

Memorandum

To: Policy Board Members and Alternates

From: Robert D. Miller, Director, NRP

Date: January 19, 2005

Subject: Minneapolis Schools "Second 7.5%" funds for Longfellow

Minneapolis Schools is requesting that the remaining \$12,355 of their "Second 7.5%" NRP funds be allocated to a wireless internet computer lab at Longfellow School. This project at Longfellow conforms to the Longfellow Neighborhood Action Plan, Strategy 7: Schools and Community Partnerships.

This is an appropriate use for these funds and I recommend that the Policy Board adopt the following resolution.

RESOLVED: That the Minneapolis Neighborhood Revitalization Program (NRP) Policy Board approves the use of \$12,355 of Minneapolis Schools "Second 7.5%" NRP funds for computer lab improvements at Longfellow School.

I have also attached a summary review by Elizabeth Hinz, which reports on the school district's involvement with the NRP over the past years.



MINNEAPOLIS
PUBLIC SCHOOLS

SPECIAL SCHOOL DISTRICT NO. 1
An equal opportunity school district

MINNEAPOLIS PUBLIC SCHOOLS

807 Northeast Broadway

Minneapolis, Minnesota 55413-2398

December 13, 2004

Robert D. Miller
Neighborhood Revitalization Program
Crown Roller Mill Building Room 425
105 Fifth Avenue South
Minneapolis, MN 55401-2585

Dear Bob:

This is a request to allocate a total of \$12,355 of Minneapolis Public Schools' second 7 ½% NRP funds for a wireless internet computer lab at Longfellow School. This project at Longfellow School conforms to the Longfellow Neighborhood Action Plan, Strategy 7: Schools and Community Partnerships.

This allocation request will close out the Minneapolis Public Schools' second 7 ½% NRP funding. I am attaching a report written in November, 2003 that very briefly summarizes the school district's involvement with NRP. This report was written before the decision to allocate the remaining \$471,853 in second 7 ½% NRP funds to develop wireless internet computer labs at eight schools throughout the city.

It has been a great experience to work with you, the NRP staff and the Policy Board to strengthen our neighborhoods and our community of Minneapolis through NRP. Thank you.

Sincerely,

A handwritten signature in cursive script that reads 'Elizabeth Hinz'.

Elizabeth Hinz

Neighborhood Revitalization Program, Phase 1 Status Report and Recommendation for Closure

Minneapolis Public Schools November, 2003

NRP, Phase 1:

NRP, Phase 1 is being completed. NRP was created through legislative statute, which specified all governance and financing rules for NRP. As mandated by that statute, the district has been a partner with four other jurisdictions (City, County, Library Board and Park Board) in NRP with a School Board member representing the district on the NRP Policy Board. The district actively participated in neighborhood planning as well as project planning and implementation throughout the ten years of NRP 1. \$5.7 million was allocated to the school district for school related projects incorporated within the neighborhood planning process. Many neighborhoods and most of the district's schools benefited greatly from the NRP 1 program. Most school district activity with NRP took place between 1994 – 1998.

Current Status of School District NRP Projects:

All schools built prior to 1994, with the exception of the schools listed below, had projects funded with district NRP funds and leveraged with additional funding, through the neighborhood planning process. In addition, many schools had NRP funded projects funded solely through neighborhood NRP funds that did not require a district NRP match. These projects were typically programs or equipment and materials.

Area Superintendents reviewed the district's NRP status in 1998 and determined that the priority for remaining district NRP funds should be to fund projects in schools that had not previously received school district NRP funds. This has been done, but the schools listed below remain without MPS/NRP (Second 7 %) funded projects. No projects are being developed at these schools.

<u>Schools</u>	<u>Neighborhood</u>
Shingle Creek	Shingle Creek
Edison	Holland
Sullivan	Longfellow
Ericsson	Ericsson (Standish-Ericsson Neighborhood Association)
Wenonah	Wenonah (Nokomis East Neighborhood Association)
Morris Park	Morris Park (Nokomis East Neighborhood Association)
Anthony	Kenny

Remaining District NRP 1 Funds and Spend-Down Strategy:

Approximately \$459,498 district NRP funds remain from NRP 1. This estimated total includes \$163,781 from the original allocation of \$5.7 million in addition to \$295,717 in interest.

