



PROGRAMS, FUNDING AND IMPLEMENTATION

Work Group 1

A Framework creating enhanced neighborhood programs and funding

neighborhoods
2020



Program, Funding and Implementation Work Group
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The Neighborhoods 2020 process was created by the City Council to look at how the City serves and supports neighborhood organizations both internally and externally via staffing, organizational/advisory board oversight and grant-funded programs. Each piece is important for equitable and high-quality services to be provided to residents. The Neighborhoods 2020 process comprises four important parts:

- consistent funding and programming for neighborhoods and other community-based programs such as the One Minneapolis Fund and the Community Innovation Fund
- proper sizing and oversight of these programs by an advisory body
- a consistent citywide community engagement policy for the City of Minneapolis that incorporates the Core Principles of Community Engagement
- evaluating the Neighborhood and Community Relations Department's service delivery model and making changes if necessary.

As part of the Neighborhoods 2020 process, the City Council created three work groups. "Work Group 1" was charged with developing a framework for Program Guidelines, Funding and Implementation. The work group included five neighborhood organization representatives, three cultural community representatives, two representatives from the Neighborhood and Community Engagement Commission (NCEC), one Neighborhood Revitalization Program (NRP) Policy Board representative, two undoing racism/equity representatives, two representatives of the City Council and one representative from the Mayor's office.

The work group met eight times between July 25 and November 8. On November ____ it approved the following recommendations to the City Council for a framework for Program Guidelines, Funding and Implementation. This framework outlines the Work Group's recommended positions and outlines the roles and commitments necessary to ensure that a funding program is equitable, fair and encompassing the needs of the City.

Basis for Program and Guidelines

The Program Guidelines, Funding and Implementation Work Group based its work on five general goals. These goals, created to have a basic understanding of the next generation of neighborhood programmatic funding, are:

Goal 1: Increase *inclusive and vibrant* leadership within neighborhoods. Create a space for new ideas, people and planning.

Goal 2: Create *effective* financial and programmatic accountability of neighborhood organizations to the communities they serve and to Minneapolis taxpayers.

Goal 3: Increase the *effective* capacity of neighborhoods in the areas of administration and program development.

Goal 4: Create *inclusive, diverse and equitable* neighborhood organizations.

Goal 5: Clarify an *effective* role for neighborhood organizations and their relationship with the City of Minneapolis, including its Neighborhood and Community Relations Department (NCR).

Through these goals, the Work Group developed a framework for program guidelines, accountability measures and recommended organizational changes within NCR and best practices for neighborhood organizations.

Underlying these detailed recommendations, though, is a set of necessary culture changes for neighborhood organizations, the City of Minneapolis and other civic/cultural groups. This would result in a resetting of these relationships and greatly increase the chances of long-term success of creating a truly equitable and inclusive engagement system.

Programmatic Guidelines Ensuring Identified Goals

The Work Group developed recommendations to ensure that neighborhood organizations are accountable, equitable and available to all stakeholders.

Financial accountability

It is recommended that funded organizations should agree to follow the NCR Audit Policy. These audits would be paid for by the department; however, failure to agree to an audit or financial review could result in termination or suspension of contracts.

Funded organizations should use an approved accounting/financial software program. NCR should research the cost, availability and implementation issues of potential programs.

Finally, if a funded organization has identified or been informed of embezzlement, fraud or misappropriation of funds, the organization must cooperate with any investigation.

Duty to perform by funded organizations

Funded organizations should have a minimum duty to perform—a minimum set of standards that must be completed during the contractual period. Organizations would be required to report these deliverables to NCR annually. This annual report should be available to the public through multiple access points.

Bylaws review

Funded organizations should make their bylaws available for review by NCR to ensure that the new program guidelines can be met. NCR staff would review and advise the organization on any potential issues; organizations, then, should be given an adequate amount of time to fix those problems.

Meetings

Annual meetings/elections and quarterly membership meetings should be viewed by neighborhood organizations as a way to reach out to the community and increase involvement. An election process, even with its imperfections, can still provide a way to increase stakeholder interest and to draw new people into the organization.

The following recommendations on annual meetings/elections and quarterly membership meetings are intended to make the election process more normal and predictable, and to develop broader public participation and a sharing of power.

Annual Meeting: Neighborhood organizations should provide alternate means of voting. This could include such initiatives as allowing for early or late voting in addition to voting at the meeting. All neighborhoods are required to hold an annual meeting. Taking nominations from the floor should be mandatory.

Annual meetings should have a required set of reports such as: State of the Organization, Financial Reports and Outreach Activities as a minimum standard.

Quarterly Meetings: Quarterly general membership meetings should be required for all funded organizations.

Citywide Annual Elections: Neighborhood organizations should be encouraged to “opt-in” to a Citywide Neighborhood Election Day (a single, identified day for all neighborhood board elections), which would include an annual meeting, elections and a general introduction of the neighborhood organization.

