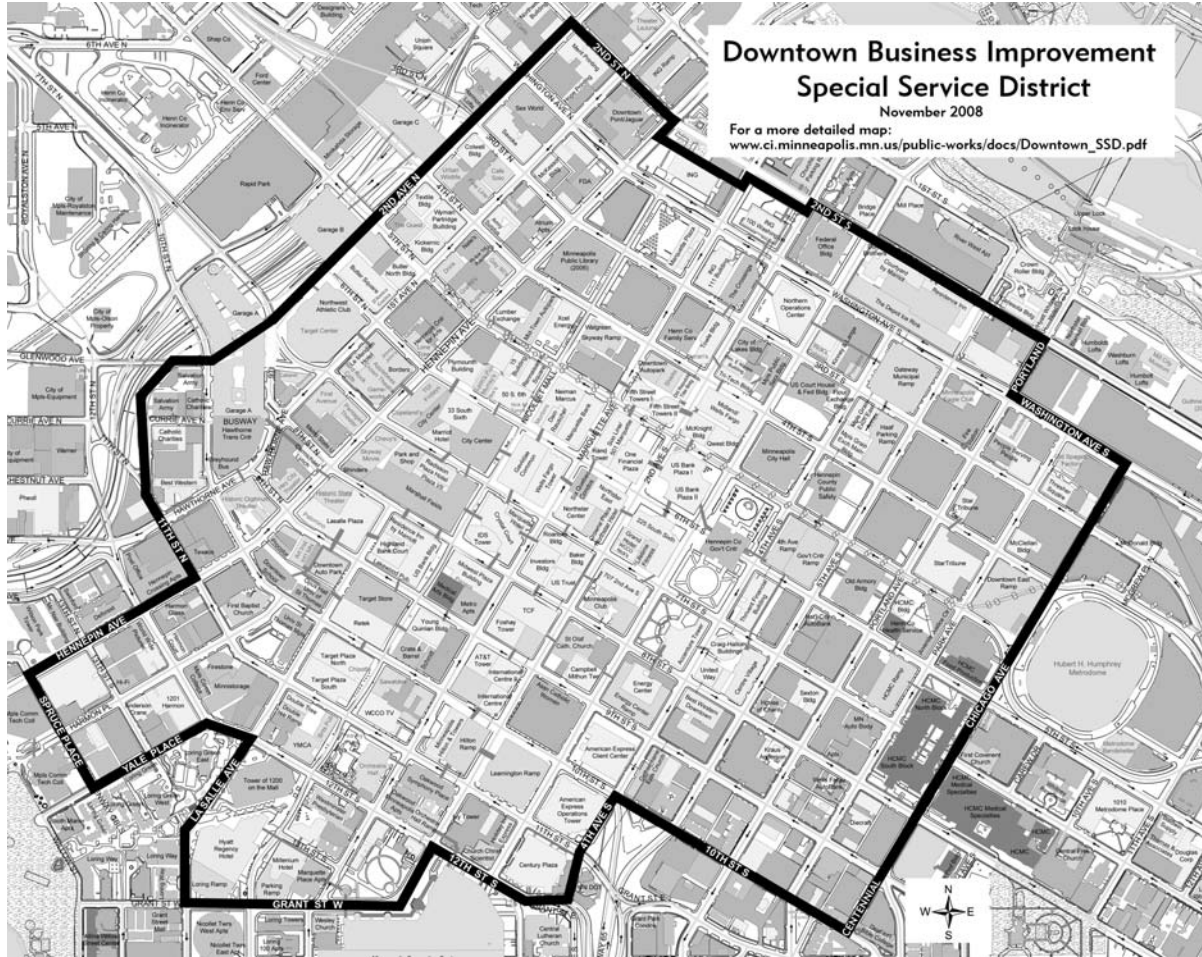


NOTICE OF PUBLIC HEARING TO CONSIDER SPECIAL SERVICES AND SERVICES CHARGES FOR 2009
for the Downtown Business Improvement Special Service District
(a.k.a. the Minneapolis Downtown Improvement District)

The Transportation and Public Works Committee of the Minneapolis City Council will conduct a **public hearing on Tuesday, March 10, 2009 at 9:45 a.m. in Room 317, City Hall**, to consider the services to be provided in 2009 in the District as well as the amount of service charges to be levied against properties in the District. The Minneapolis Downtown Improvement District, as established under Chapter 465 of the Minneapolis Code of Ordinances is the area contained within the boundaries of the following map:



