

Minnesota Journal

Inside This Issue

Revenue gap to surplus. — Page 2.

State of the Twin Cities. — Page 4.

Profile of uninsured. - Page 8.

A publication of the Citizens League

Volume 14, Number 3 March 18, 1997

Twin Cities must develop new vision, framework to shape future urban growth

The first of two articles. Urban growth is arguably one of the most contentious and far-reaching policy issues we face today. Few issues touch so many other policy areas see directly or touch so many people imediately.

Housing choices, transportation access, tax policy, personal safety, the environment, social equity and other issues are all part of an intricate, interdependent system covered loosely by the term "urban growth."

by Ron Wirtz

In late February, the Citizens League released a report on urban growth in the Twin Cities metro region, *It Takes a Region to Build Livable Neighborhoods: Urban Growth Strategies for the Twin Cities Metro Region.* The report is the culmination of 15 months of work by a committee of 51 people, chaired by former Minneapolis mayor Don Fraser and Sally Evert of the Metropolitan Council.

The report outlines negative land-

use practices and outcomes, both past and present, as well as the underlying forces that shape local and regional land use. This article highlights two innovative areas of the report the League hopes can have a lasting effect on future landuse policy: urban design and urban form. Simply put, the Twin Cities metro region needs a vision for how it wants to look, feel and act "when it grows up"—a vision for the physical, built environment at both the neighborhood and regional levels.

Continued on page 5

Education: Consumer or producer interest?

by Ted Kolderie

When the Duluth charter school was approved Feb. 10, the assistant attorney general responsible for education, Charles Mottl, told the State Board of Education the arrangement proposed meets the requirement of law. The charter school will organize as a nonprofit; that nonprofit will then contract with Edison.

A few days later the president of the Minnesota Federation of Teachers (MFT), Sandra Peterson, met with legislators to ask them to change state law so no charter school could henceforth bring in Edison or any other commercial firm.

In the Legislature the House this year has "working groups" authoring bills. Reps. Mindy Greiling (DFL-Roseville) and Alice Seagren (R-Bloomington) are cochairs of the group getting up—in an open process—a bill generally to improve Minnesota's charterschool program.

Their draft distributed at a meeting Feb. 26 included the MFT provi-

Continued on page 6

Duluth school board will use new charter schools to challenge its other schools

Editor's note: Following are excerpts of a March 3 interview of Duluth Superintendent of Schools Mark Myles with Minnesota Journal editor Dana Schroeder. The board of education in Duluth voted 9-0 to sponsor a charter school at two campuses—one for grades K-5 and one for grades 6-8. The school will contract with The Edi-

Project, a commercial firm that operates schools on contract to districts and to charter schools around the nation. The decision in Duluth has become an issue at the

by Dana Schroeder

Legislature. (See related article by Ted Kolderie.)

Minnesota Journal: Why did the school board decide to sponsor the two charter schools?

Mark Myles: The Duluth public schools have been looking at charter schools for several years. There were two charter applications in January 1995 that the board rejected: one was a conversion school and one had a philosophy in the high cirrus or cumulus range. That served as a catalyst.

Then last year we didn't do as well on the Minnesota graduation tests as we expected. The board adopted a resolution of purpose having to do with teaching and learning. The school board decided to proactively improve teaching and learning in Duluth. Charter schools are one method of doing this.

Continued on page 7

MINNESOTA JOURNAL

From looming state revenue gap to surplus: What now?

Prognosticators have taken some big hits in the past few weeks. First, a national news magazine reported that the investments of stock market pros seldom outperform the stock market average. On a different front, the Star Tribune ran a front-page story reporting that the Twin Cities' four top TV weathercasters got the forecast right barely more than half the time.

The topper was the startling and happy news that Minnesota can expect a \$2.3 billion budget surplus rather than a gaping deficit. This follows earlier warnings by the state's Department of Finance and Minnesota Planning that a burgeoning structural budget deficit loomed, the result of formula-driven spending programs and slower economic growth. Sages Vin Weber and John Brandl, a good Citizens League friend, toiled for many months in 1995 to work up a strategy to help the state cope with dire fiscal times ahead.

