participation.

5. Revised the Unified Citizen Participation Plan and Process stipulating: "that the City may provide the MCDA funds for citizen participation in areas where there is intensive economic development or housing program activity.... "

1982 -83

Council's earlier allocation distributed. Three groups funded out of CDBG. Cedar-Riverside PAC's budget cut by 2/3.

1983 -84

Council allocated \$62,000 -12 groups funded. Allocations - \$2,000 - \$4,000. MCDA Board of Commissioners adopted a Funding Formula based on neighborhoods' with greatest need receiving most money. Set up monitoring process for groups.

1984 -85

1. Council allocated \$300,425 to MCDA's citizen participation program.
 \$265,000 - target neighborhoods.
 \$ 35,425 - non-target neighborhoods.
 Allocations based on Funding Formula, degree of development taking place, staff evaluation and groups' proposals. Allocations for target neighborhood groups range from \$3,370 - \$33,000.00.
2. Council passed new target boundaries for City.

 Priority I's - Neighborhoods with a majority of low -moderate income residents and 25% + substandard housing.

 Priority II's - Neighborhoods with a majority of low -moderate income residents and 15 -25 % substandard housing.
3. Council passed resolution asking Target I neighborhoods to define blocks within their area for redevelopment and Target II neighborhoods to define properties within their area for redevelopment.
4. MCDA will add staffperson to provide technical assistance to neighborhood groups.

1985 -86

1. MCDA Board of Commissioners passed \$500,000 for CDBG Year XI citizen participation. Will submit to Mayor and Council.

Staff Analysis:

MCDA staff, Commissioners, Mayor, and the City Council have in the past two years re-instituted the model of citizen participation within MCDA as it occurred in the '70's without a Federal mandate. This indicates a local commitment to having neighborhoods determine how CDBG and redevelopment dollars will be used in their own neighborhoods.

One could say the "test of the system" will occur in Year X. The Agency and the groups have committed themselves contractually to a relationship, both have agreed on individual work plans for neighborhoods, and both will be involved in setting guidelines for the Year XI program.

The MCDA citizen participation program is very specific to redevelopment issues in neighborhoods but its funding remains extremely vulnerable to the political process.