

Report to the Minnesota Legislature

January 2025 – Transmitted via email

To:

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3107 Minnesota Senate Bldg.
St. Paul, MN 55155

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Dear Senate and House Transportation Policy and Finance Committee Chairs:

Consistent with Minnesota Session Laws 2024, Regular Session, Chapter 127, Section 119, Subd. 5, this report provides a review of antidisplacement community programs advanced by the Antidisplacement Community Prosperity Program (ACPP) Board (“board”) during calendar year 2024. This report is being distributed to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance.

During 2024, following passage of the legislation, the board was established pursuant to the requirements of Minnesota Session Laws 2024, Regular Session, Chapter 127, Section 118. Hennepin County provided administrative support as a service to the board without reimbursement, including the convening of monthly board meetings from June through December. A board chair and co-chair were elected, Bylaws and a Conflict of Interest policy were developed and adopted (find these included as an appendix to this report), and the board started to develop a grantmaking process.

The Hennepin County board also adopted Resolution 24-0497 providing for approval of a grant agreement with the Metropolitan Council and a 2025 county budget for the \$10,000,000 appropriation from Minnesota Session Laws 2024, Regular Session, Chapter 127, Section 3.

As of 12/31/24, there have been no expenditures, no grantmaking criteria adopted, no programs or activities funded, no collection or distribution of nonstate funds, no additional revenues received, and no financial audit performed.

This report was drafted by county staff and reviewed by the ACPP Board at its January 16, 2025 meeting.

Sincerely,

Liz Young

Director of Intergovernmental Relations, Hennepin County
on behalf of the Antidisplacement Community Prosperity Program (ACPP) Board

Cc: Hennepin County Board of Commissioners

David Hough, Hennepin County Administrator

Kareem Murphy, Hennepin County Assistant County Administrator for Disparity Reduction

Attachment

Appendix I: Adopted Bylaws and Conflict of Interest policy

**ANTIDISPLACEMENT COMMUNITY PROSPERITY PROGRAM BOARD
BYLAWS
ADOPTED NOVEMBER 7**

ARTICLE I. NAME AND PURPOSE

Section 1.1. Name. This Antidisplacement Community Prosperity Program Board (“the Board”) was created by the Minnesota Legislature through Chapter 127, Article 3, Sections 118-19, of the 2024 Session Laws (“the Act”).

Section 1.2. Purpose. The purpose of the Board is to “implement the antidisplacement community prosperity program” (“the Program”) established by Section 119 of the Act. The Legislature created the Program to preserve and enhance affordable housing, provide small business support, support job training and placement, enhance economic vitality, and benefit the people and sense of community along the Blue Line light rail transit extension corridor, as defined in the Act (“the Corridor”).

Section 1.3. Powers and Duties. The Act establishes the powers and duties of the Board. One such duty is to create bylaws related to governance of the Board. These bylaws fulfill that duty, providing for the effective and efficient governance of the Board in its implementation of the Program and the accomplishment of the purposes of the Program.

Section 1.4. Guiding Principles. These bylaws reflect and should be interpreted in accordance with the following guiding values and principles.

- a. Remember who we are trying to preserve: people, business, culture
- b. Transparency
- c. Accountability
- d. Agree to disagree
- e. Assume no harm
- f. Bring your authentic self but not bring your personal self
- g. Conflict should be resolved, helping people feel safe
- h. Community power: community led means, community led solutions and decision making
- i. Follow the framework developed by the Center for Urban and Regional Affairs in its Blue Line Extension Antidisplacement Recommendations Report (“the CURA Report”) to land on decisions
- j. Have fun

ARTICLE II. MEMBERSHIP

Section 2.1. Initial Members. As provided in the Act, the initial members of the Board are the members of the Blue Line Extension Anti-Displacement Working Group (“the Working Group”) established by Hennepin County and the Metropolitan Council, as specified in the CURA Report. The terms of these initial members shall expire on the later of December 31, 2024, or the date on which new Board members are appointed as provided in this Article. Where the CURA Report indicates that a person served on the Working Group as a representative of an entity, that entity may appoint a replacement for the person named in the CURA Report to serve out the remainder of the initial member’s term.

Section 2.2. Appointed Members. Beginning on the later of January 1, 2025, or the date on which Board members are appointed as provided in this Article, the membership of the Board shall be the following:

- a. Four representatives of nonprofit organizations active in the Corridor, nominated by the Selection Committee established under Section 2.3;
- b. Six representatives of the business community in the Corridor, nominated by the Selection Committee;
- c. Eight community representatives who live or work within the Corridor, nominated by the Selection Committee;
- d. Seven governmental representatives, one each appointed by
 - 1) Hennepin County
 - 2) Metropolitan Council
 - 3) City of Minneapolis
 - 4) City of Robbinsdale
 - 5) City of Crystal
 - 6) City of Brooklyn Park
 - 7) Minneapolis Parks and Recreation Board.

Governmental representatives shall be subject matter experts or staff working in a relevant field, not elected officials or policymakers.