The district's Second 7 % funds can be accessed only when the projects are included in a neighborhood plan. Since all neighborhoods have completed their plans for NRP 1, the remaining district funds can now only be accessed with assistance of NRP staff, through a plan modification process that includes Policy Board and City Council adoption.

The district plans to complete the spend-down of its Second 7 % NRP funds by recommending that the remaining \$459,498 be directed to wireless internet labs at the school listed above. Since

the computers are portable and feature wireless networking, they can easily be brought into any classroom, turning it immediately into a computer lab for students, staff and community.

This strategy meets the criteria described in this report, with emphasis on community use and cost efficiencies. The NRP process for adopting project strategies and modifying neighborhood plans will be followed. Once project agreements are reached with the neighborhoods, it is likely to take a minimum of three months to access funds and implement the projects.

The district criteria for projects using the remaining NRP funds are that the projects must be:

- consistent with district plans and budget
- an investment that would not otherwise be made; does not supplant district resources
- includes a community use component
- budget does not include maintenance or other ongoing cost
- demonstrates financial leverage
- no physical change to the school building structure or grounds
- efficient use of staff time for planning and implementation

NRP 2: (Phase 2)

The second decade of NRP, NRP 2, began two years ago. The nature of NRP 2 and funding for the second decade have been and continue to be vigorously debated, due to changes in the statute by the state legislature, the economic climate, and the city's reorganization of planning and development activities. The NRP's decision making structure and funding levels are not yet determined for NRP 2. The intention has been to set aside funds for affordable housing and for commercial corridors to meet some citywide development goals, and then allocate the remaining funds directly to neighborhoods, as in NRP 1.

For the school district, the most significant change with NRP 2 is that all NRP funds are directed at the citywide goals and the neighborhoods. There are no funds set aside for the school district or any of the other jurisdictions, as there were during NRP's first decade.

Background:

The Minneapolis Neighborhood Revitalization Program (NRP) was created in 1990 by city officials and community leaders as a response to growing concerns about the declining conditions in many Minneapolis neighborhoods. NRP was funded at \$100 million for its first ten-year cycle through Tax Increment Financing (TIF) authorized by state legislation, and expected to be funded at the same level for its second decade. A portion of the total NRP funds were allocated to each neighborhood. Each of 81 city neighborhoods submitted a revitalization plan for NRP 1 and are at some stage of implementing their plan, many of which are now complete. A number of neighborhoods began working on their improvement plans for NRP 2 over the past two years. Three of these NRP 2 plans have been approved, pending funding.

MPS is one of the five jurisdictions that govern the NRP (City of Minneapolis, Hennepin County, Parks and Recreation Board, Library Board, Minneapolis Public Schools). In addition to the school district being part of the governance structure, each individual school community has been involved to some degree with their neighborhoods.

What was the MPS experience during NRP 1?

A total of \$5.7 million was allocated to the school district, all of which is required to be included in neighborhood plans for any expenditure.

All neighborhood NRP plans included projects directly benefiting children, families, youth, and education. School community representatives have been welcomed participants in creating neighborhood plans. All of the district NRP funds have leveraged additional funds from other sources (neighborhood NRP; district capital, alternative bonding; Park Board; private or corporate gifts) on approximately a 1:4 ratio to fund a variety of projects. In addition, more than \$2 million of neighborhood NRP funds were raised for program enhancements at school sites with no district NRP match required. NRP funded projects have been: facilities improvements (gyms, parking lots, etc); site acquisition for Marcy and Four Winds schools; \$1.5 million in support for community schools with materials and facilities changes during 1996; playgrounds; media centers and computer labs.

Neighborhoods and school communities have built working relationships and have collaborated together on a variety of projects. The relationships that MPS developed with community organizations, staff and policy makers of the four partner jurisdictions have been valuable beyond measure. The participation of community and city agencies in designing and building four of the new schools on the north side attest to the benefits of these working relationships beyond NRP funded projects. These benefits also include support for the school referendum campaigns and for community schools.

