Met Council faces push for new roles amid calls for more power in old ones

State law charges the Metropolitan Council with guiding "the orderly and economical development" of the metropolitan region with an eye to its "physical, social and economic needs."

That's pretty broad, not to mention vague.

However, the Council, created in 1967, focused early on delivery of region-wide services that were recognized as too large and complex for smaller units of government to provide individually—like sewers and waste-water treatment, big regional parks, transit, highways and airports. Ideally, the Council could and would phase its provision or approval of regional services so as to avoid scattered, wasteful, leapfrog development of land and "shape" the region in the process.

That is the stuff on which the Council made its reputation and established its worth. It also played a varying role in securing a greater supply of affordable housing and has been active in some less-structured social issues like health and aging.

Now the Council is being pushed and drawn into taking on major new responsibilities that fit under the big tent of the law but are not what it is accustomed to doing. At the same time, it is being told to keep on doing what it has been doing, only better. Examples of the new thrusts include:

- Gov. Arne Carlson wants the Council to lean hard on local governments to cut costs through sharing of services.
- The Council brought out a "Metro 2015" vision statement that purports to describe what the region will be like in 2015. The statement was harshly criticized by the Minneapolis Planning Commission, the St. Paul Planning Commission and the North Metro Mayors Association for, among other things, a perceived failure to describe accurately or... Continued on page 7

Many local governments in metro area share services; some barriers remain

It might not be happening as fast or on as large a scale as Gov. Arne Carlson would like, but sharing of services among metropolitan-area local governments is widespread. A recent survey by the Metropolitan Council and the Association of Metropolitan Municipalities turned up 3,162 service-sharing agreements.

And that's just part of the picture. Only about half of the 300-plus governmental units in the region responded to the survey, leaving reformers to guess about service-sharing in the other half. (The units include 137 cities, seven counties, 50 townships, 51 school districts and 57 water-related agencies.)

The survey turned up agreements covering purchasing, data processing, records management, recreational facilities, police, fire, criminal prosecution, personnel, assessing, teaching, senior citizens, drug units, hazardous materials, cable television and many more.

Continued on page 5

Experts like small schools

Don't expect significant financial savings or better student performance from larger high schools or school district consolidation. That was the advice given by nationally recognized researchers who spoke last month in Minnesota at meetings in Rochester, Morris, Bemidji and Bay Lake, sponsored by the Blandin Foundation and the Humphrey Institute's Center for School Change.

"Hundreds of urban, suburban and rural communities around the country have decided that smaller secondary schools which offer fewer, not more courses will increase student achievement," according to Bethany Rogers, who works with Ted Sizer and the Brown University based Coalition of Essential Schools (CES). Coalition teachers offer two to three hour, in-depth interdisciplinary courses. This allows teachers to know students well and to make connections between academics and the outside world.

Examples include the three-hour per day course on the Mississippi River offered by biology, English and social studies teachers at... Continued on page 4
Viewpoint
by Lyle Wray

Our core challenges include:
• continuing growth at the edge
• declining support for public housing
• linking jobs with transportation to where people live and work
• providing opportunities for the communities along economic corridors
• creating networks of jobs that pay enough for families to live with dignity.

Developing a regional policy does not necessarily involve the development of a regional agenda. Rather, it should involve an agenda and policy frameworks that help people to live at the edge of the world. We need to find new ways to make regional growth work for the people who are living at the edge.

The emerging challenge is more complex than dealing with physical infrastructure issues. It will require new thinking on forms of joint vision-building, concerted searches for effective solutions, and flexible ways of carrying out plans of action. Existing regional and local agencies should be expected to work together to meet the complex set of challenges faced in the region. Decisions need to be made in a way that is made by looking to a broader urban agenda.

As a kickoff we might benefit from a "regional constitutional convention" involving the governor, elected leaders and other key stakeholders in a focused dialogue on a vision for the region. We need to work together to establish a regional framework for growth—whether in governance, structure or management—so that we can continue to live more productively.

Lyle Wray is executive director of the Citizens League.