The services and estimated budget of \$3,065,520 (i.e., \$2,950,000 if all properties pay in 2009) are described in the attached 2009 Operating Plan for the District and are consistent with the petition process completed in Fall 2008. There are no improvements or related charges. Adoption by the Committee of the proposed services charges may be taken at the public hearing and recommended to the City Council for approval. At the time of the Public hearing, the Committee will provide an opportunity for all interested persons to be heard regarding the proposed services and the proposed service charges and the committee will consider all written and oral objections and statements. Should a person be unable to attend and wishes to object or comment, please send a written statement in sufficient time for it to arrive prior to the time of the public hearing to: Minneapolis City Clerk's Office, c/o T&PW Committee Coordinator, 350 South 5th Street, Room 304, Minneapolis, MN 55415-1382.

(Spanish, *Español*)

Ésta notificación es para informarle que se llevará a cabo una audiencia pública para considerar la propuesta de un gravamen contra su propiedad. La audiencia tiene el propósito de informar al público y permitir que los ciudadanos hablen con el Concejo de la Ciudad de Minneapolis sobre el gravamen. **Usted no está obligado a participar.** Sin embargo, si desea disputar el gravamen, deberá hacerlo antes de la audiencia pública de acuerdo a los requisitos establecidos por el Código Municipal en su capítulo 10, sección 6. (Para más información sobre cómo disputar el gravamen, lea la página 2 de la nota que se adjunta).

Si el Comité aprueba el gravamen, este será agregado a sus impuestos de bienes raíces a partir del próximo año. Si usted completa el pago del gravamen para fin de este año, éste no será agregado a sus impuestos. En la audiencia pública se dará información detallada sobre sus opciones de pago.

Si usted necesita la ayuda de un intérprete para conocer los detalles de la notificación de audiencia pública que se adjunta, por favor llame al 612-673-2700.

(Soomaali, *Somali*)

Ogeysiiskani waxaa laguuga faraya in la qaban doono dhagaysiga dadweynaha oo ku saabsan qiimeynta laga soo gudbiyey hantidaada. Ujeeddada dhagaysiga waxa weye si loo siiyo dadweynaha waribinta ku saabsan qiimeynta iyo in loo oggolaado muwaadiniinta in ay kala hadlaan Guddiga Magaalada Minneapolis waxa la xiriira qiimeynta. **Looma baahna in aad ka soo qeyb-gashid dhagaysiga dadweynaha.** Sidaa awgeed, haddii aad dooneysid in aad ka murantid qiimeynta, waa in ka dooda dhagaysiga dadweynaha ka hor ayada oo la tixraacayo baahida la soo hordhigay Cutubka 10 qeybta 6 ee Xeer-Qoraalka Magaalada Minneapolis. (Waxaad ka eegtaa boga 2 ee ogeysiiska ku lifaaqan waxii macluumaad dheeraad ah eek u saabsan muranka qiimeynta.)

Haddii Guddiga uu ansaxiyo qiimeynta, waxaa lagu dari doonaa canshuuraha hantidaada laga bilaabo sanadka xiga, amah ore ayaad u bixin kartaa kharashka qiimeynta dhamaadka sanadkan. Haddii aad bixisid kharashka qiimeynta oo buuxa dhamaadka sanadkan, laguma dari doono kharashkaasi canshuurha hantidaada. Macluumaadka oo faah-faahsan waxaa lagu bixinaya ogeysiinta dhagaysiga dadweynaha sida aad u dooratay bixinta kharashkaaga.

Haddii aad u baahan tahay kaalmo tarjumaad ah eek u saabsan faah-faahinta macluumaadka ku lifaaqan ogeysiiska dhagaysiga dadweynaha, fadlan wac taleefoonka 612-673-3500.