The League itself, early on, warned about a widening gap between expenditures and revenues. We have issued not one, but five, reports that have argued that policymakers must not expect "more money" to be the principal tool for solving the state's public problems.

What happened? A number of things explain the state's apparent reversal of fortune.

First, any forecast is based on assumptions. Lots of assumptions. On the revenue side, the assumptions involve everything from immigration to interest rates to inflation. On the expenditure side, add assumptions about life expectancy, eligibility rules, and the unemployment rate, to name just a few. Any good economic forecaster will warn, as the state's forecasters routinely do, that there is uncertainty in any forecast because it's virtually impossible to nail all of these trends precisely. And when it comes to personal income, which drives state tax revenues, being off by even a very small percentage can translate into hundreds of millions of "lost" or "extra" tax revenues.

The surprisingly strong growth in

Viewpoint

by Lyle Wray

spending since 1995. explanation for the newer, rosier forecast. Analysts adjusted their

The question is, what can we do with our anticipated good fortune?

Celebrate. Good news is still good news, even when unexpected and possibly short-lived, and \$2.3 billion—if it materializes—is a lot of money. Minnesota's public leaders have enough opportunities to feel discouraged and overwhelmed by all the challenges they must tackle. usually with too few resources.

"Ask: Would this be a good proposal if we didn't have a budget surplus?"

shifts in cultural attitudes that affect public services—simply can't be predicted. The most potentially devastating, unpredictable factor Minnesota lawmakers now face is the will of Congress. For example, should Congress enact changes to Medicaid or Medicare as sweeping as the recent reforms to welfare, the state's fiscal picture would change overnight.

personal income is the primary

revenue projections to reflect Min-

their expectation that the economic

nesota's humming economy and

expansion will break longevity

records by continuing through

1999. A faster-growing economy

means more tax revenues in state

coffers than previously expected.

Second, some things—such as the

introduction of new technologies or

Third, the act of forecasting changes behavior. State officials, sobered by Minnesota Planning's Within Our Means and the Brandl/ Weber work, and, we like to think, persuaded by the warnings of the League and many others, have taken important steps to rein in

When things go right, we all ought to enjoy a moment of good cheer.

Don't commit it all yet. Remember, that \$2.3 billion isn't money yet, it's just a forecast. The same uncertainty that swelled the surplus from \$1.4 billion just a few months ago could wipe it out just as quickly. Keep an eye on the unpredictable-especially Congressand leave some wiggle room.

Capitalize on our good fortune by investing in change. How often do we say to ourselves: We know there's a better way to (fill in the blank: care for the infirm elderly. arrange a property-tax system, ensure that all third-graders ca

"You'd make a pretty darn good prognosticator, Harvey... You're wrong at least 50 percent of the time.!..."



read), if only we had the time and money required to make the change?

Minnesota has been blessed wil rare opportunity. We now might have the resources to make some of the changes citizens and policymakers alike agree are needed. For example, we have the best opportunity we're ever likely to get to reform Minnesota's byzantine property-tax system. Investing now in the transitions to better systems-particularly in property taxes and local government aidswill yield big dividends five years and 50 years from now.

Beyond funding major system reforms, state lawmakers should keep a few clear principles in mind as they contemplate the surplus:

• Condition any new spending on expectations for improvement in public services. Make sure there's a system for assessing the results of proposed spending. And design a payment system that compensates public agencies for results rather than for process.

• Ask: Would this be a good p. posal if we didn't have a budget surplus? Policymakers shouldn't lower their standards just because money appears plentiful.

• Don't just expand existing programs-including tax benefits-by increasing services or loosening eligibility. Such steps create ongoing spending commitments the state might not be able to meet in the future. And the last thing the state needs is to expand-without reform—public systems that are clearly broken.