Focus on taxpayer welfare to get tax reform progress

On our need for assistance. This property tax relief program should be renamed the "Income Adjusted Homestead Credit program.

Temporary transitional target aid during the transition from current law.

2. Replace the current 14-rate system with a more common system of differential assessments based on the property being taxed. We propose three assessment classes and three assessment ratio classes:
• Farmland: 25%
• Residences: 50%
• Commercial/Industrial: 100%

3. We recommend that cities be given the option of imposing their property tax levy on current.

Health care is the personal spending leader. It’s increasing by about 5 percent from this biennium to the next. That’s an increase of about 22 percent. Only a third of that is because of more doctors.

The second spending area is elementary and secondary education. Spending on K-12 education is projected to grow by nearly 7 percent from this biennium to the next. That’s an increase of about 22 percent. Only a third of that is because of more students.

The third spending area is property, interest and debt service. This is also an area of concern. It’s increasing by about 5 percent from this biennium to the next. That’s an increase of about 22 percent. Only a third of that is because of more property owners.

The Journal is published once a year and commentary are drawn from a broad range of people and organizations.
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Central cities need strong Met Council hand

Excerpts from interviews with Minneapolis Planning Director Oliver Byrum, St. Paul Planner Allen Lovejoy and Rep. Myron Orfield (DFL-Minneapolis)

Byrum: We need to recognize that...the socio-economic situation of the inner cities is fundamentally different from that of the metropolitan area as a whole. The needs of the inner cities that need to be dealt with at the metropolitan level are ones that we wouldn't have to be dealing with if we were a small town or a small city...

Dealing with the things the Met Council has attempted to deal with is important...it should deal with even those bets...We would be concerned about the cost of our products an unneeded second freeway, a bunch of transit policies...The city structure is not healthy. The city center is not healthy...The Met Council should be dealing with those issues.

Lovejoy: When the Council was set up...clearly the future physical infrastructure system was going to be enormous issues. We were trying to solve problems and an incomplete interstate highway system. We did not have a regional planning...But we don't have a regional bus system. The public transportation system needs to be...Unfortunately, the city council has not shifted very much...And our issues...are really quite different than they were...

Orfield: I think the Met Council's plans have become...the Met Council, their second Job is Land Planning, can move...

Knapp: More than winning the election, it's governing the nation. That is the test of a political party—the act, final test...A. Stevenson

The task force concluded that...the new system is moving fast enough. Exit Anderson, enter Revio.

The Association of Metropolitan Councils is an important constituent of the Met Council. It and other important constituents of the Met Council, AMM, has members in the state's 73 regional commissions. The AMM is an association of city council members. And individual cities often wrestle with the Council on matters of affecting their economic growth.

Nevertheless, an AMM Metropolitan Governance Task Force on recommended adding the power for the Council, and the power of the seven-county area to accept a "fair share" of low- and moderate-income housing. They said a past Council policy concentrated the distribution of federal funds-contributed to the system of housing for the poor...In addition, he said, efforts could propose that the Council appoint new regional commissions on surface water management, waste and housing.

The Council said it would have power to approve both capital and operating budgets of regional commissions and strengthen its own autonomy. The legislation proposed that the Council appoint new members to important areas of the regional commissions. The AMM task force also urged...in the area of education, the state's spending in humancapital services, which is declining socio- economica... was financ-

Orfield's 1993 bill will be more...comprehensive. It intends to create a new...nonlegislated, the power to override "in-

William Barnhart, Minneapolis government relations representa...the city council, said he had not intended to revive the direct election issue...He was...He added, "we..." (Blaine Mayor Elwyn Tinkleberg, president of the North Metro Mayors Association, and a similar theme in a letter to former Council Chair Anderson and a similar theme in a letter to former Council Chair Anderson...which council has not certified. It would prevent the sale or rental of properties in Minneapolis over the last 25 years, and we cannot..."

