

RESOLUTION 2002R-303
By Goodman, Benson, Biernat, Lane, Ostrow, Schiff, Zimmermann

Implementing the “Focus Minneapolis” initiative to strengthen planning and community development in the City of Minneapolis.

Whereas, the City of Minneapolis faces community development challenges, including rapidly rising housing costs and slow growth of new housing opportunities, resulting in a critical shortage of housing affordable to residents with low to moderate incomes, and job growth rates that significantly lag the suburbs and peer cities; and

Whereas, the City of Minneapolis faces additional challenges in the related areas of transportation, education and community building; and

Whereas, the City of Minneapolis faces significant budget challenges due to the economic slowdown and changes in state tax law, which have sharply reduced financial resources available for development activities and which require difficult choices between development opportunities; and

Whereas, the City of Minneapolis has many planning documents that outline development priorities, but the City lacks clear, citywide development goals with measurable short-term and long-term outcomes; and

Whereas, the City of Minneapolis and its neighborhoods have over 80 existing development plans, but no established process to coordinate or implement these plans in an integrated fashion; and

Whereas, many residents, neighborhood organizations and businesses report that it is difficult to do business with the City of Minneapolis because of the City's lack of clear development goals and decision-making processes, and because of its complex and confusing organizational structure; and

Whereas, the City of Minneapolis has very capable staff working on planning and development activities in several City departments and entities, but has no central manager or systematic process to coordinate their activities and to resolve conflicts when they arise; and

Whereas, the City of Minneapolis engaged the services of McKinsey and Company to conduct an extensive study of its planning and development functions, which included extensive input from internal and external stakeholders, and the City has received a report entitled *Strengthening Community and Economic Development in Minneapolis* documenting their recommendations; and

Whereas, the Community Planning and Economic Development Work Group has hosted a series of public and staff meetings to receive comments on the report and has also received technical review reports from a Staff Advisory Team on relevant finance, personnel, legal and policy issues;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

1) That housing and economic development be established as the City's top development priorities, and that the City will set specific, measurable development goals to monitor annual progress on these priorities.

2) Be It Further Resolved that the City will work with its partners to support and monitor progress on the critical, related priorities of transportation, education, and community building.

3) Be It Further Resolved that the City will strengthen the following processes to improve strategic planning and development management:

a) Strategic Planning: Conduct a major reevaluation of development priorities, goals, strategies and organization every four years. Annually review progress against goals and refine strategies, as necessary;

b) Performance Management: Initiate regular goal setting and strengthen performance evaluation for individual departments with clear management procedures if goals are not met;

c) Project Prioritization and Selection: Establish a consistent, public process to make clear choices between development options based on City priorities, goals, and strategies; and

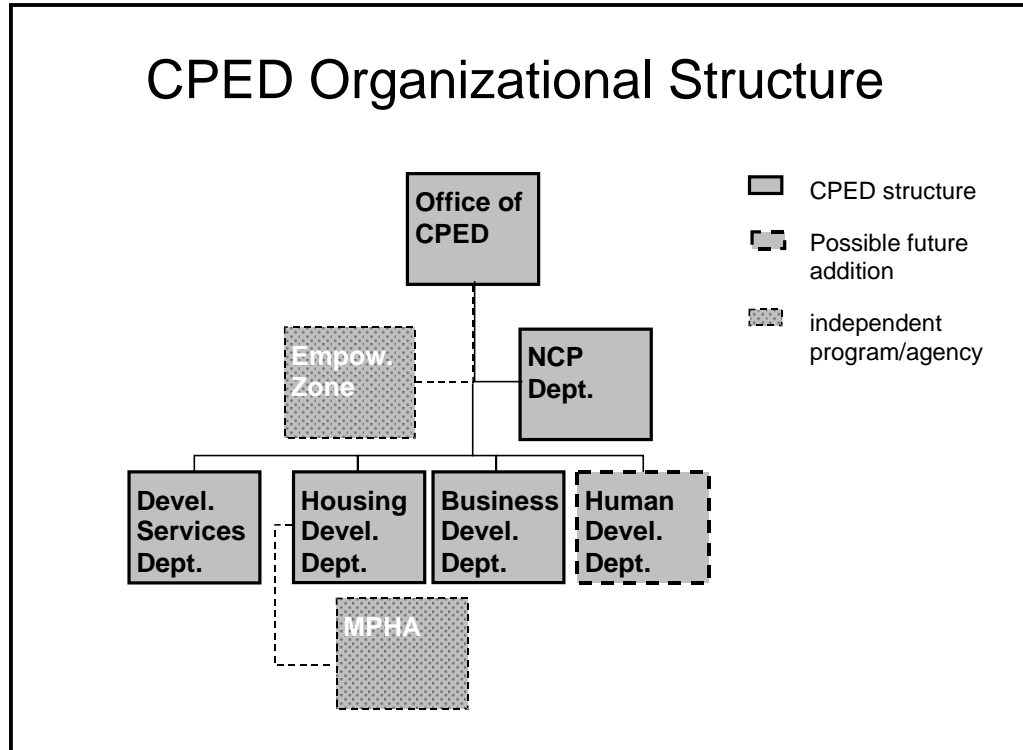
d) Customer Service Improvement: Conduct regular diagnosis and repair of problems with development and regulatory processes that make it difficult to do business with the City, while maintaining the City's commitment to ensure consumer protection and appropriate regulatory oversight.