As legislators and the Governor think about all the spending proposals likely to land on their desks, each might imagine himself or herself sitting in the same chair 10 years from now, then ask this question: What would I wish we had done with this money? What's the opportunity that, had we seized it, would have set Minnesota on a dramatically better path?

Lyle Wray is executive director the Citizens League.

Editors denounce Carlson's call for information fees

West Central Tribune (Willmar) said (Feb. 13) called Gov. Arne Corlson's memo to state agencies

ting them to charge for information requests "nothing more than a mean-spirited attempt to get back at the media for probing into the operations of his office...Not a real good PR move, Governor." Duluth News-Tribune said (Feb. 14) the state should develop a policy on what state agencies may charge for supplying public information. "Any special request that results in a major extra effort by public employees should be billed. But routine information should be readily available at minimal charge."

St. Paul Pioneer Press said (Feb. 13) legislators should write safeguards into the state Data Practices Act similar to those in the federal Freedom of Information Act to assure that excessive search and duplication fees do not block the release of public information. St. Cloud Times agreed (Feb. 22). "[G]iving information to the public is part of state employees' jobs for which they already get paid,

an onerous side duty." Schester Post-Bulletin said (Feb. 15), "The new charges are poor public policy. We need more information about government rather than less." Red Wing Republican Eagle said (Feb. 17), "Though media may be the target of Carlson's directive, citizens will be the biggest loser." Mankato

The Minnesota Journal

Publisher — Lyle Wray Editor - Dana M. Schroeder Contributing Editor - Ted Kolderie Sketches - Ray Hanson

The Minnesota Journal (ISSN 0741-9449) is a publication of the Citizens League, a nonprofit nonpartisan Twin Cities public affairs organization, 708 S. Third St., Suite 500, Minneapolis, MN 55415, Mike Christenson, president. Articles and commentary are drawn from a broad range of perspectives and do not necessarily reflect League positions on policy questions. The Journal is published once a month. Periodicals postage paid at Minneapolis, MN.

Annual subscription rate for nonmembers is \$40 12 issues. Orders may be placed at 612/338or by mail at the above address.

Postmaster: Send address changes to The Minnesota Journal, 708 S. Third St., Suite 500, Minneapolis, MN 55415

March 18, 1997



Free Press said (Feb. 17) Carlson's order "simply doesn't make sense and it certainly isn't good public policy."

Duluth News-Tribune criticized (Feb. 28) legislative proposals to drop the requirement that University of Minnesota regents be appointed from each Congressional district. "The idea that some districts lack qualified people is insulting." It also said legislators, rather than the governor, should retain the right to select regents. Star Tribune said (Feb. 20) the regional representation requirement is "too rigid. It allows for no exception when two outstanding candidates surface from the same district, or when one district's candidates are all below par." Fergus Falls Daily Journal said (Feb. 21) the regent selection process is "a system wrought with political shenanigans." Post-Bulletin said (Feb. 21) changes in the regent selection process might be "worth considering but the first priority should be agreeing on a strategy for the university and new current board of regents."

Duluth News-Tribune called (Feb. 12) the plan for two charter schools in Duluth to be operated by the forprofit Edition Project "good news for education." It criticized the

Another view: Justices disgualified

In its November issue, the Journal Planned Parenthood of Minnesota. quotes the St. Cloud Times criticiz-He recused himself from consideraing Minnesota Citizens Concerned tion of Doe v. Gomez, because his for Life for opposing the reelection proabortion bias was thus public. of two Minnesota Supreme Court justices "solely on the basis of per-Anderson, demonstrating his willceptions of the personal beliefs of ingness to write proabortion legislatwo capable and respected justices." tion from the bench, voted in favor of the Dec. 15, 1995, Doe v. Gomez, decision.

MCCL's opposition was based on undisputed fact: both Edward Stringer and Paul Anderson have Doe v. Gomez gave Minnesota the clear records of condoning and actmost extreme abortion law in ing to promote the broad, unlimited America. It unilaterally struck use of abortion to end unborn down the previous limits on taxpayhuman beings' lives. er-funded abortions—reported rape, incest or saving the mother's life-Stringer, previous to his appointand created a new "right" to aborment to the Court by Gov. Arne tion on demand in the state Consti-Carlson, sat on the board of tution. It defines abortions for

On Balance

No meters on this information.

