



Good Neighbor Fund

Stadium Good Neighbor Fund Policy Statement and Operations Plan

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1. Purpose of the Fund

To enhance and protect the beauty, serenity, and security of the communities impacted by the operation of the University of Minnesota's on campus football stadium.

2. Guiding Principles

- Expenditures from the Fund must be used to advance the purpose of the Fund or for direct expenses related to operating the Fund.
- Expenditures from the Fund will in general be, but it is not a requirement that they be, controlled so as to preserve the principal for future use.
- The Fund will operate in an open and inclusive manner with highest standards of fairness, integrity and sound business practice. Information about Fund goals, policies, activities, participation opportunities, processes and decisions will be made readily available to the public.
- Expenditure policies and Fund goals will be periodically re-evaluated to assure that funds are being expended most effectively to meet the purpose of the Fund.
- All activities supported by the Stadium Good Neighbor Fund are subject to generally applicable Policies of the Board of Regents of the University of Minnesota as well as applicable statutes, ordinances and regulations.

3. Financial Structure & Operations

The funds will be managed as a quasi-endowment by the University of Minnesota's Office of Asset Management. The University of Minnesota will designate a Financial Liaison to assist the Fund Management Committee in carrying out their designated tasks. The Financial Liaison will provide the Fund Management Committee with periodic reports on the value and anticipated income stream of the fund, conduct financial transactions on

behalf of the Fund Management Committee, and provide guidance on relevant University financial policies and practices.

After 20 years, the Fund may be terminated and the remaining balance of the endowment will be distributed consistent with the purpose of the Fund.

4. Governance and Management of the Fund

The Stadium Good Neighbor Fund will be administered by a Fund Management Committee appointed by the Stadium Area Advisory Group (or its successor organization). The Fund Management Committee will have five voting members, appointed by, and from the membership of, the Stadium Area Advisory Group. The Fund Management Committee will be comprised of at least three neighborhood organization representatives, at least one business association representative, and one representative from any of the organizations represented on the Stadium Area Advisory Group. After the first two years of operation of the Fund, there may be a review of whether it is necessary for the Fund Management Committee members to be members of the Stadium Area Advisory Group. SAAG-appointed Fund Management Committee members serve 2-year cycles, but there are no consecutive term limits. The University's Director of Community Relations or designee, and the Financial Liaison will serve as ex-officio members. The Fund Management Committee will elect a chairperson from among its members.

If there are interim vacancies on the Fund Management Committee, the Stadium Area Advisory Group will appoint a replacement at the next meeting of the Stadium Area Advisory Group. Wherever possible, replacement members of the Fund Management Committee will reflect the same representation as their predecessors.

The Fund Management Committee will be responsible on an annual basis for developing a budget, soliciting proposals, reviewing applications, and recommending expenditures from the Fund. Recommendations for expenditures from the Fund will require a vote in support by a minimum of three Fund Management Committee members. The Fund Management Committee will provide periodic reports to the Stadium Area Advisory Group on the activities of the Committee and the outcomes of activities funded by the Committee.

The Stadium Area Advisory Group will be responsible for providing guidance to the Fund Management Committee on funding priorities and evaluation

criteria. The Stadium Area Advisory Group will forward to the University the Fund Management Committee's recommendations for funding, with any additional comments or recommendations.

Applicants who wish to appeal for reconsideration of a recommendation of the Fund Management Committee on the grounds that the Fund Management Committee's funding recommendation is not consistent with these guidelines may address their appeal, in writing, to the Stadium Area Advisory Group c/o Office of Community Relations, Room 3 Morrill Hall, 100 Church Street SE, Minneapolis, MN 55455.

Any expenditure of the principal of the Fund will require a 2/3 vote of the Stadium Area Advisory Group, and University approval.

The University will be responsible for providing administrative support to the Fund Management Committee, for promptly responding to funding recommendations, and for disbursing funds for the approved projects. The Office of Community Relations will provide administrative support to the Fund Management Committee. As the entity with fiscal responsibility for the Fund, the University retains the right to decline to fund projects that are deemed not to be consistent with generally applicable Policies of the Board of Regents of the University of Minnesota as well as applicable statutes, ordinances and regulations.

5. Expenditures from the Fund

The Fund Management Committee will solicit funding proposals from Eligible Applicants. Eligible applicants are defined in Appendix C: Eligible Applicants and Member Organizations.

The Fund Management Committee will evaluate funding proposals against a set of written criteria. Evaluation criteria are outlined in Appendix D: Proposal Evaluation Criteria.

The Fund Management Committee's grant-making cycle will operate to the University of Minnesota's fiscal year. Funds will be available for expenditure after July 1, 2007 and each July 1 thereafter.

