

## Memorandum

To: Policy Board Members and Alternates

From: Robert D. Miller, Director

Date: May 15, 2007

Subject: Kenwood Isles NRP Phase II Neighborhood Action Plan

The Kenwood Isles NRP Phase I Neighborhood Action Plan was adopted in February of 1996. After the initial implementation of some projects, the Plan was not further implemented until new leadership in 2003 began the process of plan review and plan modification. This activity redirected funding to new projects and helped to organize the neighborhood for Phase II activity. A participation agreement was completed and adopted by Kenwood at their May 2006 annual meeting. A complete review of Kenwood's Phase I Neighborhood Action Plan was presented at the April 23<sup>rd</sup> Policy Board meeting. The final Phase II Neighborhood Action Plan was adopted by the Kenwood Isles Area Association at their May 7, 2007 annual meeting.

The Kenwood Isles Phase II plan is for \$85,600. Of that amount, \$60,000 (70%) supports two housing investments. The remaining funds will not be available to the neighborhood for three years and have been reserved for future neighborhood livability projects.

NRP's legal counsel and appropriate city staff have reviewed the plan. During the final weeks before adoption, a footnote to the Phase II allocations adopted on April 19, 2004, which had been overlooked, was brought to the neighborhood's attention. The Policy Board adopted language prior to adopting the Phase II allocations that gave Kenwood Isles an additional allocation of \$14,400. The neighborhood decided, given the current issues around Phase II funding, to proceed with this plan now. If in the future there are to be cuts to Phase II neighborhood allocations, Kenwood understands that the cuts would be taken from the \$14,400 first. If there are no fund reductions, Kenwood reserves the right to use the Plan Modification process to access the remaining \$14,400.

Based upon the request of the neighborhood and my review of the Kenwood Isles NRP Phase II Neighborhood Action Plan, I recommend the following:

**WHEREAS:** On April 19, 2004, the Minneapolis Neighborhood Revitalization Program ("NRP") Policy Board ("Board") approved a Phase II allocation for the Kenwood Isles neighborhood of \$85,600 based on the Phase II revenues projected for the NRP; and,

**WHEREAS:** The Kenwood Isles neighborhood conducted an extensive and inclusive Phase II neighborhood action plan development process; and,

**WHEREAS:** The Kenwood Isles NRP Phase II Neighborhood Action Plan requests a Phase II allocation of \$85,600 and dedicates more than 70% of that allocation to housing related activities with the understanding that \$14,400 of additional allocation may be available for future implementation of approved plan strategies.

**BE IT RESOLVED:** That the Minneapolis Neighborhood Revitalization Program Policy Board hereby accepts and adopts the Kenwood Isles NRP Phase II Neighborhood Action Plan dated May 7, 2007; and

**RESOLVED FURTHER:** That the Board hereby authorizes the Director to request that the City Council and Mayor [a] approve Kenwood Isles NRP Phase II Neighborhood Action Plan, and specifically those parts of the plan that fall under City Jurisdiction, for their Phase II allocation of up to \$85,600; [b] amend the 2007 General Appropriation Resolution to increase the Fund CNR0 (NRP Fund) by \$60,000 from existing fund balance for implementation of the approved Plan; [c] and authorize the appropriate City officers to reserve the remaining \$25,600 for Plan implementation in a reserve account within Fund CNR0 for future years expenditures on the approved Plan provided that no more than 70% of the amount approved for the Plan shall be obligated in the first three (3) years after approval of the plan; and [d] authorize the appropriate City officers to enter into any contracts or agreements necessary to implement the activities above.

**KENWOOD ISLES AREA ASSOCIATION  
P.O. Box 300007  
Minneapolis, MN 55403**

**May 9, 2007**

**Robert D. Miller, Director  
Minneapolis Neighborhood Revitalization Program  
425 Crown Roller Mill  
105 5<sup>th</sup> Avenue South  
Minneapolis, MN 55401**

**RE: KIAA NRP Phase II Neighborhood Action Plan**

**Dear Mr. Miller:**

At the KIAA Annual Meeting, held Monday, May 7, 2007, attendees unanimously passed the following motion:

**The Kenwood Isles Area Association  
Adopts the Kenwood Isles NRP Phase II Neighborhood Action Plan dated  
April 9, 2007; and**

**Requests that the Plan be submitted to the NRP Policy Board and  
Minneapolis City Council for final adoption and appropriation of funds.**

We ask you and your staff to accept our Phase II Plan document and to forward it to the NRP Policy Board for consideration at their next meeting. Pat Scott, our KIAA NRP Committee Chair, will attend that meeting to make a brief presentation to the Policy Board and to answer any questions that may arise.

After the NRP Policy Board acts on the KIAA Phase II Plan, please then forward it ASAP to the appropriate Minneapolis City Council Committee for action by the City.

Thank you for your assistance, and for the help of your staff, Carsten Slostad, throughout our KIAA NRP planning and implementation process.