Duluth teachers union for "implying there is something wrong with profit-making firms operating in the public sector." It said (Mar. 1), "Moves in the Minnesota Legislature to bar for-profit firms from contracting with public school districts to operate charter schools are wrong-headed" and "would impose unwarranted limits on future charter schools in Minnesota."

Princeton Union-Eagle urged (Feb. 27) legislators to adopt a tax credit proposal that would provide a 50 percent tax credit (up to \$500 for an individual and \$1,000 for couples) for contributions to higher education institutions. Star Tribune agreed (Feb. 17).

Republican Eagle said (Mar. 3) the state should use "a sizable share" of the state's projected \$2.3 billion surplus to permanently restructure Minnesota's property taxes. Free Press said (Mar. 3), "Rather than receive a major income-tax rebate, state taxpayers would benefit most in the long run with some significant property-tax reform." Pioneer Press said (Feb. 28) the \$400 million proposed by House Republicans is closer than the \$250 million proposed by Gov. Carlson to what will be needed to fix the property-tax system. Star

Tribune said (Feb. 28) the Governor should give property-tax reform "first claim on the surplus dollars he's been reserving for an income tax rebate."

St. Cloud Times said (Mar. 3) St. Cloud area residents should "read and heed" the Citizens League "Livable Neighborhoods" report. It urged residents to embrace the league's recommendations to set urban services areas for the next 20 years and cluster development in communities designed like traditional neighborhoods and to calculate the real costs of spread-out housing development and allow local governments to recover that cost. It urged passage of Rep. Joe Opatz's (DFL-St. Cloud) land-use bill, which embraces these recommendations.

Duluth News-Tribune said (Mar. 5) "a stadium bailout for millionaire players and team owners is a low priority that shouldn't be funded." Free Press said (Mar. 1) "any additional funds needed for a new stadium should come from private sources." Star Tribune said (Feb. 26) if the stadium does not have a roof, "the whole thing may hardly be worth doing." Pioneer Press said (Feb. 26) work must continue to craft a deal to keep the Twins in Minnesota. Worthington Globe said (Feb. 26) the retractable roof is "a reasonable investment."

"stress," "discomfort" or "iron deficiency" as "therapeutic."

As a direct result of this judicially mandated de facto legislation, the number of state-funded abortions has increased more than 1.000-fold. To pay for them, Minnesota taxpayers have given more than half a million dollars to abortionists over the past two years.

In short, both Stringer's and Anderson's public actions and affiliations blatantly demonstrated their inability to consider abortion-related issues fairly and impartially. Their clear and public proabortion bias disqualified them for reelection. -Leo F. LaLonde, MCCL President

Minneapolis priorities: public safety, education, jobs

Excerpts from Minneapolis Mayor Sharon Sayles Belton's State of the City address on Feb. 13.

There are three areas in which Minneapolis government, in partnership with families and businesses, can make a big difference.

The first is public safety. The second is education. The third is jobs and economic development. These priorities will drive my agenda in 1997...

For the past three years, public safety has been my top priority. We have increased our annual investment in police resources by \$12 million dollars, in fire services by \$3.5 million dollars, and other criminal justice activities by \$2.7 million.

We now have the highest number of authorized police officers ever. We have added more than 74 police in the last three years...

My target is to identify all the elements of gang culture and to eliminate gangs in Minneapolis...

The second area for progress is education...

I believe it is time-actually long past time-for the Board to act fully on my proposal to adjust school hours so that we sharply limit the time our children are left unsupervised. There can be no more 1:45 p.m. release times, especially for our middle-school students.

The perils of the early release policy are well documented-gangs, drugs, teen pregnancy. There can be no more excuses made for early release times that leave our children unsupervised and unsupported. And we also know that teenagers starting school at 7 a.m. or earlier do not learn well.

