

***Letter sent to Mayor and City Council Members
July 30, 2002***

On behalf of the Minneapolis Neighborhood Revitalization Program (NRP) Policy Board, I want to thank McKinsey & Company for their service to the City of Minneapolis. The report challenges the City to change the way it does its development efforts and provides a blueprint for how the changes can be accomplished. For this impressive achievement and their thoughtful assessment of a complex system they deserve our gratitude.

The roadmap that they have offered is a beginning. We recognize that this report is a “work in progress” and that many changes will be made before the City Council and Mayor act on the recommendations. We hope that the comments that we are offering will be used to help improve this blueprint and reduce some of the challenges associated with implementation.

As you know, the NRP Policy Board is a Joint Powers Board that oversees one of the most successful and creative community revitalization programs in the nation. There are few examples in the Twin Cities area or around the country where so much has been achieved by so many in such a short time.

The Policy Board supports combining the planning and development functions of the City. We believe that a marriage of planning and implementation makes sense and will address many of the City staff communication, perspective, and performance issues that have been problems for residents and neighborhoods. In addition, using neighborhood based planning as the genesis for city wide plans recognizes the value of resident participation and insights. It provides the potential, as the Mayor has so eloquently stated, to give neighborhoods a greater voice and more control of large, city wide projects. Another positive aspect of the proposed organizational restructuring is that it provides a clear development hierarchy that streamlines the regulatory and development approval processes.

There are, however, some questions and concerns that we have about the proposed redesign.

The proposal appears to believe that centralized planning and decision making by CPED and its NCP unit will be more effective than decentralized planning by residents and neighborhoods. It fails to acknowledge the effective community building that NRP has achieved or the dynamic nature of planning. It displays either a lack of knowledge or disagreement with NRP's principles and neighborhood planning and delivery processes; discounts the importance of resource control in turning plans into real changes; and fails to recognize the importance of resources to the involvement and commitment of residents. The report does not mention or recognize the need for neighborhoods to have a reliable funding stream that they control.

For the members of the Policy Board, the real question is:

What aspects of NRP need to be changed and how does this proposal fix those problems?

It appears there is little in the McKinsey recommendations that strengthen NRP. Three separate and independently conducted random surveys (one by the City, one by the Star Tribune and one by the independent consultants who evaluated the first 10 years of NRP) have shown that "NRP" is a name that residents recognize and feel positively about. Mayor Rybak has assured the Policy Board that the proposed plan will continue "NRP" as a brand name.

In the plan and its details, the neighborhoods lose control of funds, planning is separated from funding, control of the program moves to the City and the NRP's credibility and reputation is dismissed. This will likely result in citizens perceiving NRP and the city's commitment to NRP as dissolving and that there is a plan to return the city to business as usual, albeit under a new name and structure. The return of citizen participation to the patterns used before 1990 is one that we cannot afford. We suggest that, at a minimum, the citizen participation program should include the election (not appointment) of neighborhood representatives on advisory and policy boards and designated funding set asides or allocations for every neighborhood in the city to help them with implementation of the action plan adopted by their neighborhood.

NRP serves as a vital catalyst to bring jurisdictions and neighborhoods into partnerships that are cost effective, benefit communities and promote integrated delivery of services. Neighborhoods have "shaken up" the internal processes of government agencies and departments and brought creativity to the table. Every day NRP and its staff are working with residents in the neighborhoods to improve the neighborhoods. Perhaps most significantly, this program has resulted in real changes to the city that would never have occurred without NRP.

It is our intent to be supportive of the changes presented by McKinsey & Company but we need to ensure that the progress and empowerment that has occurred as a result of NRP continues and grows. Please help us to be enthusiastic supporters by providing us with answers to the following questions:

- What level of direct and indirect control will neighborhoods have over dollars under the new model?

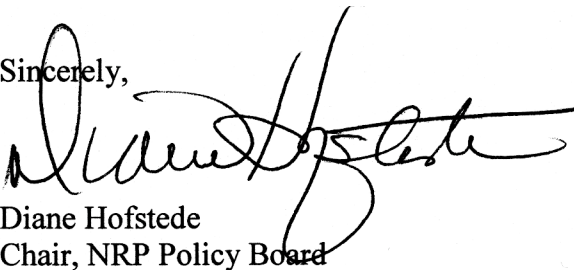
- Will there be allocations to neighborhoods and will they be comparable to the preliminary allocations presented to the residents of the city in June, 2000?
- Why is neighborhood representation on the proposed Neighborhood and Community Planning Policy Board being reduced by 25% from its current NRP Policy Board level (and 40% from the level approved by the Policy Board Bylaw revisions endorsed by the Policy Board on April 22, 2002) when the presentations being made by McKinsey and others to the public have repeatedly stated that neighborhood involvement and influence will be expanded?
- What responsibilities and authority will the NCP Board have and how will its members be selected?
- What is the long-term vision for our city and how will the active neighborhood participation that we enjoy today be continued and supported?
- What is the plan for the neighborhoods and their organizations during this time of organizational change?

There are additional issues that we will need to resolve. We view your response as the beginning of the discussion.

Today we believe that NRP can best maximize its community building, neighborhood capacity building, contract management responsibilities, unmatched leveraging of resources and interjurisdictional facilitation and catalyst activities as an independent joint powers program.

We are interested in being a part of this reorganization but we do not want to lose what we have jointly built or jeopardize our trusted position with residents and neighborhoods. **We look forward to continuing the dialogue with you regarding the McKinsey & Company report following the conclusion of the 45-day public comment period.**

Sincerely,

A handwritten signature in black ink, appearing to read "Diane Hofstede", written over a white background.

Diane Hofstede
Chair, NRP Policy Board

Enclosure