

CPED Administrative Policy on Community Benefits Agreements

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In recent years community organizations in cities across the United States have begun to negotiate Community Benefits Agreements (CBAs) with developers. These CBAs address a wide variety of issues, from affordable housing and job creation goals to environmental factors and public art.

In Minneapolis, several communities are currently in the process of developing and implementing CBAs with developers, raising questions about 1) how CBAs relate to development and financial agreements between the City of Minneapolis and the same developers, 2) whether CBAs can be incorporated into City development and financial agreements, and 3) whether the City can take a role in the implementation, monitoring and enforcement of requirements included in CBAs.

In order to set clear expectations, the Department of Community Planning and Economic Development (CPED) has developed the following administrative policy regarding CBAs:

1. The City of Minneapolis only invests in development projects that will benefit the community. This is the purpose and guiding principle of all public investment in development.

2. Benefits to the community – and the city as a whole – are defined and enforced in many policies and regulations of the City of Minneapolis and other levels of government. These policies and regulations promote public health, safety and quality of life; the protection and enhancement of the built and natural environments; and the expansion of economic opportunity. The City welcomes the participation of individuals and community organizations in the development of these policies and regulations.

3. The City of Minneapolis incorporates some of these policies and regulations into its development and financial agreements. Incorporating these requirements into development and financial agreements gives the City the legal authority to contractually monitor and enforce them, ensuring that development projects deliver the required benefits. Agreements negotiated by others cannot be attached to, or incorporated into, City development and financial agreements.

4. The City of Minneapolis can only enforce – contractually and through its regulatory system – requirements that are consistent with public policies and regulations. The City of Minneapolis cannot be a party to or enforce an agreement that is inconsistent with existing policies and regulations. Organizations seeking City support for requirements that differ from existing policies and regulations are welcome to work with elected leaders and with staff to develop public policy recommendations. However, it is not an appropriate use of public resources for City staff to review or assist in the development of agreements that the City cannot enforce.