The bottom line must be that 1:45 p.m. end times must end, and I want the policy change to commence at the start of the 1997-1998 school year. Please.

While I'm at it, I want to go on record, again, in supporting all day kindergarten. It's family friendly and, just like the extended school day and community schools, it's what Minneapolis parents want ...

Minneapolis' economy is strong, vital and vibrant, fueled by great workers and far-sighted business leaders...Let us look at our challenges and opportunities.

First, Minneapolis needs state funding for continued restoration of our brownfields.

Second, the Legislature needs to provide full funding in order to upgrade our transit system.

I have recommended a demonstration project in the Hiawatha transit corridor. A Hiawatha Transitway, whether busway or light rail, offers our region a significant opportunity to tie together the activities of downtown Minneapolis, the Minneapolis-Saint Paul Airport and the Mall of America...

Third, we must expand on our efforts to seize the initiative for business growth.

Fourth, in order to turn the political rhetoric about "ending welfare as we know it" into a reality, we must work together in state, county and city government to ensure that substantially greater day care and job training opportunities are made available ...

While our overall economic picture is bright, the unemployment rate among minority communities is unacceptably high. Coupled with welfare reform, we will add 3,000 more people to the rolls of job seekers in our city in 1997.

At my suggestion, businesses throughout the metropolitan area will meet to discuss how they can be responsive to the influx of new workers...They will bring together the corporate human resource directors throughout our community to assemble a job-creating/ placement business coalition.

St. Paul: Partnerships will move community forward

Excerpts from St. Paul Mayor Norm Coleman's State of the City address on Feb. 25.

Today, more than ever, we must reach out to the private sector, to the faith community, to the people of Saint Paul. We must seek partnerships in moving our community forward.

We've...seen a dramatic change in the face of Saint Paul neighborhoods through an aggressive program of forcing action on vacant, dilapidated buildings. The amount of time a vacant building in Saint Paul is allowed to stand and blight our neighborhoods has been reduced to one year from its previous four years...

Our city is safer as a result of the six percent decrease of crimes against persons and because of the ability of our homicide department to solve nearly 80 percent of all homicides in the city-compared to a nationwide average of 60 percent.

And, with 10 new police substa-

tions throughout our city, we will continue our aggressive community-based policing efforts that have resulted in a safer Saint Paul...

Today, there are 5,200 more jobs in Saint Paul than there were in 1993.

The result of job growth has been a drop in unemployment. Today 27 percent fewer people are out of work in Saint Paul..

In 1996, for the first time, Saint Paul led the region in absorption of office space-we filled over 380,000 square feet of space. The recent Towle Report calls downtown Saint Paul the hottest market in the metropolitan area...

If downtown fails, as it has in the past, our neighborhoods will suffer. If the downtown tax base shrivels, more and more of the property tax burden will be put on residential homeowners in our neighborhoods ...

More people are spending money in our neighborhood stores. Nearly \$9.4 million was collected as part of the half-cent sales tax in 1996an 11.6 percent increase over 1994—a clear indicator of the renewed strength of Saint Paul's retail base ...

The number of building permits issued for our neighborhoods in 1996 increased by 87 percent from 1994 to 1996 and the value of those permits rose by 68 percent!...

Minnesota's higher than average welfare benefits have attracted individuals from other states to come to our city and take advantage of higher welfare benefits.

I recognize that many of these people come to Minnesota seeking new hope and opportunity. And, we welcome these people committed to changing their lives in positive ways.

However, we cannot and should not tolerate those who come to our community solely for the purpose of receiving higher welfare benefits without any expectation of getting

a job or to leave behind a criminal record in one city only to create a new one in ours...

I do believe the state has two specific areas of responsibility it must focus on:

One, we must discourage welfare migration. I support recommendations of a state task force on welfare reform in which people moving to Minnesota would not be eligible for a welfare check for 30 days.

Furthermore, once eligible, those recipients should receive the same amount of money they would have received in the states from which they moved.

