Based on last week’s budget meeting and further research I recommend that the KFNA Board submit comments on the Mayor’s proposed budget. Here are my suggestions which would need to get pulled into some sort of final document:

The City Budget should continue the current distribution of funding from the Consolidated TIF District for neighborhood organizations and the Target Center, and not be redirected to new or existing staffing or projects, including the newly named “Other Neighborhood Revitalization Projects”.

The first priority for any additional funding from the Consolidated TIF District shall be to use it to increase neighborhood organizations’ CPP allocations, that have seen no inflationary increase, nor a full return on the money taken from many neighborhood groups in 2010. We recommend that a first step should be to provide an adequate inflationary increase to account for three years in allocations to all neighborhoods of at least 5-9%. KFNA feels a second priority for an increased realization of TIF funding shall be to, replace money taken by the City in 2010 to establish the Neighborhood Community relations department. A third priority for funding should be an increase in the size of the pot available for neighborhood associations to apply for as part of the Community Innovation Fund.

KFNA’s Reasoning for these suggestions is as follows:

KFNA is not in favor of using funding from the Consolidated TIF District for non-neighborhood initiated purposes including any projects outside the oversight of the NCR department. This includes the hand-selection of projects and the creation of a new budget line item for “Other Neighborhood Revitalization Purposes”. Although we understand the some projects selected by the Mayor for this funding might be beneficial to neighborhoods, and the City as a whole, we do not feel that is the Mayor’s decision to select and fund projects using TIF funding. If this is a City priority, money should come from the General Fund. If it is a neighborhood priority, it should be thrown into the pot with other neighborhood priorities and be able to be applied for by the neighborhood association and funded by the Community Innovation Fund, which could be increased in the coming years due to the expected surplus of dollars coming from TIF.

The NCR department is too big. Additionally, it is not sustainable to hire additional staff when the funding source to pay for these staff (TIF) will expire in five years. Expanding the scope of this department and wrapping other tasks into it is creating a monster. The One Minneapolis Fund should also not be funded with TIF dollars. Work that groups that are eligible to apply for One Minneapolis funds is also work that neighborhood associations do thus TIF funding should be for neighborhood groups to do this work, and other groups should have a separate revenue stream for their work so the two types of groups can compliment each other, not compete for funds, nor duplicate work and projects. If non-neighborhood groups are to be funded with TIF dollars then they should
be required to directly partner with neighborhood groups directly, and share the funding and work load with their neighborhood association partner.