SUMMARY OF THE "SECOND 7.5% OF NRP PROGRAM MONEY" FOR THE minNEAPOLIS
SCHOOL BOARD FOR EDUCATION PROGRAMS AND SERVICES

APPROVED USES (DATE OF POLICY BD APPROVAL)	AMOUNT APPROVED	AMOUNT SENT	APPROVED USES (continued) (DATE OF POLICY BD APPROVAL)	AMOUNT APPROVED	AMOUNT SENT	APPROVED USES (continued) (DATE OF POLICY BD APPROVAL)	AMOUNT APPROVED	AMOUNT SENT
1. Holmes Park Site (10/21/91) - See #38	\$794,000.00	\$794,000	21. Waite Park Elementary School (4/29/96)	\$60,000.00	\$60,000	41. Tuttle School Playground (3/23/98)	\$50,000.00	\$50,000
2. Mt. Sinai & Peavey Park Grounds & Equipment (10/21/91)	\$196,000.00	\$196,000	22. Jefferson School Playground (4/29/96)	\$66,000.00	\$66,000	42. Southwest High Computer Lab (4/20/98)	\$24,590.66	\$25,000
3. 2nd Marcy Holmes Site (10/21/91)	\$510,000.00	\$510,000	23. Support for Community Schools (5/20/96)	\$1,500,000.00	\$1,500,000	43. Webster School Playground (11/16/98)	\$50,000.00	\$50,000
4. Barton School Playground (4/12/93)	\$27,000.00	\$27,000	24. Windom School/Community Center (7/22/96)	\$200,000.00	\$200,000	44. Roosevelt High Computer Lab (11/16/98)	\$30,000.00	\$30,000
5. HPDL School Sign (2/7/94)	\$3,000.00	\$3,000	25. Loring School Technology (11/18/96)	\$45,768.68	\$50,000	45. Victory Park Renovation (3/1/99)	\$25,000.00	\$25,000
6. Marcy School Playground (6/27/94)	\$25,000.00	\$25,000	26. Burroughs Computers (11/18/96)	\$34,000.00	\$34,000	46. Lyndale School Improvements (4/19/99)	\$115,000.00	\$115,000
7. Bancroft School Improvements (6/27/94)	\$50,000.00	\$50,000	27. Keewaydin Computers (3/24/97)	\$60,000.00	\$60,000	47. Henry High Computer Lab (6/21/99)	\$30,000.00	\$30,000
8. Pratt Improvements/Playground (7/18/94; 10/17/94)	\$42,500.00	\$42,500	28. Hale School Renovation/Expansion (4/28/97)	\$100,000.00	\$100,000	48. Community Access to Schools (6/21/99)	\$52,000.00	\$52,000
9. Stewart Park (9/19/94)	\$2,500.00	\$2,500	29. Kenny School Play Area (4/28/97)	\$60,000.00	\$60,000	49. Lincoln School Playground (Near North) (7/26/99)	\$40,000.00	\$40,000
10. Hale School (9/19/94)	\$3,718.00	\$3,718	30. Howe School Playground (4/28/97)	\$33,500.00	\$33,500	50. Roosevelt High Computer Lab (12/13/99)	\$6,000.00	\$6,000
11. Seward School Gym Floor (4/3/95; 12/16/96 (again))	\$50,000.00	\$50,000	31. Audubon School Playground (4/28/97)	\$39,236.93	\$40,000	51. Fulton Campus Redevelopment (1/24/00)	\$30,000.00	\$30,000
12. Bethune School Parking (5/30/95)	\$19,000.06	\$30,000	32. Green School Tot Lot (6/23/97)	\$27,081.00	\$27,081	52. Keewaydin Playground (3/27/00)	\$30,000.00	\$30,000
13. Holland School (6/20/95)	\$15,000.00	\$15,000	33. Hamilton School Playground (8/18/97)	\$37,500.00	\$37,500	53. Fulton School Computer Lab (6/19/00)	\$45,000.00	\$45,000
14. North Star, Andersen & NE Middle School (6/20/95)	\$110,000.00	\$110,000	34. Olson School Gymnasium (9/22/97)	\$10,000.00	\$10,000	54. Folwell School Computer Lab (6/18/01)	\$28,000.00	\$28,000
15. Bancroft School - Phase II (10/30/95)	\$15,542.47	\$20,000	35. Barton School (9/22/97)	\$48,000.00	\$48,000	55. Sheridan School Parking Area (9/24/01)	\$14,886.00	\$14,886
16. Field School Windows/Northrup School Improvements (12/4/95)	\$117,000.00	\$117,000	36. Bryn Mawr Elem. Equipment/ Anwatin Jr. High Computer Lab (11/17/97)	\$42,469.92	\$52,722	56. Jenny Lind School Playground (12/17/01)	\$40,000.00	\$40,000
17. Professional/Technical Services (12/4/95)	\$80,000.00	\$80,000	37. Comp. Equip. for Pillsbury School (12/15/97)	\$40,000.00	\$40,000	57. Hiawatha Playground (1/28/02)	\$50,000.00	\$50,000
18. Kenwood School Playground (1/22/96)	\$50,000.00	\$50,000	38. Refund of Holmes Park Site Funds (12/15/97)	-\$794,000.00	(\$794,000)	58. Traffic Light at Cleveland School (3/25/02)	\$17,000.00	\$17,000
19. Longfellow Schools (1/22/96)	\$150,000.00	\$150,000	39. Washburn Computer Lab/ Ramsey Playground (1/26/98)	\$125,000.00	\$125,000	59. Kenwood Community School Playground (5/20/02)	\$14,518.00	\$14,518
20. Windom Community Center Study (4/1/96)	\$10,000.00	\$10,000	40. Windom Community Center (2/23/98)	\$350,000.00	\$350,000	60. Andersen School Playground (5/20/02)	\$250,000.00	\$250,000