Two, there must be swift work sanctions. Welfare recipients who will not comply with the work rules defined by Minnesota should have their welfare checks reduced accordingly, until they comply the appropriate work rules...

Growth

Continued from page

Neighborhood vision and urban design .ny people criticize the cookiecutter design of new development —its look of mass production, its

lack of visual uniqueness and identity and its failure to create neighborhood community, with houses disconnected from each other and from the larger community.

Often missing from growth discussions are issues of design: What makes neighborhoods physically attractive and what design elements would residents like in their neighborhoods? Market studies show that, given a variety of choices, many people would choose neighborhoods and houses different from what is offered in most growing areas. The problem is that such choices are difficult to find in the market.

This does not mean that everyone living in a suburban subdivision dislikes his or her house or neighborhood, but it does suggest significant room for change in the way we physically construct our comnities.

So how do we build houses and neighborhoods to accommodate a variety of tastes? The answer is simple. Ask the residents themselves what they want their neighborhoods to physically look likea vision for neighborhoods—and then start building them. This can sound like opening a can of worms, but innovative surveying techniques are being developed to tap specific design preferences of residents. Public officials can then shape land-use policy around local tastes.

Surveys like the Visual Preference SurveyTM (VPS) by Anton Nelessen visually compare neighborhood elements of different design schemes, such as traditional suburban and neotraditional designs. For example, a typical comparison might be of a single house or a residential street or a commercial corridor in two different locations, each with its own dist design. The question is then to residents: Which do you pre-

March 18, 1997

ate with livable, attractive neighborhoods.

Such a survey technique allows residents to build a tangible vision for their neighborhood's physical environment. Helping them understand that urban design can help build a sense of community and pride into neighborhoods.

Regional vision and urban form We also need to ensure that neighborhoods and cities fit together efficiently as part of a larger region. Part two of this "vision thing" is closer attention to urban form at municipal and regional levels. Urban form refers to the geographic relationship between, and integration of, land uses that accommodate people in their daily needs and tasks. Urban form is the collective result of individual land-use policies, ranging from housing to transportation to tax policy. It is not only the shape and design of the landscape, but the way systems operate

over a broad geographic area. Increasingly, the Twin Cities region is spread out and segregated.

The resulting urban form is inefficient, costly, inequitable, and, in a word, wasteful. With this in mind, the League's report advocates three broad principles to help reshape urban form at municipal and regional levels.

 Build communities that are compact, efficient and connected. The Twin Cities Metropolitan Statistical Area is the third least dense of the 25 largest metropolitan areas. Studies consistently show that lowdensity development is costly in terms of urban services, has eliminated most travel options except the auto and undermines sound community planning. There are significant public benefits to reshaping local and regional urban form into something more compact and efficient that creates travel access through means other than the car and maximizes public investments in infrastructure like roads and sewers.

This does not mean that everyone has to live in a neighborhood that is "compact and efficient." It does, however, mean that those choosing alternative locations and lifestyles will assume more of the public costs created by such individual decisions.

"...The home and community you just described is not only popularit's nonexistent! ... "



 Build communities that are inclusive, particularly through greater levels of mixed-use and mixed-housing development. By mixed use, we mean the integration of different land uses—normally commercial and residential. Mixed housing refers to the integration of different housing types, styles, and price levels among each other.

The idea is to facilitate variety and diversity in development in order to provide a range of options for people that best meet their needs for housing, transportation and daily services throughout different stages of their lives. The underlying notion is for communities to be more accepting and accommodating to all residents, whatever their needs.

• Build communities that value green spaces and other public open spaces. Often overlooked in landuse discussions is the public realm, particularly public green spaces. The public realm within an urban environment has an immense influence on neighborhood and city character. Green and other open spaces play a particularly important role. Studies consistently show that green space has numerous advantages for neighborhoods and cities. This is particularly true when green space links communities and specific destinations-like the Chain of Lakes and Minnehaha Parkway. However, green space seems to be a low priority for many growing cities today.

More than "Growth Options" Many people have the mistaken impression that the Metropolitan Council's "Growth Options/ Growth Strategies" project is just such a vision for both neighborhoods and the larger region.