The Institute for Political Science and Social Research at the University of Minnesota does not certify, and would need to be revised. The city council has not certified. It would prevent the sale or rental of properties in Minneapolis over the last 25 years, and we cannot..."
Speaker's reorganizing shakes up House leaders

Some senior DFLers in the Minnesota House were surprised, to say the least—probably shocked is more accurate—last month when Speaker Dee Long reorganized committees and appointed new chairs. It was the most wrenching shakeup in years.

The Speaker showed enough imagination and flexibility in finding assignments for the 27 most senior members of the caucus to put some of the more talented but least senior members of this group in key positions and reach down one more level for a highly regarded new Tax Committee chair.

Long's most unusual move—reaching well beyond the confining seniority system to put Rep. Ann Rest (DFL-New Hope) in charge of Taxes—was among her best, many observers think. Rest is beginning only her fifth term; Long passed over many more senior members to give Rest the important assignment. As a subcommittee chair, Rest has shown herself willing to compromise, when appropriate, but also strong and shrewd enough to drive hard bargains at other times.—Pete Vanderpoel.

Minnesota's manufacturing employment grew by about eight percent during the last decade, compared to the national average of three percent. Significantly, most of this growth came in the form of non-production workers—the people who work for manufacturers, but perform administrative, clerical, technical or research functions. These jobs grew at three times the rate of production jobs and are especially common within the most rapidly growing kinds of manufacturing. Of 29,000 new manufacturing jobs, 22,000 were non-production workers.

What does this mean for Minnesota? Perhaps that our state's manufacturing jobs are more mobile than ever. It might also mean we need to rethink our development strategies for manufacturing, including the types of jobs we seek and the policies important to their growth.—Bill Blazar.

Implementation of managed health care for about 20,000 public assistance recipients in Ramsey County has been delayed again and is now targeted for sometime in 1993. Three health maintenance organizations (HMOs) responded to the state's latest request for proposals and are now negotiating with the state Department of Human Services (DHS) and with providers.

The three HMOs are Blue Plus (operated by Blue Cross and Blue Shield of Minnesota), UCare (sponsored by the University of Minnesota Department of Family Practice) and NWN, Health Network.

One reason for the slow progress of the project: managers at DHS are busy with other things. They have been directed to plan for staff cutbacks of between 30 and 40 percent in 1993.—Allan Baumgarten.

Early fall enrollment in Minnesota's technical colleges was 45,434—up nearly 37 percent over 1988, according to the Higher Education Coordinating Board. Community college enrollment over the same period was up 13 percent; state universities were up six percent; and the University of Minnesota dropped 10 percent. Technical college enrollment now accounts for nearly 22 percent of all public post-secondary students, up from 17 percent in 1988.

But comparison across systems is tricky. The mix of full-time and part-time Technical college enrollment has changed dramatically. In 1987, 91 percent of technical college students were enrolled full time. By 1991, full-time enrollment had dropped to 59 percent.

Three explanations offered for the surge in enrollment and the change in the mix: first, technical colleges now allow students to enroll in courses rather than programs; second, economic recession tends to drive people back for education and training; third, the four-year institutions have reduced undergraduate enrollment or raised standards, which may have pushed some students into the two-year systems.—David Rodbourne.

A recent decision by the Federal Communications Commission (FCC) may create new service options for Twin Cities telephone customers. The FCC now requires companies like US West to allow "competitive access providers" (CAPs) to have direct connections at US West's central offices.

In Minneapolis, Metro Fiber Systems is a CAP that offers downtown businesses in 18 buildings direct access to their interstate long-distance carriers, allowing them to bypass US West. Under the FCC order, MFS can co-locate its operations at US West central offices anywhere in the Twin Cities calling area, without having to construct major new facilities.—A.B.

You'll be hearing much wailing and gnashing of teeth about Minnesota's fiscal crisis next month. You'd be well-advised to disbelieve three of the major themes.

Theme 1. Minnesota's financial situation is "bleak," the state faces a "severe" revenue shortfall ($769 million) for the two years starting July 1, 1993, and a tax increase is in order. In truth, the state expects to take in $1.3 billion more than during the current biennium, an increase of over nine percent.