In general, the Fund Management Committee will receive proposals annually at a date predetermined each year. The Committee will evaluate proposals and present recommendations to the Stadium Area Advisory Group, typically

each Spring. Alternatives to this funding cycle schedule may be considered, subject to approval by the Stadium Area Advisory Group and the University of Minnesota.

Provisions will be made in the first two years of stadium operations (July 2009 through June 2011) for a more flexible proposal review process in order to be responsive to unforeseen impacts. Accommodations may include a more frequent proposal review cycle, and a more streamlined approval process in which the Fund Management Committee makes funding recommendations directly to the University of Minnesota.

6. Reporting and Evaluation

The Fund Management Committee will obtain from each organization receiving a grant a brief report outlining how the funds were expended and the outcomes achieved. Reports will be submitted by grantees at least annually or at the end of the project, whichever comes first.

Organizations that do not report on their use of funds or do not spend the awarded funds according to their request will be ineligible for future funding until either the report is submitted or the funds are re-paid.

7. Revisions to this Policy Statement and Operations Plan

Revisions to this Policy Statement and Operations Plan may be initiated by the Fund Management Committee, the Stadium Area Advisory Group, or the University of Minnesota, subject to review by and recommendation from the Stadium Area Advisory Group, with final approval by the University of Minnesota.

Appendix A: On-Campus Stadium Legislation, Language Related to the Good Neighbor Fund

Sec. 9. [137.58] MITIGATION FUND.

6.20 The Board of Regents is requested to cooperate with the reconstituted stadium

6.21 area advisory group described in the University of Minnesota On-Campus Football

6.22 Stadium-Final EIS, dated February 13, 2006, to mitigate the impact of the construction

6.23 and operation of the stadium. The board shall also establish a mitigation fund for the

6.24 support of community initiatives that relate to the impacts of the operation of the stadium.

6.25 On July 1, 2007, the University shall deposit \$1,500,000 into a fund to be managed by the

6.26 board. Income from the fund shall be made available exclusively to pay for mitigation

6.27 activities. The use of the funds must be coordinated through the reconstituted stadium

6.28 area advisory group.

Appendix B: Reference to the Good Neighbor Fund in the On-Campus Stadium Final Environmental Impact Statement

The “University of Minnesota On-Campus Football Stadium Final Environmental Impact Statement” (EIS), published on February 13, 2006 (the full text of which is available on the web, at http://www1.umn.edu/stadium/environmental_review.html) sets out a list of measures that the University intends to carry out to mitigate potentially detrimental effects of the stadium. (See Section 4, pages 135 – 146.)

At Section 7.2.2, on page 153 of the EIS, the University also expressed its intention to create a Good Neighbor Fund, to address effects outside the scope of what is otherwise included in Section 4 of the EIS. This text follows, in italics:

7.2.2 Mitigation/Good Neighbor Fund.

Several comments made reference to the University’s proposal in the Draft EIS Section 3.8.2 to establish a funding source for community initiatives. The University recognizes that constructing a new Stadium and returning Gopher Football to campus from downtown Minneapolis is going to have an impact on the neighborhoods adjacent to the University. The University is committed to working with surrounding residential and business areas to mitigate the impact of both the construction and the on-going operations of the Stadium. The cost of any mitigation measures undertaken as part of the Stadium construction will be paid for by the Stadium Project. Likewise, any on-going mitigation measures undertaken to address impacts directly resulting from Stadium events (including pre and post-game activities) will be paid from Athletic or Stadium operating funds. This funding commitment encompasses all mitigation measures outlined in the Final EIS.

The University also recognizes that at some point there are likely going to be inconveniences to the surrounding community that are not directly attributable to the Stadium or mitigatable by the University. The University will create a Mitigation/Good Neighbor Fund to provide funding for community initiatives. This funding is over and above any money required to cover the costs

associated with mitigating the direct effects of the Stadium. The fund value will be set at \$800,000; of which up to \$300,000 is available during construction, with the balance to be deposited into a dedicated endowment fund to be managed by the University, for use after construction is completed. The use of the funds will be coordinated through the Stadium Area Advisory Group.

At Section 7.2.3, on page 154 of the EIS, the University stated its intention to continue to convene a Stadium Area Advisory Group to advise the University on matters related to Major Events at the Stadium, and related to expenditures from the Fund. Following is the text of that section, in italics:

7.2.3 Stadium Advisory Committees

Several comments made reference to the University's proposal in the Draft EIS to convene two advisory bodies, an Event Management Advisory Committee (EMAC) with City, County and State agencies, and a Stadium Area Advisory Group (SAAG) with representatives of the adjacent communities. These groups are further described below . . .