Board membership requirements

The Work Group recommends that the neighborhood system become more stakeholder-centered. In this model of participation, the purpose of the board would be to act as a steward for the stakeholders in the community. Stewardship would ensure that the widest interests of the neighborhood are represented in the deliberations of the organization, and that these voices are communicated to the City. The real power of a neighborhood organization derives from the broadness and inclusivity of its stakeholder base, not from the individual voices of the board.

In order to increase leadership and diversity and to expand board membership, no more than 25% of board members shall serve more than six consecutive years. Funded organizations will be required to mandate board officer term limits. Neighborhood organizations may offer to add ex-officio non-voting board members.

Diversity

Neighborhood organizations and cultural community organizations must realize that both have an impact on geographic areas, as well as perceptions across the spectrum. New board structures that enhance the role of all members, or careful attention to how meetings are run, may allow groups that once felt excluded to feel welcome. All funded and non-funded organizations should seek to develop a cooperative relationship with neighborhood organizations.

Some neighborhood organizations rightly complain that the issue of diversity is sometimes used to attack the system rather than as a fair criticism. The neighborhood system, made up of volunteers supported by City staff, cannot by itself achieve what the political system as a whole has been unable to accomplish. Thus, active participants in the neighborhood system often bristle when diversity is used to denigrate the value of their own involvement.

But the neighborhood system does have an extra burden in addressing this issue. The rationale for the neighborhood system is that it brings more voices to the table than the systems of representative government and, therefore, brings added value to the City’s decision-making process. Therefore, neighborhood organizations cannot escape the expectation that they

should more effectively draw in renter, working class, youth, people of color and others who have less-than-hoped for representation.

Annual Diversity Reporting: Funded organizations must ensure that they are representative of the residents they serve; therefore, annual reporting on board diversity should be included as a part of the organization’s annual reports. If the diversity of a funded organization differs significantly from actual demographics, a “Diversity Action Plan” should be required.

Diversity Action Plan: A Diversity Action Plan would be a plan to improve the funded organization’s internal diversity. Funded organizations and NCR would work together to develop a plan. The plan should develop processes and practices that will actively encourage new membership that reflects the diversity within the geographic area of the neighborhood, including the diversity of community interests, ethnicity, race, gender, age, class, religion, homeowner and renter status and sexual orientation. Board members of neighborhood organizations would need to embrace new ways of reaching out to people, beginning with a clear statement that all are welcome and encouraged to participate. The plan should outline procedures, meetings and events that will reach out to a wider demographic base.

The plan should also consider how the organization can create a more welcoming environment. The Work Group identified many practices that should be adopted, adapted and implemented to enhance broad-based representation, equity and equal access.

- cultural sensitivities should be considered when forming meetings, events or gatherings (including meeting times and locations)
- various stakeholder work schedules also should be considered
- childcare at meetings (certainly at annual meetings)
- food at meetings (this should be made an eligible expenditure)
- transportation assistance

Organizations that do not complete a required plan and meet board diversity standards within 18 months may have their funding terminated.

Outreach Plan

All neighborhood organizations should develop an outreach plan that includes a door-knocking component. The best way to connect with stakeholders is through face-to-face contact. A robust engagement plan should be implemented by every funded organization. The plan should include many of the same components of a Diversity Action Plan. Communication(s) should not be considered community engagement.

Neighborhoods shall submit a measurable outreach plan to engage residents with multiple opportunities to engage in meaningful face to face interactions including a plan to engage underrepresented residents (door knocking, pop events, tabling at popular locations).

Contractual relationship

The City of Minneapolis and neighborhood organizations should have a two-way contractual relationship. Neighborhood organizations do not have to receive funding from the City of Minneapolis (see Optional Adherence below). Neighborhood organizations may refuse funding because the program requirements are not agreeable or the organization has other funding streams and City funding is not needed.

Optional adherence

Neighborhood organizations, as private non-profit corporations, can choose not to comply with the some of the funding requirements of the City of Minneapolis (although not those considered essential to engagement), but still agree to fully participate in the citywide community engagement process. Such organizations could remain the acknowledged geographic neighborhood organization for such purposes at the discretion of the CEC, but organizational funding from the City of Minneapolis would be terminated.

Best Practices

Funded organizations have a duty to continually look at new ways to increase involvement, membership and influence in the community they serve in a variety of ways. Such as:

- collaborate with one another
- host multiple meeting and events at a variety of locations to make community members feel welcome
- observe other funded organization's meetings
- periodic gatherings of board chairs, treasurers and other officers to encourage dialogue and share projects
- incorporate alternatives to Robert's Rule of Order (which can often be intimidating to new members)
- staff gatherings
- City Council Member neighborhood meetings

Funding – 3-year cycles

Funding for programming should utilize an array of delivery service models. Different geographic areas of the City need different types of funding available to support their activities.

Total allocation

The Work Group recommends that the City provide a base level of programmatic funding of \$10 million per year through City's budget process. A substantial investment in these funded programs will increase equity, diversity and engagement within the City. Historically, the City has provided between \$20 million and \$4 million annually to neighborhood organizations.

Competitive funding

Twenty-five percent of this total allocation should be available on a competitive basis to any community engagement-driven organization within the City of Minneapolis.