Sincerely,



Gary Bennett, Chairperson  
Kenwood Isles Area Association

cc: Kathy Williams, KIAA Secretary  
Pat Scott, KIAA NRP Committee Chair

Kenwood Isles NRP  
Phase II  
NEIGHBORHOOD  
Action Plan

Kenwood Isles Area Association  
(KIAA)

Adopted May 7, 2007

## **Kenwood Isles Demographics**

When the original KIAA Neighborhood Action Plan was adopted by the Policy Board in January 1996 and by the City Council in February 1996, Census data (1990) described the neighborhood as 99% Caucasian, and affluent, with a median household income of \$80,000, and with no households in poverty. There were 600 housing units, 581 of which were occupied, 492 (85%) by owners and 89 (15%) by renters. The median house value was \$289,500.

Census data (2000) for the current neighborhood show more diversity (94% Caucasian, 3% Asian, 2% Latino, and 1% African-American), continued affluence (with a median household income of \$103,000), but with slight signs of change (4 families indicating poverty). The number of young children under the age of 14 had increased by 27% since 1990, and the number of singles households had increased by 11%. In 2000, there were 620 housing units, 606 of which were occupied, 508 (84%) by owners and 98 (16%) by renters. The 2000 median house value had increased to \$459,500.

## **PHASE II PLAN DEVELOPMENT**

The KIAA NRP Steering Committee began planning for Phase II in late fall 2005, and quickly realized that the \$85,600 total Phase II funds allotted by the NRP Policy Board to KIAA posed significant challenges. This figure, the smallest neighborhood allocation in the city, is less than 1/3 of the allocations to other nearby neighborhoods.

Further limiting the planning process, NRP Phase II policy requires that 70% (\$60,000 in the case of KIAA) must be spent on programs that either provide housing or are housing-related. The funding realities, therefore, left only \$25,600 in “discretionary funds” to be directed toward KIAA’s local neighborhood priorities and potential strategies.

The NRP Committee concluded that any attempt to devise a KIAA neighborhood-focused housing program would not be productive, cost-effective or a good use of KIAA’s Phase II funds. Instead, the Committee explored investing KIAA’s housing dollars with several worthy non-profit organizations.

Also, the idea of conducting an NRP-focused neighborhood survey was briefly considered and quickly discarded as a poor use of the neighborhood’s very limited Phase II NRP resources.

The NRP Committee used the same process for community input that had worked effectively in the 2003-2005 NRP Phase I Plan Modification and Funds Reallocation endeavor. A well advertised, Community Input/Open House session held in February 2006 at the Kenwood Park Center presented the results of the Committee's work, with which the attendees overwhelmingly concurred.

In addition, since 2004, KIAA Board members (all volunteers) have produced and mailed at least two well-designed, informative neighborhood newsletters each year to update all KIAA households on neighborhood information. The KIAA Communications Committee has also recently developed a very attractive KIAA web site that is used to convey information to and about the neighborhood, as well as to provide links to additional sources of information. NRP information and updates are included in these communications vehicles.

In late March 2006, the NRP Committee presented its recommended strategies for the KIAA Phase II NRP Action Plan to the KIAA Board and also to all Kenwood Isles residents via the KIAA Spring Newsletter mailed that month to all households. The neighborhood then approved the Phase II Strategies at the May 1, 2006 KIAA Annual Meeting.

## PHASE II ACTION PLAN

### A. HOUSING (\$60,000 Total)

**Goal 1: To invest KIAA Phase II NRP Funds in established, effective non-profit housing projects in other Minneapolis neighborhoods.**

**Objective 1:** Invest in transitional housing for youth.

**Strategy 1:** Allocate **\$45,000** of KIAA's housing allocation to the Capital Fund of the *Bridge for Runaway Youth* to assist construction of its new Transitional Housing building at Emerson Ave S and W 22<sup>nd</sup> St, in the East Isles neighborhood.

Rationale: This project is under construction and KIAA's support will be included in the financing package for the project.

Partners: Kenwood Isles Area Association (KIAA)  
Bridge for Runaway Youth  
City of Minneapolis CPED

Schedule: 2007 - \$45,000

Resources: Multiple sources for the construction project  
NRP \$45,000

Contract Administration: CPED

**Objective 2:** Invest in supportive housing for people with special needs.

**Strategy 1:** Allocate **\$15,000** to the *Clare Housing* organization for its *Clare Apartments* project in NE Minneapolis to provide supporting housing for residents living with HIV/AIDS, in the St Anthony East neighborhood.

Rationale: Although construction of this project is completed, additional funding is needed to support additional furnishings and construction costs.

Partners: Kenwood Isles Area Association (KIAA)  
Clare Housing  
City of Minneapolis CPED

Schedule: 2007 - \$15,000

Contract Administrator: CPED

**B NEIGHBORHOOD LIVABILITY (\$25,600 total)**

**Goal 1: Provide funding for projects that improve and enhance the livability of the Kenwood Isles neighborhood.**

**Objective 1:** Engage and encourage neighborhood residents to be involved in projects that improve and enhance the livability of the Kenwood Isles neighborhood.