PROG. MONEY		OBLIGATED	FUNDS SENT	INTEREST	BALANCE
YEAR	FOR SCHOOL PROGRAMS*	TO DATE	TO DATE	EARNINGS**	TO BE ALLOCATED
1990	\$1,127,903	\$1,127,903	\$1,127,903		\$0
1991	\$1,068,626	\$1,068,626	\$1,068,626		\$0
1992	\$1,225,083	\$1,225,083	\$1,225,083		\$0
1993	\$1,212,370	\$1,212,370	\$1,212,370		\$0
1994	\$647,845	\$647,845	\$647,845		\$0
1995	\$94,692	\$94,692	\$94,692		\$0
1996	\$99,473	\$99,473	\$99,473		\$0
1997	\$95,877	\$95,877	\$95,877		\$0
1998	\$99,417	\$99,417	\$99,417		\$0
1999	\$90,807	\$90,807	\$90,807		\$0
Interest		\$295,348.72		\$296,923.85	\$1,575.13
TOTAL	\$5,762,093	\$6,057,441.72	\$5,762,093.00	\$296,923.85	\$1,575.13

APPROVED USES (continued) (DATE OF POLICY BD APPROVAL)	AMOUNT APPROVED	AMOUNT SENT
61. Willard School Playground and Park (6/24/02)	\$30,000.00	\$30,000
62. Burroughs School Playground and Park (9/23/02)	\$211,500.00	\$211,500
63. Hall Community School Playground (Near North) (4/21/03)	\$60,000.00	\$60,000
64. Internet Labs (3/22/04)	\$459,130.00	\$132,688
TOTAL	\$6,057,441.72	\$5,762,113.00

* Program money is defined by Minnesota Statutes as the debt service savings on MCDA refunded tax increment bonds and the amount of money which would have been distributed as excess tax increments under the City Ordinance had it not been modified. There is program money only in the years 1990-1999.

** The interest earned by balances held by the School District are additional funds available for allocation by the School Board and Policy Board. (Interest earned is current through June 30, 2004.)

Prepared by: Robert Cooper, MCDA 673-5239
Last Revised: August 11, 2004