Section 2.3. Selection Committee. The Board shall appoint a Selection Committee to make those nominations required under Section 2.2 for all seats to be vacated in the coming year.

- a. The Selection Committee shall have five members, as follows:
 - 1) Two members shall be current Board members, elected by the Board.
 - 2) Three members shall be people who live or work within the Corridor and who are not currently members of the Board. These three members shall be nominated by the Chair and Vice-Chairs and ratified by the Board. These three members may not seek appointment to the Board during their service on the Selection Committee.
- b. The Selection Committee shall solicit, receive, and review all applications for nonprofit, business, or community representative Board membership for the following term. The Selection Committee may establish requirements for such applications or the process for reviewing them. Following such review, the Selection Committee shall nominate the nonprofit, business community, and community representatives from among the applications received. The members nominated shall reflect the diversity of the corridor with respect to geography, demography, life experience, and other factors.
- c. The term of the Selecton Committee shall expire on June 30 of each year.

- d. No member of the Selecton Committee shall participate in any discussion or vote pertaining to that member's own application for Board membership.
- e. The members nominated by the Selection Committee must be presented to the full Board for ratification. The Board shall conduct separate votes to ratify each nominee. No member of the Board shall participate in any discussion or vote pertaining to that member's own nomination for Board membership.

Section 2.4. Terms of Appointed Members. Two of the nonprofit representatives, three of the business representatives, and four of the community representatives shall have terms expiring on June 30 of each odd-numbered year, except that no terms shall expire in 2025. Two of the nonprofit representatives, three of the business representatives, and four of the community representatives shall have terms expiring on June 30 of each even-numbered year. New terms shall begin on July 1 of each year for members appointed to replace members with terms expiring that year. Under the Act, the Board will expire on June 30, 2030.

Section 2.5. Removal. A member who on three consecutive occasions is absent from a regular meeting of the Board without providing prior notice of such absence to the Chair, is removed for cause. Governmental representatives serve at the pleasure of the agencies that appointed them, and those agencies may remove and replace their appointed representatives at any time with proper notice to the Board.

Section 2.6. Vacancies. If a governmental member leaves the Board for any reason, the agency that appointed that member may appoint a new member to fill the vacancy. If a nonprofit, business, or community member leaves the Board prior to the end of that member's term, the Selection Committee may appoint a new member to fill the vacancy for the remainder of the term. When filling a vacancy, the Selection Committee may either receive and review applications or employ whatever alternate process it deems most consistent with the purpose and principles of the Board.

Section 2.7. Expectations. Members are expected to prepare for meetings and to actively participate in meetings in accordance with the guiding principles of the Board.

ARTICLE III. OFFICERS

Section 3.1. Chair and Vice-Chairs. The officers of the Board shall consist of a Chair and two Vice-Chairs.

Section 3.2. Term. The term of office for each officer shall be one year, expiring on June 30 of each year. The Board shall elect new officers at its first meeting on or after July 1 of each year.

Section 3.3. Duties of Officers. The Chair will preside at each meeting of the Board. In the absence of the Chair, one of the Vice-Chairs will preside. If the Vice-Chairs cannot agree on which of them will preside at a meeting, the Vice-Chair who presided at a Board meeting least recently shall preside. The Chair, in consultation with the Vice-Chairs, shall prepare and provide public notice of the agenda for each meeting of the Board at least three days prior to the meeting. The Chair or, by agreement the Vice-Chairs, shall represent the Board before the Corridor Management Committee and other public

bodies. The officers shall also perform such other duties and acts as customarily pertain to their offices.

ARTICLE IV. COMMITTEES

Section 4.1. Establishment. The Board may establish such committees as it may deem necessary and desirable.

Section 4.2. Membership. The Chair, in consultation with the Vice-Chairs, shall determine the membership and the committee chair of each committee of the Board.

Section 4.3. Responsible to Board. Committees shall be directly responsible and report to the Board. Subcommittees, if any, shall be directly responsible and report to the parent committee.

Section 4.4. Dissolution. The Board may dissolve a committee at such time that the committee has fulfilled its proposed activities.

ARTICLE V. MEETINGS

Section 5.1. Regular Meetings. Meetings of the Board shall be held at least quarterly at locations, dates, and times determined by the Board. The Chair, in consultation with the Vice-Chairs, may cancel or change the location of a meeting upon three days public written notice.

Section 5.2. Quorum. At all meetings of the Board, a majority of the duly appointed members of the Board shall constitute a quorum. All binding actions of the Board shall be by a majority vote of the members present.

Section 5.3. Discussion. All Board members and others attending the meeting may participate in the discussion under guidelines established by the Board, but only Board members may vote.

Section 5.4. Special meetings. Special meetings may be called by the Chair by public written notice stating the time, place, and purpose of the meeting, to be sent at least three days before the meeting.

Section 5.5. Open Meeting Law. All meetings are subject to the Minnesota Open Meeting Laws, Minnesota Statutes, Chapter 13D.