(Hmood, *Hmong*)

Tsab ntawv ceeb toom no yog los qhia rau koj paub tias yuav muaj kev sib ntsib sib tham ib zaug rau pej xeem hais txog kev ntsuam xyuas tau qhov se tsub ntxiv rau koj lub tsev. Lub hom phiaj ntawm qhov kev sib ntsib sib tham no yog los qhia rau pej xeem txog qhov se uas tsub ntxiv thiab los cia cov pej xeem nug lub Minneapolis City Council tau txog qhov se tsub ntxiv no. **Koj tsis tas mus koom rau qhov kev sib ntsib sib tham los tau.** Tiam sis, yog koj tsis pom zoo rau qhov se tsub ntxiv no, koj yuav tsum qhia paub ua ntej yuav sib ntsib sib tham kom raws cov cai tswj uas muaj nyob rau lub Minneapolis City Charter nyob rau Chapter 10 nqe 6. (Xyuas phab 2 ntawm tsab ntawv ceeb toom no kom paub tau ntxiv yog ho tsis pom zoo rau qhov se tsub ntxiv.)

Yog tias lub Committee (Pawg Neeg Tswj Xyuas) pom zoo rau qhov se tsub ntxiv uas ntsuam xyuas tau no lawm, nws yuav raug tsub ntxiv rau koj cov se tsev pib rau xyoo tom ntej no, los yog koj xav xub them qhov se tsub ntxiv no ua ntej xyoo no tag los tau. Yog koj them qhov se no ua ntej xyoo no tag, nws yuav tsis raug tsub ntxiv rau koj cov se tsev. Muaj lus qhia meej dua no nyob rau tsab ntawv ceeb toom kev sib ntsib sib tham uas yog qhia seb koj yuav xaiv los them qhov se tsub ntxiv no tau li cas.

Yog koj xav kom muaj neeg pab txhais cov lus qhia tseeb ntawm tsab ntawv ceeb toom tias yuav muaj kev sib ntsib sib tham, thov hu rau 612-673-3737 kom luag nrhiav neeg pab txhais lus.

Minneapolis



Downtown Improvement District

81 S 9th Street, #260, Minneapolis, MN 55402

2009 Operating Plan

GOALS OF THE MINNEAPOLIS DOWNTOWN IMPROVEMENT DISTRICT

The District will make Downtown Minneapolis a thriving and competitive environment for recruiting and retaining businesses, employees, residents and visitors. To accomplish this, the District will utilize sound business principles to deliver clean, safe, green and other services that raise the overall standard of care and behavior in downtown's publicly owned right of way. The District will be 100% business led and business managed, ensuring the same quality and cost controls demanded by businesses when managing private properties. The District will provide transparency in all District functions, efficiencies in procurement and implementation methods, as well as accountability. This District is patterned after many other successful districts that exist nationwide.

2009: RAMP-UP OF SERVICES (LET'S BEGIN!)

The Minneapolis Downtown Improvement District will launch in the second half of 2009. To make the best use of the funds available and ensure the most successful start for the District, we will phase-in implementation of services. Critical services will begin in the summer/fall of 2009, ramping up to full services levels and deployment in 2010. The Public Hearing for the 2010 services plan and budget will be held in the late summer/early fall of 2009 (before 2009 services are fully operational).

2009 PAYMENT PROCESS

Subject to approval of the services and service charges, the City Finance Department will mail an invoice in late May 2009 for 2009 services. An early payment discount will be available for payments in full received by 11/15/2009. Service charges unpaid in 2009 will be part of the 2010 property tax statements issued by Hennepin County. In future years (2010 services and beyond) approved charges will be automatically included on property tax statements.

NICOLLET MALL AND HENNEPIN THEATER DISTRICTS

For property owners who have paid into the existing Nicollet Mall or Hennepin Avenue districts: any unspent amounts paid into existing districts will be used to offset new District charges until the balance is eliminated. Deficits for amounts spent but not yet collected for existing district services will be handled through separate service charges until eliminated. For a schedule of credit/deficit balances remaining for specific property/s, in either of these districts, please contact Michael McLaughlin at 612.338-3807 or michaelm@downtownminneapolis.com.

OPEN HOUSE: OPPORTUNITY FOR Q&A

A public hearing will be held on 3/10/2009 to discuss the services and estimated budget detailed in this 2009 Operating Plan. Prior to the public hearing, the District will host an open house to answer questions from property owners in an informal setting. Please join us on March 5, 2009, 8:00-9:00 a.m., at University of St. Thomas, Terrance Murphy Hall, 1000 LaSalle Avenue, Thornton Auditorium(2nd Floor).

RESIDENTIAL AND NON-PROFIT PROPERTY

Residential and non-profit property is exempt from paying service charges for the District (although many have opted to pay voluntarily since they will also benefit from the services).

