



OPERATING PLAN 2018

Mpls Downtown
Improvement District and
a Vibrant & Safe Downtown

We are pleased to present you with this overview of MDID services proposed for 2018. We are excited to continue providing services to our downtown community that add to the vibrancy of our city. MDID's scope of work includes leading and collaborating on programs and initiatives with the mission of making downtown vibrant, safe, clean and green. MDID Ambassadors influence this in many ways: By cleaning, watering plants and enhancing safety by providing a visible presence, aiding with directions, medical emergencies and reporting suspicious behavior. While the ambassador program is the most visible demonstration of the mission; the broader MDID moves it forward by, advancing safety initiatives, enhancing downtown greening and developing innovative solutions to complex public space challenges including strategic activation. We thank you, and all of our stakeholders, for your partnership in helping us create and maintain an extraordinary downtown. We look forward to working with you again in 2018!



Learn more about the 2018 Operating Plan at MDID's Open House

Wednesday, September 6, 2017, 9:00-10:00 am

at the Minneapolis Downtown Improvement District office 81 South 9th St, #260



NEW INITIATIVES

In 2018 we will see the continuation of many exciting and positive changes in the district. We remain committed to continuing our work to make all areas of the district attractive, safe and welcoming. The Livability team, street workers that will help to guide individuals to services and discourage intimidating behaviors, will continue to grow adding weekend and evening shifts. We will increase our investment in our Safety Communications Center which serves as the communication hub for Ambassadors as well as our outreach and private security partners. We have continued to budget maintenance and greening costs at a low level due to the efficient new design of Nicollet. These efficiencies now allow us to dedicate a portion of funding to develop an inclusive range of unique, cultural experiences for daily users and visitors along Nicollet, as well as to continue our efforts to develop a stronger relationship management capacity allowing us more personal contact and stronger relationships with you as a property owner and the community in general. All of these recommendations are consistent with the strategic plan that was approved by the Board of Directors in 2015.

MDID MISSION

MDID's mission is to support, preserve, create and enhance a vibrant, competitive and thriving downtown that attracts and retains businesses, employees, residents and visitors. To that end, MDID pursues several goals: To create/support a competitive and thriving downtown through effective provision of clean, green, safe and better services; to pool resources and bring more effective implementation of services and initiatives; to bring a sustainable funding source to long-term initiatives; and to create and sustain an ecosystem that encourages a thriving public space in support of retailers, businesses, employees, visitors and residents.

ABOUT MDID SERVICES AND BUDGET

Recognizing the changing pedestrian use patterns emerging within the district due to robust development and the related increases in people working, visiting and living downtown, we are adjusting how and where we deliver services in 2018. As in the past, frequency of service will be based on achieving a consistent standard throughout the district. Areas with higher pedestrian traffic or usage require greater frequency and/or faster response times. MDID's service level areas have been determined, in part, based upon these anticipated response times and frequencies. On rare occasions, some MDID services may occur on private property when doing so benefits the broader area, furthers the mission of MDID and may be coordinated through a fee-for-service contract. As with any business, we must invest in added services to yield the greatest possible outcome. We must remain ever-vigilant in making downtown attractive to business investment. While focusing on our goal to provide service, we also seek competitive pricing and cost controls. Our new programs, namely the Livability team, Nicollet activation, and relationship management, add value to our services and will continue. Nicollet renovations will be completed and our responsibilities for maintenance will resume, however, we expect that warranties will still be in place, efficiencies will be realized by the design, and new materials not yet requiring maintenance dollars will help to keep increases in maintenance at a minimum. With these factors considered, we are presenting a budget without a contingency line item to achieve a minimal annual increase over 2017 of \$99,000. The year-over-year percent variance for each property is impacted by its lineal frontage and gross building area relative to the overall district. Any annual changes to the assessor's data for properties or fluctuations in the budget relative to allocations between linear and gross building area services can also impact amounts applied. MDID would like to thank the following members of the Budget and Operations Committee for their efforts in preparing this budget and providing on-going oversight of the services during 2017: Dave Wright (Chair) – U.S. Bank, Amy Wimmer (Vice Chair) – Hines Interests, Nancy Aleksuk – Swervo Development, John Campobasso – Kraus-Anderson, Jeff Gendreau – Baker Tilly Virchow Kraus, Tanya Hemphill – Piedmont, Dave Horsman – Minnesota Twins, Ken Jarka – Hilton Minneapolis, Joanne Kaufman – WDBA, Mike Maney – Ryan Co., Jane Mauer – Tartan Investment, Ronnie Ragoff – Shorestein, Nils Snyder – Colliers International, Kirsten Spreck – Thrivent Financial, Jennifer Swanson – City of Minneapolis, and John Sweeney – Brave New Workshop