4) Be It Further Resolved that the City will begin the process of changing the City's organizational structure to increase accountability, improve coordination, and align the organization with the priorities and processes established above, specifically:

a) The City Coordinator shall begin the process of changing the organizational structure by appointing (using a currently vacant Assistant City Coordinator position) an Interim Director of Community Planning and Economic Development (CPED) to oversee and coordinate all City planning and development activity, including the transition from the current organizational structure to the new structure described below;

b) The City Council requests that the Mayor and Executive Committee and the Minneapolis Community Development Agency (MCDA) Board of Commissioners appoint the Interim CPED Director to serve jointly as Executive Director of the MCDA;

c) Begin the process to adopt the CPED structure and to organize four new departments within it, including Neighborhood and Community Planning (NCP), Development Services, Housing Development, and Business Development, according to the following diagram. Incorporate the functions of the MCDA, the Planning Department and Public Works transportation planning into the CPED structure;



- d) Evaluate options for the long-term position of the CPED Office within the City's larger organizational structure, specifically whether the CPED Office should continue to report to the City Coordinator or should report directly to the City Council; and
- e) Evaluate incorporation of functions of the Neighborhood Revitalization Program (NRP), Regulatory Services, and the Department of Health and Family Support into the CPED organizational structure. (See staff direction 5j below.)
- 5) Be It Further Resolved that in order to implement the actions outlined above:
- a) That the City Coordinator be directed to include the discussion of specific language and expectations for the City's development priorities, as described in parts 1 and 2 above, as part of the fall 2002 Mayor and Council strategic planning process;
 - b) That the Interim CPED Director be directed to develop a business plan for CPED using the City's business planning model, incorporating the City's development priorities, as described in parts 1, 2, and 3a above. The business plan will articulate specific strategies to achieve the City's development priorities;
 - c) That the affected agencies and departments be directed to work with the City Coordinator to refine their key performance measures to serve as baseline for the future. These performance measures will be revisited as part of the performance management process described in part 3b above;
 - d) That by November 1, 2002, the Planning Director be directed to review all current project and plan approval processes and develop appropriate changes, for Council consideration, that would implement the policy direction of part 3c above. The Planning Director is further directed, by the same date, to convene a staff team comprised of affected departments and agencies, including MCDA, NRP, and Public Works to assist with this task and to prepare recommendations for Council consideration;

- e) That by November 1, 2002, the City Coordinator be directed to develop, for Council consideration, a package of recommendations for policy and process improvements that would implement the policy direction of part 3d above. The City Coordinator is further directed to consider the recommendations of the Mayor's Small Business Task Force as part of this review;
- f) That by November 1, 2002, the City Coordinator and City Attorney be directed to prepare, for Council consideration, legal options (including amendments to applicable special laws and state statutes, the City Charter and the Minneapolis Code of Ordinances) to accomplish the policy directions described in parts 4b and 4c above;
- g) That by November 1, 2002, the City Coordinator and City Attorney be directed to prepare, for Council consideration, the necessary personnel, appropriation, office space, and other actions to implement the decisions described in part 4a above;
- h) That by November 1, 2002, the City Coordinator be directed to develop, for Council consideration, a personnel transition strategy that addresses potential impacts on affected employees. In developing the strategy, the City Coordinator shall include labor representatives to more greatly assure that the affects of any changes are considered;
- i) That the City Coordinator be directed to work with the affected departments to establish a "one-stop shop," as described in the McKinsey and Company report, to be operational by June 1, 2003;
- j) That by January 1, 2003, the City Coordinator and Interim CPED Director are directed to work with the affected agencies and departments to prepare, for Council consideration, recommendations regarding whether to incorporate functions of the NRP, Regulatory Services, and the Department of Health and Family Support into the CPED organizational structure, as well as recommendations regarding long-term position of the CPED Office within the City's larger organizational structure. The City Coordinator and Interim CPED Director are further directed to report back to the Community Development Committee and other relevant home committees prior to consideration by the full City Council;
- k) That the City Coordinator, the Interim CPED Director, and the affected departments and agencies be directed to plan and implement the reorganization outlined in this resolution within the financial constraints of the approved budgets of the affected departments and agencies;
- l) That no employee who receives a payroll check from the City of Minneapolis shall suffer any loss of pay or benefits due solely to this restructuring; and
- m) That if it is determined that any of these changes require legislative approval, that action will return to the City Council for consideration.

Adopted. Yeas, 11; Nays, 2 as follows:

Yeas - Zerby, Niziolek, Benson, Goodman, Lane, Biernat, Johnson, Colvin Roy, Zimmermann, Schiff, Ostrow.

Nays - Lilligren, Johnson Lee.

Passed September 13, 2002.