The purpose of the competitive funds would be based on City-identified priorities defined on an annual basis. Funds would be allocated based on needs met, return on investment, deliverables and the ability to sustain projects when necessary.

Neighborhood and cultural community organizations applying for this funding would receive “bonus” points on their application for partnerships.

Neighborhood organization funding

Seventy-five percent of the total programmatic funding should be available to neighborhood organizations. The funding allocation for neighborhood organizations would be based on racial diversity, poverty level, household type, population and rent burden in the following percentages:

- racial diversity – 30%
- poverty level – 25%
- household type (renter/owner) – 20%
- population – 15%
- housing cost burdened population – 10%

Neighborhood organization funding would comprise base funding, impact funding and discretionary funding.

Base Funding Allocation: Neighborhood organizations would have a maximum potential allocation based on the funding percentages listed above. Fifty percent of the total maximum allocation would be considered base funding for the most basic community engagement activities, including such items as staff, rent, phones, mailers and newsletters.

Impact Funding Allocation: Neighborhood organizations would be able to increase their funding based on increased engagement activities. An amount equal to 25% of the maximum potential allocation would be available for these increased activities.

Neighborhood organizations would be free to explore new “outside-the box” activities to increase engagement activities within their geographic area, or to combine activities with other neighborhood, community cultural and other non-profit organizations.

Discretionary Funding: Neighborhood organizations in different areas of the city have different needs and, therefore, need to adjust their activities accordingly. To allow for these differing needs, a discretionary funding stream should be created equal to 25% of each organization’s total maximum allocation.

Neighborhood organizations must be able to identify neighborhood priorities, needs and improvements and have the ability to carry out measurable outcome(s). Discretionary funding would be available to a single entity, a partnership or sponsorship to address these priorities.

Examples of the areas in which discretionary funds could be used are:

- outreach staff
- planning for future projects
- capital projects
- farmers markets
- community gardens
- increased community engagement activities
- housing/business development
- environmental projects
- park/school/library projects
- traffic/infrastructure projects
- other specialized projects

The discretionary funding pool is intended to be one-time projects or projects that could be potentially self-sustaining in the future.

Intent

The intent of the multipronged funding approach is to ensure consistency within the neighborhood system; increase funds for increased engagement practices; and, allow lower functioning neighborhoods the ability to increase funding through action planning.

Capital long-range improvement funding

Neighborhood organizations should have the ability to identify capital projects, on a five-year basis, within their geographic area and have direct access to Capital Long-Range Improvement funding available through the City's annual budget process.

Neighborhood organizations have a better understanding of what is needed within their own area, have a vested interest and have an ability to plan long term. Providing neighborhood organizations access these funds will:

- create a financially-balanced distribution
- ensure an equitable distribution of funding
- create ownership within the capital funding decisions
- lead to better communication between city departments and neighborhood organizations
- create partnerships between public and private investment(s)

Additional funding for cultural community organizations

NCR should create separate funding mechanisms for neighborhood and cultural community engagement activities. Neighborhood and cultural community organizations should have to follow the same policies, procedures and expectations.

The City is encouraged to increase the amount of overall funding in order to include cultural community organizations. While the Work Group's recommendations are primarily dedicated to neighborhood funding and programming, the Work Group recommends that programs be created to allow for a combination of services, partnerships, sponsorships and noncompetitive funding.

Pooled services

Collaborations should be encouraged. Funded organizations with a lower level of administrative abilities should be encouraged to pool services with higher functioning organizations. Pooled services would result in lower overall costs and allow each funded organization to increase its level of service to their communities. Pooled services may include:

- staffing and specialized staffing
- administration
- accounting services
- community outreach services
- shared office space
- newsletters
- door knocking
- healthcare grouping
- bulk buying services

NCR may provide temporary additional funding to organizations wishing to transition to a pooled-services model.

Duties to be performed by the City of Minneapolis

The City of Minneapolis should be viewed as a partner in community engagement efforts. NCR has a complex relationship with funded organizations. The department is a funding provider, monitors contract/performance/funding compliance and assists in the development of neighborhood organization capacity. Some additional assistance areas for NCR should be:

- provide training for new board members at least once a year and when needed by individual neighborhood organizations
- develop human resource advice, training and best practices for funded organizations
- create and distribute a Handbook for Boards to be available to funded organizations for their own boards including “best practices” in creating their own board information
- secure, train and implement technical programs for accounting, volunteer and donor tracking, planning and communications
- provide a user-friendly technological means to track contract balances, plan modifications and program status
- research, identify and coordinate possible lower costs options for Directors and Officers, General Liability and Health insurance (including the possible coordination of a Health Insurance Pool)
- provide a listing of qualified providers for translation and interpretation (in addition to City-owned translation equipment available for organizations’ use)
- provide a listing of qualified providers for childcare
- create a graphic design program or contractual agreement available to neighborhood organizations
- continue contracting with an attorney specializing in non-profit organizations to be available to funded organizations up to two hours per year
- create job descriptions for NCR staff to be given to funded organizations (list of expectations)
- Create a “best of” or other awards for top programs in the City.