The problem is that maintaining all current programs exactly as they are, together with inflation, salary increases for teachers and other local employees and increased health-care costs for the elderly will cost about 15 percent more. Only if you think, given the current economy, a 15 percent increase is even close to reasonable can you believe in a revenue shortfall.

Theme 2. In order to solve our built-in budget problems, we need to get tough with state departments. That's fine, but it won't do much for the budget. State agencies themselves represent less than 10 percent of state spending. So a five percent cut for them means a reduction of about half of one percent in the overall budget.

Theme 3. The state must increase aid to schools and local government in order to protect homeowners from unjustifiably, unfairly high property taxes. If legislators are really interested only in relieving property taxes for the low-income folks who truly deserve it, they could save millions by paying that relief directly to deserving taxpayers, based on their income.—P.V.

In addition to Minnesota Journal and Citizens League staff members, other contributors to "Take Note" this month include Bill Blazar, vice president of government affairs for the Minnesota Chamber of Commerce; David Rodbourne, issues advisor for Minnesota Public Radio; and Pete Vanderpoel, former director of communications for the Citizens League.
Welcome new members

Sharon Bailey-Bok, Michael J. Branunget, Roger Cammack, Thomas L. Chaffee, Ann Connor and Bill Crawford.

David Dillon, David H. Griffith, Katherine Griffith, Kay Hensgens, Loring Knoeblauch, Janet Lekson and Dorothy Lekson.

H. James Leskee, Leanne Litfin, Robert Olsen, John Rohrman, Charles Siggerud, Jan Wiessner, H. James and Ramsey County Commissioners Mike Opat and Emily Anne Staples and Hennepin County Commissioners Mike Opat and Emily Anne Staples and Ramsey County Commissioner Dick Wedell.

Kelley joined the League in 1980, he served on the Board of Directors, chaired the Program Committee, and worked on the Telecommunications and Obstacles to Seeking Election studies. “I have really benefited from the deliberations with the wide variety of citizen participants in League study committees. I hope the League continues to help the legislature with ideas based on strong citizen participation.”

Staples, a member since 1958, was on the board and chaired the De-Institutionalization study committee. “I find the Journal and studies helpful in pushing beyond partisan stands.”

New program strategy committee formed, prepares for new studies and 1993 session

The Community Information and Program Committees have been reorganized and combined. The new Program Strategy Committee, chaired by Wendy McDowall and David Rodbourne, will recommend topics for League studies and coordinate efforts to implement study recommendations.

Combining the two committees will provide a more comprehensive approach to League studies from inception to roll-out. It will enhance opportunities to achieve League goals of membership growth, broadly-based outreach and communication.

The committee will meet in January to review and select one new study topic. The group will then scan emerging trends and issues and recommend new studies. Call the League if you’d like to meet to discuss topics.

An ad hoc group met this month to identify opportunities for League action in the 1993 legislative session. (See sidebar)

League legislative network convenes in January

Here’s good news for political junkies, serious-minded public policy persons and others who just like to keep up.

The Citizens League’s legislative network will have its first meeting of the year on January 22, 1993. David Rodbourne will facilitate the group with the help of several knowledgeable government affairs types. Bill Blazar, Judy Cook, Sarah Janacek, Randy Morris, Wendy McDowall, Bob Renner and Wy Spano have volunteered to brief the group periodically, particularly on legislative action on issues of League interest.

The group will meet every other Friday at 7:30 for dutch treat breakfast at a St. Paul restaurant to be named. Meetings are open to all League members. Call the office for reservations.

1993 legislative goals set

The Citizens League will advocate these positions during the 1993 session of the Minnesota Legislature:

- **Improve** the value of public services while addressing the state’s revenue shortfall, based on ideas of our state spending study committee.

- **Reform** election and campaign finance laws based on our recent study of barriers to seeking office.

- **Improve** laws enabling the creation of charter schools.

- **Monitor** proposals to build new transit facilities and to reorganize planning and decision-making for metropolitan transit.