CONTACT INFORMATION

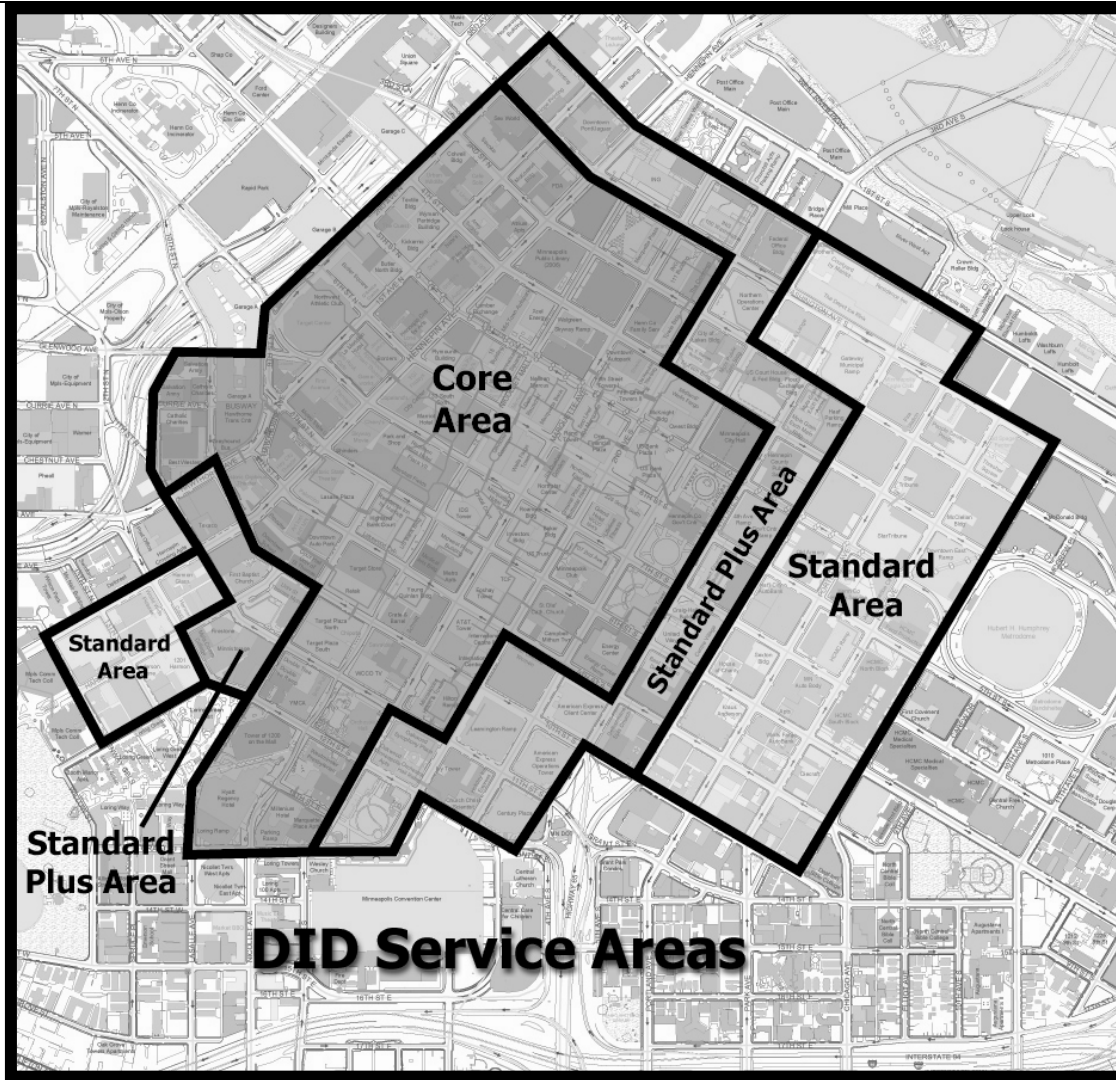
For further information about this 2009 Operating Plan or the District in general, please contact Sarah Harris at 612.366.7830, sharris@harrisstrategies.com, or Minneapolis Downtown Improvement District, 81 South 9th Street, Suite 260, Minneapolis, MN 55402.

