

Memorandum

Date: April 13, 2004

To: Policy Board Members and Alternates

From: Robert D. Miller, Director

Subject: Neighborhood Allocations

At the last Policy Board meeting the Board adopted formulas for allocating NRP's future revenues to neighborhoods and directed staff to implement these formulas and return to the Board with neighborhood allocations for approval.

The calculations have been made based on the variables and formulas adopted by the Board and are attached to this memorandum for action. The reductions in allocations are, as has been stated many times before, a result of the reduction in Common Project revenues after the changes in tax law adopted by the 2001 legislature. The Assumptions upon which the allocation amount is based are shown in the lower left hand corner of the attached page. The estimate upon which the Phase II revenues are based is the best available information that NRP has received from the city. It will change, and become more certain, each year.

Based on the actions previously taken by the Board, I recommend the following resolution:

RESOLVED: That the Minneapolis Neighborhood Revitalization Policy Board (Board) allocates \$ 41,669,210 of neighborhood NRP funds for Phase II to the neighborhoods of the city in accordance with the allocation plan attached as calculated using the Phase II formulas adopted by the Board for the specific development and implementation of Phase II neighborhood action plans; and

FURTHER RESOLVED: That neighborhoods be informed that up to 70% of the specified allocation shall be available for expenditure during the first three years after approval of their Phase II neighborhood action plan; and

FURTHER RESOLVED: That 70% of the amount allocated to neighborhoods will need to be expended on housing or housing related programs, projects, activities or services in Phase II to ensure that the program meets its housing obligation.