The League is studying property tax reform proposals and might endorse bills offered by other associations. The League will also monitor proposals to implement the Minnesota Care (Health Right) law, particularly its provisions on cost containment.

New Mind-Opener Series in January

**Topic: Health Costs, Competition and Collaboration**

Watch your mail for details.
New forms of citizen engagement: A new strategic direction for the Citizens League

This is the last of eight articles about the history of the Citizens League. Call the League office if you’d like a copy of the series.

The Citizens League has influenced public policy since the 1950s. It has framed important issues, involved citizens in policy study, developed innovative public policy ideas and worked to carry out these ideas.

But in 1992, as the League struggled with several recent challenges - a leadership change, expiration of funding for the Journal, uncertain corporate contributions and a changing, more crowded public policy environment - it became clear that the League needed to evaluate its niche in the public affairs arena.

Under the leadership of new executive director Lyle Wray and president Becky Malkerson, the League's board adopted a revised mission statement and a strategic direction for the 1990s in July 1992. The new mission:

The Citizens League promotes the public interest in Minnesota by involving citizens in identifying and framing critical public policy choices, formulating recommendations and advocating their adoption.

The new strategic direction of the League continues to focus on citizen involvement in innovative public policy. But it recognizes that new realities require new strategies. It begins a journey of finding new, more effective ways of carrying out the League’s mission.

The League’s strategic plan identifies five areas of program focus: the Minnesota Agenda study committees, Mind-Opener breakfasts, the Minnesota Journal, Speak Ups! (informal discussion meetings) and Citizens League On-Line, a public affairs bulletin board. The League has now integrated all five program areas in the State Spending study.

Speak-Ups! and bulletin board launched

In mid-November, 80 League members participated in a new round of Speak-Ups! on issues of Minnesota’s budget. Members of the State Spending Study committee briefed participants on the state’s financial condition and key forces affecting revenues and spending. Participants discussed their perspectives on state finances and their expectations for government.

A second round of meetings is planned for February, when the participants will respond to the recommendations that the study committee is considering.

Jody Hauer joins Auditor's staff

League hires two new researchers

Jody Hauer, a Citizens League research associate since 1984, left last month to join the staff of the State Auditor’s Office. Hauer was named research director in the Research and Government Information Division of the Auditor’s office.

Hauer was associate editor of the Minnesota Journal and staffed numerous League study committees. Her work in the area of tax and fiscal policy analysis, including the annual property tax and fiscal disparities studies, was highly regarded by experts in the field. Looking back, Hauer most appreciates “having the opportunity to meet and work with a wonderful group of people over the years.”

Hauer staffed the Community Information Committee for several years and prepared the League’s reports on the airport, transit, charter schools and state-local finance.

The League has hired Janet Dudrow and Marilou Fallis as research associates. Dudrow has been a consultant to nonprofits and foundations since 1988. Before that, she was a research associate with the National Association of Counties, Washington, D.C. Her husband, Dale Stoffer, and cats Shadow and Moon are enjoying the quiet and clean air of the Twin Cities.

Marilou Fallis was born in the midwest, “ran to the east and returned for sanity.” She has a B.S./Honors in sociology from the University of Iowa, an M.A. in Public Policy from the University of Chicago and 10 years experience analyzing job training and human service programs.

Her 20 years of volunteer work give Fallis a sense of reality in understanding policy issues that sound so good to legislators but are implementation timebombs. In 1985-92, she was a research associate with the National Association of Counties, Washington, D.C. Her husband, Dale Stoffer, and cats Shadow and Moon are enjoying the quiet and clean air of the Twin Cities.

CL and Hamline offer local service forum

The Citizens League, Hamline University Graduate School and Association of Metropolitan Municipalities will co-sponsor a seminar on Friday morning, January 15, 1993, on local government service issues. The forum will spotlight several recent studies and initiatives in service design and structure, including the League’s report, Results for Citizens, Options for Officials.

For more information, call the Hamline Graduate School at 641-2284.