**Strategy 1:** Projects may be directed toward, but are not limited to, environmental improvements; increased neighborhood safety; increased pedestrian activity; strengthened neighborhood cohesiveness; improved neighborhood communications.

Rationale: Because of the required “hold back” of these funds, these dollars will not be available to the neighborhood for three years. The small amount of dollars available will be used as incentive dollars to encourage other funding to support projects that will be of importance to the neighborhood in the future.

Partners: To be determined

Schedule: 2010 - \$25,600

Contract Administrator: To be determined.

**C: IMPLEMENTATION SUPPORT (NO Phase II Funds)**

**Goal 1: Encourage effective communication and outreach efforts to the Kenwood Isles neighborhood.**

**Objective 1:** Provide funding to support effective communication and outreach efforts to the community.

**Strategy 1:** Encourage participation on KIAA’s NRP committee using dollars from KIAA’s Phase I Neighborhood Action Plan for funding current implementation, community organizing and communication needs.

Rationale: KIAA has no paid staff and has used the resources from its independent fund-raising and remaining dollars in the Phase I NRP Neighborhood Action Plan to do a plan review, participation agreement and to develop a phase II plan. KIAA has been able to do this using the countless hours of volunteer time donated to the neighborhood.

Schedule: Ongoing

Funds: Phase I dollars rolled over to this plan.

Contract Administrator: NRP Staff.



Last Revision: May 4, 2007

## KENWOOD ISLES PHASE II NRP ACTION PLAN

| ACTIVITY                                 | ACTION PLAN   |               | NRP            | PROGRAM INCOME | PHASE I ROLLOVER | CHANGES |
|------------------------------------------|---------------|---------------|----------------|----------------|------------------|---------|
|                                          | NRP HOUSING   | NRP OTHER     | PHASE II TOTAL |                |                  |         |
| <b>HOUSING (page 4)</b>                  |               |               |                |                |                  |         |
| 1.1.1. Bridge for Runaway Youth          | 45,000        |               | 45,000         |                |                  |         |
| 1.2.1. Clare Housing                     | 15,000        |               | 15,000         |                |                  |         |
| <b>Neighborhood Livability (page 5)</b>  |               |               |                |                |                  |         |
| 1.1.1. Neighborhood Livability Projects  |               | 25,600        | 25,600         |                |                  |         |
| <b>Implementation Support (page 5)</b>   |               |               |                |                |                  |         |
| 1.1.1. Implementation Support            |               |               | 0              |                |                  |         |
| <b>TOTAL *</b>                           | <b>60,000</b> | <b>25,600</b> | <b>85,600</b>  | <b>0.00</b>    | <b>0.00</b>      |         |
| <b>ACTION PLAN REQUEST</b>               | <b>85,600</b> |               | <b>85,600</b>  |                |                  |         |
| ADMINISTRATIVE FUNDS IN PLAN             | 0             |               | 0              |                |                  |         |
| ADMIN FUNDS FOR HOUSING                  |               |               | 0              |                |                  |         |
| TOTAL HOUSING ALLOCATION                 |               |               | 60,000         | 70.09%         |                  |         |
| AMOUNT AVAILABLE (70%) IN 1ST 3 YEARS ** | 60,000        |               | 60,000         |                |                  |         |

\* - On March 22, 2004, the NRP Policy Board adopted a policy that defined a minimum allocation for neighborhood groups as \$100,000. Therefore, there is an additional \$14,400 available to be allocated through this plan at a later date.

\*\* - On March 22, 2004, the NRP Policy Board adopted a policy that requires each neighborhood to limit its Phase II Neighborhood Action Plan obligations to no more than 70% of their neighborhood allocation during the first three years following approval of its action plan.

## KENWOOD ISLES PHASE II NRP ACTION PLAN

| ACTIVITY                                       | COMMENTS              | CONTRACT ADMINISTRATOR |  |  |  |
|------------------------------------------------|-----------------------|------------------------|--|--|--|
| <b><u>HOUSING (page 4)</u></b>                 |                       |                        |  |  |  |
| 1.1.1. Bridge for Runaway Youth                |                       | CPED                   |  |  |  |
| 1.2.1. Clare Housing                           |                       | CPED                   |  |  |  |
| <b><u>Neighborhood Livability (page 5)</u></b> |                       |                        |  |  |  |
| 1.1.1. Neighborhood Livability Projects        | Specific projects TBD | TBD                    |  |  |  |
| <b><u>Implementation Support (page 5)</u></b>  |                       |                        |  |  |  |
| 1.1.1. Implementation Support                  | Future Ph. I Rollover | NRP                    |  |  |  |

Kenwood Isles Neighborhood Phase II NRP Action Plan (Kenwood 2.xls)

Date Created: May 4, 2007

Last Revision: May 4, 2007

Prepared By: Robert Cooper, Finance, 673-5239