Stadium Area Advisory Group (SAAG)

The University will continue to convene a community group to provide advice and feedback on the impacts and opportunities associated with Major Events at the proposed Stadium. The group will be constituted in a manner similar to the existing SAAG, which is charged with providing feedback to the University during the planning, development, and construction phase of the Stadium. The reconstituted SAAG will include representatives of the recognized citizen participation neighborhood organizations, business associations, and municipalities adjacent to the Twin Cities Campus. The committee will serve as a means for regular, sustained, and meaningful consultation. The SAAG will meet after home football games and other Major Events and as required at other times of the year. The SAAG will be on-going. Expenditures from the Mitigation / Good Neighbor Fund will be coordinated with the SAAG.

Appendix C: Eligible Applicants and Member Organizations

Eligible applicants will:

- be limited to member organizations of the Stadium Area Advisory Group;
- be duly organized and incorporated; and
- will have systems in place to ensure financial accountability.

If in future other organizations are added as members of the Stadium Area Advisory Group, those organizations will be eligible applicants for the Stadium Good Neighbor Fund. In cases where other organizations are applying in partnership with member organizations of the Stadium Area Advisory Group, the member organization of the Stadium Area Advisory group will be the lead proposer and will be held accountable for the uses of the funds.

At this time, the SAAG member organizations include: the West Bank Business Association, the Dinkytown Business Alliance, the South East Business Association, the Stadium Village Commercial Association, the Marcy-Holmes Neighborhood Association, the Prospect Park Association, the Saint Anthony Park Community Council, the South East Como Improvement Association, the West Bank Community Coalition, the City of Falcon Heights, the City of Minneapolis, the City of Saint Paul, Hennepin County, Ramsey County, the Minnesota State Fair, and the University of Minnesota Student Neighborhood Liaison Program.

Appendix D: Evaluation Criteria

Activities must be in, and benefiting, an area directly impacted by the stadium.

Activities must be consistent with the stated purpose of the Fund.

Activities are eligible that meet the purpose and priorities of the Fund (and that are not otherwise inconsistent with law, regulation, or responsible practice). Rather than specify a limited list of eligible activities, following is a list of EXAMPLE activities envisioned by the Task Group charged with developing this document, which are consistent with the purpose of the Fund:

- 1) Activities that help to manage traffic or parking on game days, in ways not otherwise contemplated or provided for by the stadium operations—creating critical parking areas; extraordinary parking enforcement not otherwise provided; promotion of transportation alternatives.
- 2) Activities that help the community to benefit from events at the stadium: business district signage; marketing tools for game day; attracting game-day business into neighborhood commercial districts; small grants to ameliorate physical damage to businesses or property.
- 3) Activities that help the community prepare for game day events.
- 4) Neighborhood or business district landscaping that encourages best pedestrian or security practices.
- 5) Police enforcement on game or other Major Event weekends (beyond that provided by the University per the EIS).
- 6) Youth activities related to the stadium and related events.

There will be a priority in funding for activities/projects which:

- Mitigate direct stadium impacts
- Most effectively carry out the purposes of the Fund
- Fund “projects” instead of ongoing operations
- Leverage the contribution of other resources
- Have a broad and long-lasting impact;
- Enhance, not duplicate, current efforts;
- Promote a consistent identity or approach across some or all of the neighborhood communities; and/or
- Have a means to demonstrate and document successful results.

All of these factors may not be present in every project that is selected for funding. All other review factors being equal, priority consideration will be given to proposals from Stadium Area Advisory Group member organizations that have not yet been served, or as recently served, by the Fund. However, there is not a requirement that funds be distributed evenly among organizations.

Appendix E: Fund Application

An application form will be developed, to be used for all proposals, that will include at least:

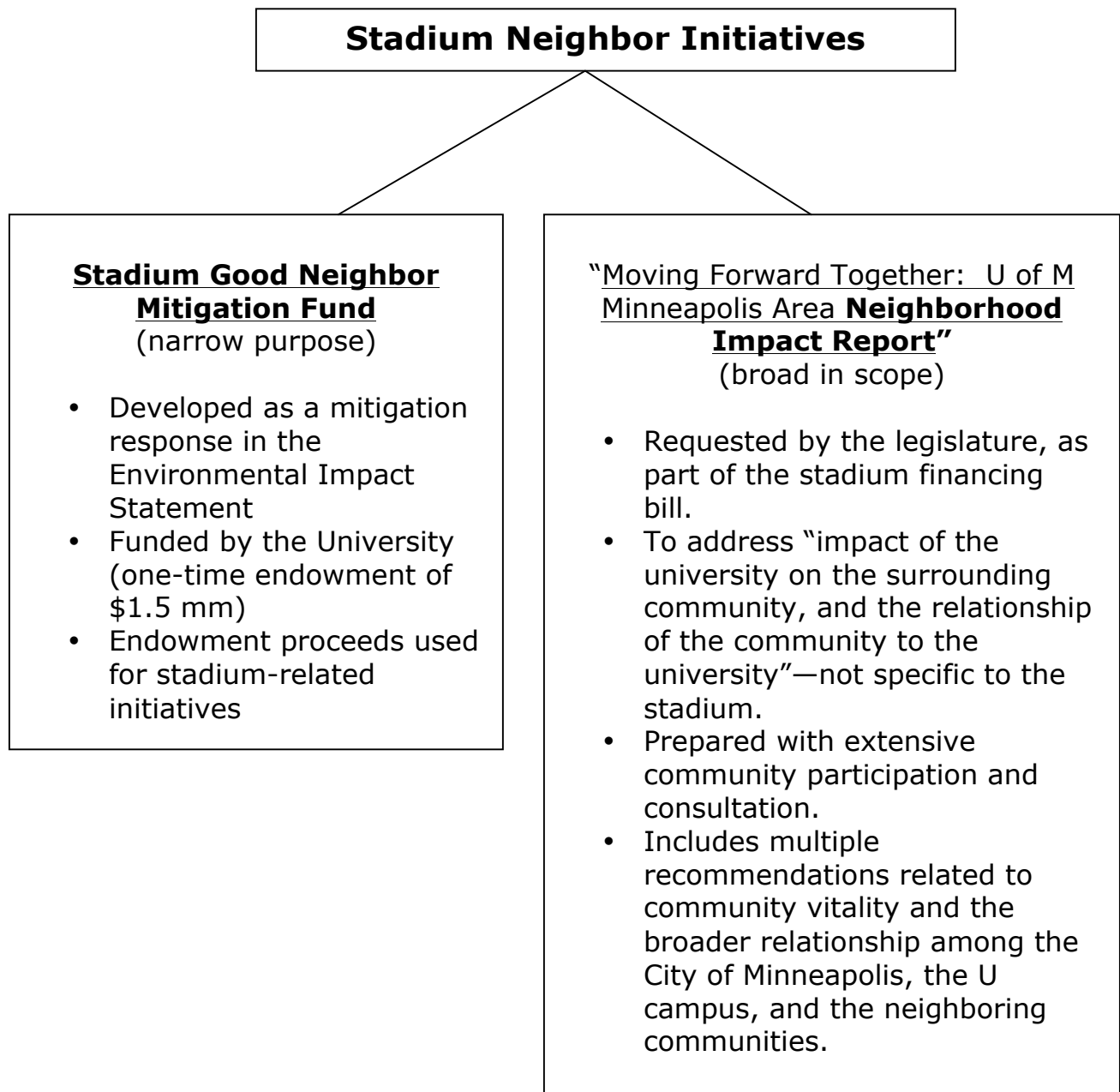
- Name of applicant and any partnering organizations
- The category through which they are requesting funding (regular project funds or quick response funds, when applicable)
- The dollar amount of the request
- A brief description of the project or activities to be funded, including who will be responsible for their implementation
- A “sources and uses of funds” table, showing the project budget and status of any other sources of funds necessary to carry it out
- A timeline for implementation
- A statement of how the project or activities relate to the purpose of the Fund
- Documentation that the applicant has systems in place to ensure financial accountability.

Information about the Stadium Good Neighbor Fund and a copy of the application form will be available on the web.

Appendix F: Personal Conflicts of Interest

All participants in the governance and management of the fund will avoid any real or potential personal conflicts of interest, and will disclose any real or potential conflicts of interest, or relationships that may be interpreted to be conflicts of interest. In the event that a Fund Management Committee member has a real or potential conflict of interest in a proposed or funded project that may result in personal financial gain, the Fund Management Committee member must recuse herself or himself from voting on that project.

Appendix G: Stadium-Related Neighbor Initiatives



Appendix H: How the Fund Works

- University charges and convenes Stadium Area Advisory Group; creates and manages the Stadium Good Neighbor Fund endowment.
- Stadium Area Advisory Group (SAAG) member organizations appoint their representatives to the SAAG.
- SAAG appoints the members of the Fund Management Committee.
- The Fund Management Committee solicits proposals from Eligible Applicants.
- Eligible applicants submit proposals.
- Fund Management Committee reviews proposals and makes recommendations to Stadium Area Advisory Group (or, in special circumstances, directly to the University).
- Stadium Area Advisory Group forwards funding recommendations to the University.
- University reviews funding recommendations, gives final approval, and disburses funds to the applicant.
- Applicant reports, as required, to Fund Management Committee.
- Fund Management Committee provides periodic reports to SAAG.

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