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District Map & Assessment Methodology



Assessment Methodology

Properties will be subject to an assessment based on the following:

- a. Services that have a direct relationship to lineal footage, (e.g., sidewalk sweeping), will be based on the lineal frontage of a property; and
- b. Services that benefit the entire District without relationship to lineal frontage (e.g., security ambassadors) will be based on the property's Gross Building Area (or land area if undeveloped) per City Assessor records. This properly addresses the relationship between the quantity of people within a building and the use of the District services.
- c. The District will be divided into different service areas based on the needs of the District. In 2009, the District will have three service areas: core; standard plus; and standard (see map). Property owners in the core area will receive a higher level of services than those in the standard plus area, which will in turn receive more than those in the standard area, and costs will be pro-rated accordingly.

Residential, government and certain non-profit properties are exempt from the assessment but may opt in to receive services.

Each year, the District will receive updated property information from the City Assessor so that changes in property configuration will be captured for the next year's service charge allocations.

For questions about the calculation for a specific property within the District (or to identify the Lineal Frontage and Gross Building Area for that property), please contact Michael McLaughlin at 612.338-3807, michaelm@downtownminneapolis.com.



District Governance and Management of Services

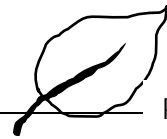
The District is a stand-alone 501(c) 6 non-profit entity governed by a Board of Directors comprised of business leadership from within the District, as follows:

- 10 members representing properties paying services charges in the District. The properties are varying in property type, size and location within the District.
- 5 members representing large employers in the District.
- Up to 10 Members representing specific professional expertise, strategic alignments, and/or important constituent voices from within the District.

The membership of the Board will change from time to time as terms are filled or expire. The membership as of February 1, 2009 is as follows:

| | Office | Retail | Hotel | Other | Large | Mid-size | Small | Core | Std Plus | Std |
|--|--------|--------|-------|-------|-------|----------|-------|------|----------|-----|
| Property Members | | | | | | | | | | |
| David Sternberg, Brookfield Properties City Center/Gaviidae | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ | | |
| Bill Chopp, Hines Interests 225 S 6 th , Wells Fargo Ctr, 50 S. 6 th , ING portfolio, US Bank Plaza | ✓ | | | ✓ | ✓ | | | ✓ | ✓ | |
| Jim Durda, Inland Management IDS Center | ✓ | ✓ | ✓ | | ✓ | | | ✓ | | |
| Kevin Fossum, Piedmont US Bancorp Center | ✓ | | | | ✓ | | | ✓ | | |
| Collin Barr, Ryan Companies, US Retek/AT&T/TCF/Perkins & Will/W Hotel | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | |
| David Menke, Opus 3 Development Sites | | | | ✓ | | | | ✓ | | |
| Bruce Englelsma, Kraus Anderson Kraus Anderson Corporate Headquarters | ✓ | | | | | ✓ | | | | ✓ |
| Jean Kane, Welsh Companies Shinders redevelopment and International Center | ✓ | ✓ | | | ✓ | | ✓ | ✓ | | |
| Chip Johnson, Turnstone Pence Building | ✓ | | | ✓ | | | ✓ | ✓ | | |
| Deb Goodman, Grubb & Ellis Northstar Complex | ✓ | ✓ | ✓ | ✓ | | ✓ | | ✓ | | |
| Employer Members | | | | | | | | | | |
| Kathy Stalwick, Ameriprise Financial | ✓ | | | | ✓ | | | ✓ | | |
| Mike Litwin, Target | ✓ | ✓ | | | ✓ | | | ✓ | | |
| Prospect in Discussion | ✓ | ✓ | | | ✓ | | ✓ | ✓ | ✓ | ✓ |
| David Wright, US Bank | ✓ | | | | ✓ | | ✓ | ✓ | ✓ | ✓ |
| Prospect in Discussion | ✓ | | | | | ✓ | | ✓ | | |
| Key Members | | | | | | | | | | |
| Tom Hoch, Hennepin Avenue Theater District | | | | ✓ | | ✓ | | ✓ | | |
| John Luke, Hospitality Association, Chair | | | ✓ | | ✓ | | | ✓ | | |
| Sharon Fischer, University of St. Thomas (non-profit/academia) | | | | ✓ | | ✓ | | ✓ | | |
| Tim O'Connor, Downtown Council, Chair | | | | | | | | | | |
| Russ Nelson, Minneapolis Foundation | | | | | | | | | | |
| Prospect in Discussion (finance/audit) | | | | | | | | | | |
| Mark Hamel, Dorsey & Whitney (Legal) | | | | | | | | | | |

