

CARAG  
Calhoun Area Residents Action Group  
**Special Board of Directors Meeting Minutes**  
**22 July 2009**  
6:30 P.M. Southwest Senior Center  
*Approved at the August 2009 CARAG Meeting*

**CARAG Board Members Attending:** John Darlington, Brendan Jordan, Anna Matthes, Maren Nowicki, Aaron Rubenstein (President), Scott Schiefelbein, Pamela Taylor and Howard Verson

**Absent:** Jeff Forester

**Also present:** Scott Engel (CARAG Executive Coordinator) and Nancy Ward, ECCO President

**Introductions:**

The meeting was called to order at 6:40 p.m. with introductions and review of the meeting's agenda.

**Current Spending (Administrative Expenses):**

At the BOD Retreat in December 2008, Matthes and Engel were charged with devising a 3-5 year financial plan for CARAG. Matthes and Engel presented a spreadsheet, *CARAG Actual Spending from FY 2005 through FY 2008*. It was noted that Expenses exceed Income so that the budget appears to be significantly unbalanced. However, the line items listed in italics under Expenses are paid for out of NRP funds. CARAG has limited and/or inconsistent sources of income. With respect to General Funds, proceeds from the annual wine-tasting event vary from year to year; this year's event brought in only \$2700. While proceeds from the Chilly Chili Fest are listed as a source of income, CARAG pays the costs associated with the event (listed under Expenses), but all proceeds go to Joyce Food Shelf. Also listed under Expenses is CARAG's annual donation of \$1000 to Bryant Square Park. It was noted that administrative expenses, which comprise about 90% of total Expenses, have been significantly reduced: with the move to the Southwest Senior Center the cost of renting office space went down; personnel costs were reduced when Engel went to part-time status during FY 2008; and the costs of liability insurance, phone and UNN advertising have been reduced. Engel stated that CARAG's overall deficit for FY 2009 will be lower than FY 2008 (\$38,285); CARAG's projected income for FY 2009 is estimated at \$6000.

**CARAG NRP Spending:**

Engel presented a spreadsheet, *NRP Spending through 6/30/09*. The total unspent balance from CARAG's NRP Phase 1 strategies was \$351,304 as of 6/30/2009. He noted that approximately \$220,000 will likely remain unspent. Engel cited strategy *7.3 Neighborhood Bus Stops* as an example, noting that the work was completed some time ago, but CARAG was never invoiced by the Department of Public Works; in April the NRP Finance Department recommended closing this project out, so the money has "returned" to CARAG.

Funds may be rolled over from Phase I to Phase II. Rollover funds are unrestricted and may be re-dedicated to other projects. Administrative expenses paid for out of Phase II dollars will be limited to 10%, however, this limit does not apply to funds rolled over from Phase I.

Engel said that CARAG might consider rolling over the unspent funds from Phase I into Phase II and/or reallocating some of these unspent funds to other strategies. He pointed out that about \$35,000 in unspent funds will remain in strategy *22.1 Office and Staff Support*, which could be used to cover annual deficits generated primarily by administrative expenses.

**NRP Phase II and Future Phase III Program:**

CARAG's NRP Phase I allocation was \$2.4 million. Its NRP Phase II allocation will be \$636,557, with 80% of these funds (\$509,246) approved for its Phase II action plan. Phase II mandates that 70% (\$407,397) be directed to housing and housing-related programs; the remaining 20% (\$101,850) may be directed toward other programs, including administration costs (limited to a maximum of 10% of Phase II dollars).

**Future NRP Phase III**

The NRP Phase III program and funding will begin in 2011. Structuring of the Neighborhood and Community Relations Department (NCRD) and the Neighborhood and Community Engagement Commission (NCEC) has

started. Mayor Rybak has proposed a budget framework for NCRD/NCEC at \$8 million per year from 2011-2020, which would provide \$3 million per year in administrative funds. Of this, approximately \$2 million would be directed to the City's 67 neighborhoods. CARAG could expect to receive about \$20,000 in administrative funding per year.

### **CARAG NRP Phase II Planning Survey**

Rubenstein distributed a draft of the CARAG NRP Phase II Planning Survey. Results of the survey are expected to yield project ideas for its Phase II action plan. The Board will present ideas gleaned from the survey to the neighborhood at CARAG's September meeting. Engel and Matthes will draft a budget for FY 2010, which will feature several scenarios utilizing different funding sources. The draft will be presented and voted on at September's Annual Neighborhood Meeting.

### **Administrative Funding Options / Sources of Income and Major Administrative Cost Drivers**

Discussion concerned ways to reduce expenses and/or increase revenue to address a projected deficit, at current spending levels, of about \$15,000 by 2011. As previously noted, at the end of FY 2009 about \$38,000 in unspent funds will remain in the NRP Phase I administration strategy *22.1 Office and Staff Support*. CARAG may expect to receive just \$20,000 per year in Phase II for administrative purposes and only \$17,000 annually in Phase III. It was suggested that assuming CARAG receives \$20,000 per year in Phase II administrative funding, it could also apply up to half of the rollover from Phase I funds, split out over a period of 5 years, to address the projected shortfall. Verson cautioned against spending down the rollover in the excitement of having rollover money available to spend.

The consensus was that CARAG would probably not be able to reduce the deficit by reducing personnel expenses; doing so would limit the executive coordinator's ability to carry out non-administrative activities. In addition, CARAG could lose its executive coordinator to a position that offered more hours.