“ I'm impressed by the hard work, focus, and general positive attitude of the Ambassadors. It adds a lot to the city, including a greater sense of community, safety and security by their presence. Great work! ”

– Downtown Visitor

MDID ASSESSMENT METHOD & PAYMENTS

The assessment methodology charges properties proportionate to the costs of delivering the services needed for a consistent outcome throughout the district. Services needed are related to the usage in each area and, in turn, usage is affected by the density of pedestrians. Pedestrian density is captured in three ways: 1) linear frontage, 2) gross building area, and 3) frequency/speed of services needed. The first two components are obtained from Hennepin County and City of Minneapolis records. The third, frequency of services needed, was determined as described in the service level area map (below). Costs are then allocated between those delivered on a linear basis (e.g. cleaning) and those whose delivery is more closely related to overall density (e.g. greening is placed where there are more eyes to enjoy it). A charge per linear foot and a charge per gross building square foot is calculated and then applied to each property pro-rated by service level area (Premium – 100 percent, Standard– 50 percent) Please contact MDID with questions about the calculation for a specific property (or to identify the lineal frontage, GBA, or service level for the property). Subject to approval of the Operating Plan, 2018 MDID charges will be combined with special assessments on Hennepin County property tax statements, payable 2018. Residential and certain non-profit properties are exempt from paying service charges for the MDID (although many have opted to pay voluntarily since they too receive services). Please contact MDID if you represent an exempt property and would like to contribute or would like MDID to present the program to your board for consideration.



The district is divided into two service level areas: **Premium** and **Standard**. These areas were determined based upon the level of pedestrian activity and the resulting need for intensity of service to maintain a consistent standard. The service level areas can be modified annually as needed to reflect any land use changes that result in changes to pedestrian activity patterns and intensity.

2018 SERVICES PLAN & ESTIMATED BUDGET

Service Charges	LF	GBA	TOTAL
Service Charges Assessed	\$ 1,787,149	\$ 4,191,453	\$ 5,978,602
Voluntary Opt-In charges Assessed	324,159	397,071	721,230
Total Sources	\$ 2,111,308	\$ 4,588,524	\$ 6,699,832
Cost of Delivering Services			
Safe: Ambassadors & outreach to patrol sidewalks as “eyes & ears”; provide greeter/hospitality services; & address aggressive behaviors (panhandling, inebriates, intimidating behavior). Other Safe initiatives include: Radiolink, camera monitoring, security, camera registration program, Tactical Urbanism, Street activations, Bar Watch, Courtwatch, Give Real Change.	1,027,228	1,301,490	2,328,718
Livability and Outreach: Police Reserves, Youth outreach, housing & treatment liaisons, Livability team, Downtown 100	—	805,889	805,889
Clean: Litter, trash and recycling programs; Graffiti abatement; Wash streetscape surfaces; Pressure-wash sidewalks; Sidewalk Weed removal; Snow tidying on sidewalk corners & pedestrian ramps (property owners will still manage first-response snow services, MDID will focus on consistency of removal & work with owners to make sure they meet ordinance standard); Document; report, & follow-up on private property & public agency issues.	699,619	799,456	1,499,075
Greening & Public Realm: Plan, provide, install, & maintain seasonal & permanent green features in multiple locations downtown. Serve as a resource to property owners who want to implementing greening. Tactical Urbanism.	—	430,000	430,000
Public Area Maintenance	—	102,100	102,100
Snow: Continue snow & ice melt services on Nicollet Mall.	—	211,500	211,500
Communications: Annual report, operating plan, maps, surveys, social media, public realm & issue specific awareness campaigns, awards, activations, website, etc.	—	78,000	78,000
Program Management: Staff & professional services for planning & implementation of new initiatives and MDID operations.	304,850	658,200	963,050
Administration: Facilities, parking, supplies, postage, equipment, professional services, insurance, telephone, IT, financing costs, bank fees, & other administrative expenses.	79,611	171,889	251,500
Contingency	—	—	—
Total Costs	\$ 2,111,308	\$ 4,558,524	\$ 6,669,832

THE MDID MODEL AND GOVERNANCE

MDID is patterned after many other successful business improvement districts that exist in downtown areas nationwide, where services are performed to provide a cleaner, safer, greener and better downtown. Studies have reflected that businesses, employees and residents are more likely to want to locate where these services are performed. MDID uses the same policies, quality and cost controls demanded by businesses when managing private properties. We provide transparency in all functions, efficiencies in procurement and implementation methods, as well as accountability. An independent audit of MDID is delivered to the City of Minneapolis by March 31 each year. MDID is a 501(c)6 non-profit organization with a wholly controlled 501(c)3 subsidiary, Vibrant & Safe Downtown (formerly Minneapolis SafeZone Collaborative). MDID is governed by a Board of Directors comprised of business leadership who bring a broad depth and breadth of expertise to the oversight of MDID operations. The membership of the Board will change from time to time as terms are filled or expire. The membership as of July 1, 2017, was as follows:

BOARD OF DIRECTORS

Chief Medaria Arradondo – Minneapolis Police Department	Steven Katz – Barnes & Thornburg LLP	Greg Russ – Minneapolis Public Housing Authority (MPHA)
Melissa Barra – Sleep Number	Trisha Kirk – Guthrie Theater	Mike Ryan – Ryan Companies US, Inc.
Maureen Bausch – MN Super Bowl Host Committee	Shannon Knoepke – CBS Radio	R.T. Rybak – Minneapolis Foundation
Chris Behrens – YA	Steve LaCroix – Minnesota Vikings	Mike Salmen – Transwestern
Rick Bertram – Marriott City Center Hotel	Adi Leviatan – McKinsey & Company	John Saunders – United Properties
Elizabeth Brama – Briggs & Morgan PA	Kevin Lewis – BOMA Greater Minneapolis	Mark Schindele – Target Corporation
Rick Buyens – CenturyLink	Ben Lillie – TCF National Bank	Kathleen Schmidtkofer – University of Minnesota Foundation
John Campobasso – Kraus-Anderson Construction Company	David Loehr – HGA Architects and Engineers	Tom Schnettler – Piper Jaffray
Michael Clark – CSM Corporation	Bob Lux – Alatus, LLC	Scott Schnuckle – HealthPartners
Anna Coskran – NTH, Inc.	Tim Mahoney – The Loon Café	Tom Schulenberg – RBC Wealth Management
John Cowles III – Knudsen Cowles	Brian Mallaro – Deloitte & Touche LLP	Ari Silkey – Amazon – Technology Development Center
Shelly Crowley – MSP Communications	John Marshall – Xcel Energy	Kevin Smith – Minnesota Orchestra
Laura Day – Minnesota Twins	Tim Marx – Catholic Charities	Kenneth Sorensen – Mortenson Construction
Jim Durda – Zeller Realty Group	Steve Mattson – Target Center	Kirsten Spreck – Thrivent Financial
Erik Forsberg – Erik Forsberg Restaurant Group	Dave Menke – The Opus Group	Bruno Stumpf – Honeywell
Jennifer Gilhoi – SparkTrack Consulting	Kimberly Motes – Children’s Theatre Company	Melvin Tennant – Meet Minneapolis
Mark Hamel – Dorsey & Whitney, LLP	John “Ozzie” Nelson – NELSON	Vincent Thomas – Minneapolis Community and Technical College (MCTC)
Kathleen Harrington – Mayo Clinic	Mark Nerenhausen – Hennepin Theatre Trust	Phil Trier (CHAIR) – U.S. Bank
Rev. Timothy Hart-Andersen – Westminster Presbyterian Church	Dave Norback – RSP Architects, Ltd	James Vos – Cresa Minneapolis
Blake Hastings – CBRE	Ravi Norman – Thor Construction	Jonathan Weinhagen – Minneapolis Regional Chamber of Commerce
Michael Headrick – PCL Construction Services, Inc.	Chris Passaro – Comcast Corporation	John Wheaton – Faegre Baker Daniels, LLP
Meike Hengelfelt – CenterPoint Energy	Nick Pechman – JB Hudson Jewelers	Tom Whitlock – Damon Farber Associates
Doug Hennes – University of St. Thomas	Todd Peterson – Be The Match Foundation	David Wilson – Accenture
Ted Johnson – Minnesota Timberwolves and Minnesota Lynx	Robert Pfefferle – Hines Interests	Amy Wimmer – Hines Interests
Judy Karon – Downtown Resident	Brian Pietsch – Ameriprise Financial	David Wright – U.S. Bank
Paul Kasbohm – Star Tribune Media Company, LLC	Jon Pryor – Hennepin County Medical Center (HCMC)	
Summer Kath – Cambria	Ronnie Ragoff – Shorestein Realty Services, LP	
	Joe Ravens – Wells Fargo Bank, NA	
	Carl Runck – Ryan Companies US, Inc.	

“I really appreciate having Ambassadors walking around downtown. Knowing there are people around to help out if needed, having extra eyes on the street, and more people to care about what is happening is truly a wonderful thing!”

– Downtown Employee

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MDID is managed by a small staff of professionals with expertise in real estate and project management as well as services procurement and oversight. Services are implemented via contracts with vendors. Please visit the MDID website for more information about services implementation, staffing, board, committee membership, etc.