The District will be managed by a small staff of professionals with expertise in real estate and project management as well as services procurement and oversight. The District Management will be employees of the Downtown Council who will provide the services via an agreement with the District (this allows for cost efficiencies in sharing office space, support staff, supplies, etc.). In 2009, the District management team will be led by Sarah Harris, Chief Operating Officer. Services will be implemented via contracts with vendors.



| MINNEAPOLIS DOWNTOWN IMPROVEMENT DISTRICT: 2009 SERVICES PLAN AND ESTIMATED BUDGET | | | | |
|--|---|--|---------------|---------------------|
| SOURCES | | | | |
| | Service Charges | Services Prorated to Lineal Frontage (LF) | | \$1,090,276 |
| | Service Charges | Services Prorated to Gross Building Area (GBA) | | 1,913,244 |
| | Other | Non-assessment sources | | \$62,000 |
| | TOTAL SOURCES | | | \$3,065,520 |
| USES | | | | |
| | Service | Description | Charge Method | +/- |
| | Clean | Remove litter (pan and broom); Empty trash receptacles ; Graffiti abatement; Scrub all streetscape surfaces including sidewalks; Powerwash sidewalks (as scheduled); Snow tidying on sidewalks and corner pedestrian ramps (property owners will still manage first-response snow services). The District will focus on consistency of snow removal and working with owners to make sure they meet City ordinance requirements for removal. In future years, the District will determine, based on a cost-benefit analysis, its ability to include curbside snow mound removal services); Document and report all private property issues. | LF | \$570,636 |
| | Safe | Deploy Safety Ambassadors to: Patrol sidewalks as "eyes and ears" (on foot, bike, etc.); Provide greeter/hospitality services; Address aggressive behaviors (panhandling, inebriates, intimidating behavior). Implement SafeZone initiatives in coordination with property owners and business owners. | GBA | \$1,005,122 |
| | Green | Install spruce tips for winter (future services will provide, install and maintain new planters and hanging baskets in multiple locations downtown, seasonally). | GBA | \$37,000 |
| | Maintenance of public areas | Maintenance and repair of enhanced streetscape elements and systems | GBA | \$216,067 |
| | Snow | Continue snow removal services on Nicollet Mall. Continue ice melt spreading on Nicollet Mall. | GBA | \$90,000 |
| | Communications | Annual report, quarterly newsletters, maps, user surveys, ratepayer database and website | GBA | \$57,200 |
| | Program Management | Allocated by service | Allocated | \$339,500 |
| | Administration | Rent, parking, office supplies, postage, equipment, professional services, insurance, telephone, IT, Internet, financing costs and bank fees, and other administrative expenses | GBA | \$171,475 |
| | Start Up (customary) | Staff, professional services, IT, other | GBA | \$213,000 |
| | Contingency | | GBA | \$250,000 |
| | TOTAL 2009 SERVICES USES | | | \$2,950,000 |
| | Cost for non-early discount payers (i.e., if properties defer payments until 2010 property tax statement) | | | Allocated \$115,520 |
| | TOTAL USES | | | \$3,065,520 |

Service vendors will assist in determining the frequency of service required to achieve a consistent, predetermined standard throughout the District, which will necessarily require greater frequency and/or faster response times in areas with higher pedestrian traffic or usage. The service level areas (see map page 2) have been determined in part based upon these anticipated response times and frequencies.

The turbulent economy gives us pause as we communicate this services plan to the rate-payers with in the District. As with any business, recessionary times require investing in added service to protect our competitive edge. We must remain ever-vigilant in making downtown attractive to business investment. While focusing on our goal to provide service, we will also be ever-vigilant in seeking competitive pricing and cost controls wherever possible. The original estimated budget for full year services in 2009 was \$6.5Million. Our emphasis on cost control, coupled with a partial year of services and a phasing-in of services for quality control, has enabled us to budget services at less than 50% of the original budget.

For questions, contact:

Sarah Harris at 612.366.7830, sharris@harrisstrategies.com

Michael McLaughlin at 612.333.3807, michaelm@downtownminneapolis.com