Other ways to generate revenue were considered. Fundraisers are not generally a significant source of revenue. The Uptown Market, as a CARAG project, may be a possible source of funds; creating a new event in conjunction with UM is an option. Jordan stated that next year the Market will be a weekly event and raised the possibility that the UM budget could include CARAG overhead costs.

CARAG, as a 501(c)(4) organization, faces difficulty obtaining funds from outside organizations as these donations aren't tax-deductible. The possibility of applying for 501(c)(3) status was raised, however, CARAG may not qualify. Engel will look into the costs associated with seeking 501(c)(3) status. Jordan will look into how difficult it might be for CARAG, in remaining a 501(c)(4) organization, to obtain grants.

### **2009 Goals**

The Board reviewed the list of goals established at the Retreat in December:

**Farmer's Market** (Jordan): Establishment of a Farmer's Market serving the neighborhood within 2 years - *completed*

**Lyndale Avenue reconstruction** (Engel): Proactively address impacts of the upcoming Lyndale Avenue reconstruction project - *completed*

**31<sup>st</sup> Street improvements** (Jordan): Develop a strategy for bicycle and pedestrian improvements on 31<sup>st</sup> Street so as to be consistent with planning done in the past – *goal rollover to Phase II planning*

**NRP Phase II** (Rubenstein): Promote development of NRP Phase II plan with extensive community engagement – *mailing of CARAG NRP Phase II Planning Survey is imminent*

**Livability issues** (Forester): Livability issues regarding CARAG neighborhood *vis a vis* the Uptown entertainment district – *no update*

**Neighborhood participation** (Taylor): Increased community involvement toward a goal of 500 active neighborhood participants over the next few years – *Community Engagement Committee established, committee to utilize feedback from NRP Phase II Survey; Taylor recommended that firm dates be established for the committee to meet on a regular basis*

**Working relationships** (Darlington): Foster closer working relationships between the CARAG neighborhood and the Uptown Association – *work in progress; sense of perceived competition/rivalry between Uptown Association and CARAG noted as an obstacle*

**Carbon footprint** (Jordan): Explore strategies to reduce CARAG's carbon footprint – *goal rollover to Phase II planning*

**Rail Transit** in Greenway (Jordan): Increased neighborhood engagement in achieving effective rail transit in the Greenway corridor – *CARAG Resolution in Support of the 3C Alignment of the Southwest Transitway; Jordan will continue to track the issue*

**Faith Community involvement** (Darlington): Invite the faith community to be more involved in CARAG – *no progress to report*

**CARAG meeting attendance** (Rubenstein): Increase community participation at monthly CARAG neighborhood meetings – *attendance not improved; enlist Community Engagement Committee's help; ways to raise awareness and make meetings more interesting: yard signs, a more concise agenda, fewer committee reports, and focus on 'hot topic' to be hyped in UNN and on CARAG website*

**Growth and density** (Jordan): Arrive at a consensus regarding growth and density in the CARAG neighborhood – *no update*

**Social support** (Schiefelbein): Explore the possibility of CARAG moving from 501(c)(4) to 501(c)(3) status and how CARAG's goals might support organizations and initiatives that provide social support; identify tax status and scope of CARAG – *Board renewed request for followup (in light of reduced Phase II funding)*

**Affordable housing** (Darlington): Explore issues regarding affordable housing in the CARAG neighborhood – *no update*

### **Other Organizational Issues**

Discussion concerned whether Rubenstein should continue to call Special BOD meetings on an ad hoc basis or hold regularly scheduled meetings. It was agreed that semi-annual Special BOD meetings should be held for establishing goals and assessing their progress, however, special topics merit calling ad hoc meetings.

CARAG's Annual Meeting will be held September 15 at Bryant Square Park. Various suggestions were offered: candidates for office or speakers with topical presentations; a live music performance; meeting could be held outdoors. It was recommended that elections be held first with agenda items to follow. Darlington, Jordan, Matthes, Rubenstein and Verson will stand for election for another term; Forester's status is unknown. Nowicki and Schiefelbein will not run for re-election. Taylor submitted her resignation from the CARAG Board effective immediately as she will be moving out of the neighborhood.

Lake/Knox Development – Discussion concerned whether CARAG should be an official appellant of the Planning Commission's decision on July 13 to approve nearly all of the requested land use applications for the proposed Lake/Knox apartments. The appeal is due by Thursday, July 23. There is a \$600 fee, which may be shared by several appellants. The EIRA neighborhood has decided to be an appellant; ECCO and LHENA had made no decision as of this meeting. It was agreed that since CARAG registered its opposition to the height of the proposed project, stressing its strong support for the Uptown Small Area Plan (USAP) concerning development on this site, that CARAG should be part of the appeals process as well. Motion, Seconded that CARAG support the appeal and become an official appellant with a decision on making a financial contribution to be made at the Board meeting in August. Motion passed 5-1-2.

There was a brief discussion about the draft CARAG NRP Phase II Planning Survey. Once approved, the final version of the survey will go out to all residents, all absentee property owners and all business owners. Motion, Seconded to approve the survey as is (draft 5). Motion passed 7-1-0.

### **Adjourn**

The meeting was adjourned at 9:10 p.m.

*Minutes recorded and submitted by Maren Nowicki*