Section 5.6. Records. Hennepin County will retain all records of the Board in accordance with Minnesota law.

ARTICLE VI. CONFLICT OF INTEREST

Section 6.1. Policy. All Board members are subject to the Antidisplacement Community Prosperity Program Board Conflict of Interest Policy when acting in their official capacities as members of the Board. This policy is attached to these bylaws as Attachment A.

Section 6.2. Recusal. If a member of the Board, their employer, a family member, or a close personal friend has any financial interest in any item before the Board, that member shall recuse from any vote

regarding that item and shall not discuss the item with any other Board member, whether in private or in a public meeting.

ARTICLE VII. AMENDMENTS

Section 7.1. The Board may amend these bylaws by an affirmative vote taken at two consecutive regular meetings of the Board.

**ANTIDISPLACEMENT COMMUNITY PROSPERITY PROGRAM BOARD
CONFLICT OF INTEREST POLICY
ATTACHMENT A TO BYLAWS ADOPTED NOVEMBER 7**

Purpose

The purpose of this Conflict of Interest Policy is to inform members of the Antidisplacement Community Prosperity Program (“ACPP”) Board (“the Board”) about situations that generate conflicts of interest and to communicate expectations for identifying, disclosing, and addressing actual, perceived, and potential conflicts of interest.

This policy complements the Hennepin County Conflict of Interest Policy applicable to Hennepin County staff.

Scope

This policy applies to all Board members.

The policy addresses situations in which there may be a perceived or actual conflict of interest which may include: financial, including gifts, bribes, or kickbacks; outside employment or activities, including political activities; and nepotism.

This policy does not include donations and gifts given to the ACPP or to Hennepin County. This policy does not apply to Hennepin County Commissioners.

Policy statement

Hennepin County is committed to ensuring conflicts of interest are identified, disclosed, and managed in a transparent and accountable manner. A conflict of interest refers to any circumstance where a Board member’s personal interest may conflict with the interests of the Board or the ACPP.

All Board members are required to recognize and disclose activities that may result in an actual or perceived conflict of interest, and to cooperate in the mitigation or elimination of the conflict. No Board member shall engage in a real or perceived conflict of interest that could reflect negatively on the ACPP, the Board, or Hennepin County. Any violation of this policy may result in disciplinary actions, up to and including termination of Board membership.

Board members with a perceived or actual conflict of interest must disclose the conflict of interest to the Board and take all reasonable steps to eliminate or mitigate that conflict of interest. For example, if a member of the Board, their employer, a family member, or a close personal friend has any financial interest in any matter before the Board, that member shall recuse from any vote regarding that item and shall not discuss the item with any other Board member, whether in private or in a public meeting. Similarly, Board members may not accept gifts (e.g., lunches, tickets to sporting events, etc.) that are offered to them because of their Board position or by persons with a financial interest in any matter before the Board.

If a Board member has a question about whether or how to address a potential conflict of interest, that member is encouraged to seek the advice of Hennepin County staff or the Hennepin County Attorney’s Office.

Definitions -- Types of conflicts of interest

Financial

A situation where:

1. A Board member could make or influence a decision that could lead to a significant direct or indirect financial gain for themselves, any member of their family, or a close friend.

Examples:

- Approving a grant to your spouse's nonprofit.
- Entering into financial business arrangements with a recipient of ACPP funds.

2. Board members who receive money or something of value from a third party in connection with their Board duties. This may be considered a gift, bribe, or kickback.

Examples:

- A grantee invites you to a conference and offers to pay for the cost of travel and lodging.
- An applicant for ACPP funds offers you \$100 to give favorable treatment to their application.
- A grantee gives you a \$25 Starbucks card as a thank you for approving their application.
- A grantee offers to give you a share of ACPP funds they receive.

3. A Board member has a direct or indirect financial interest in a grant approved by the Board.

Examples:

- The Board approves funding for your spouse's consulting firm to provide antidisplacement services.
- You recommend approval of a grant to an agency run by a family member.
- You own stock in ABC company and can influence whether the Board should approve a grant financially benefitting ABC company.
- You have your own business and decide to submit an application for ACPP funding.
- You review an application submitted by your brother's company.

Outside employment and activities

Outside employment or activities might be incompatible or inconsistent with your duties to the Board, creating a conflict of interest.

Examples:

- Using information or work product from your Board role in a private consulting business.
- Handling out your spouse's business card to recipients of ACPP funding.
- Asking recipients of ACPP funding to attend a fundraiser for your own political campaign.
- Using information obtained in your Board role to provide an improper advantage to a nonprofit you volunteer for, where that nonprofit is seeking an ACPP grant or contract.

Nepotism

A situation where an individual uses their position to improperly advantage a close friend or family member.

Examples:

- Asking other Board members to circumvent the regular review process to ensure your niece is a candidate for an ACPP grant.
- Reviewing an application submitted by a person you have been dating.
- Ensuring a close friend gets priority in review of funding applications.