In fact, it is neither—at least not yet. The project has been valuable in raising the level of debate regarding land use. But to this point it has lacked any real vision needed to guide future development.

None of the three "options" (concentrated, growth centers, continued dispersed) provides any insight into what our neighborhoods will actually look like given a particular strategy. What does a "compact" neighborhood look like compared with a "growth center" neighborhood? The public has no idea, because design has been conspicuously absent from this discussion.

Municipal comprehensive plans make the same fundamental mistake by doing little to show residents what future neighborhoods will visually look like. Unfortunately, zoning and other land-use regulations substitute for design. As a result, neighborhoods and entire cities might end up conforming to colored maps, but often do a poor job of achieving any sense of community.

The Metropolitan Council is, however, in the process of developing visual and pictorial aids to demonstrate different growth options to local officials. What remains to be seen is whether this will be an effective tool for getting residents involved in the process of designing their neighborhoods.

Obviously, not everyone will agree on what the region should look like 25 years from now. But the time has come for that specific debate. Without this important discussion, the region will never find the ingredients necessary to build neighborhoods that also reflect community.

Ron Wirtz is a research associate at the Citizens League. He staffed the committee that produced It Takes a Region to Build Livable Neighborhoods: Urban Growth Strategies for the Twin Cities Metro Region. Copies of the report or its summary are available from the League office at 612-338-0791.

Charter

Continued from page

sion to cut off any charter school from buying any service anywhere but from an individual or a nonprofit.

Quickly it became clear this was too sweeping. No school could buy legal services, for example, or bookkeeping. It would invalidate the arrangement at LeSueur, where

teachers organized in a cooperative run the instructional program (in what may be Minnesota's most innovative school) on contract to the New Country School. Greiling and Seagren rejected that first draft.

With interest building rapidly, the authors met again Mar. 5. The audience included the lobbyist for the Minnesota Education Association, the lawyer for the MFT, a representative of Attorney General Hubert H. Humphrey III, a repre-



sentative from the Minnesota DFL party and legislative staff for the department.

Greiling made it clear they intended to propose "some restriction." The meeting did little to help them along. Duluth Superintendent Mark Myles spoke against any restriction. MFT representatives again opposed any contracting with any for-profit, in principle.

The unexpected controversy has brought to focus the central questions raised this session about the future of public education.

• Boards of education are supposed to do what Duluth's board has done: Go out and bring in the best possible education for the people it is elected to represent. In whose interest would the Legislature cut that off?

Some excellent learning programs are now being offered by commercial firms. Is it a problem, or a plus, for a board, or a charter school, to bring these in on contract? Or is it simply a union fear of competition?

• Does the union really want to get between the public and better schools for kids? Will the MFT also go to court to try to prevent the school approved for Duluth from opening?

• Will the Minnesota School Boards Association, whose cry is eternally "Local Control!", back up its member district as Duluth tries to exercise local control? What business are boards of education in: the school-operations business or the student-learning business?

The Duluth board is the first to use the charter law affirmativelyaggressively-to create a new school intended to challenge its own schools. Very powerful pressures are now being brought to stop boards from doing this. For legislators, caught in the middle, it's choosing-up time: Do they vote education a producer interest or a consumer interest?

Ted Kolderie is contributing editor of the Minnesota Journal.

U of M regent selection system has no accountability

Edited excerpts of remarks by John French, cochair, University of Minnesota Alumni Association Citizens' Committee on Regent Selection, to the Citizens League on Feb. 18.

The Alumni Association put together the current committee to look at what has happened after 10 years of trying and eight years of actually functioning in the Regent Candidate Advisory Council process.

The following issues surfaced and attracted a consensus across the entire committee:

1. The current system does not produce a comprehensive approach to selecting a Board of Regents that has all the skills and talents necessary to make the place work.

2. Because it brings people in from congressional districts for twothirds of the seats, the members think of themselves of representatives of somebody, rather than governors of something. Too often the thought is not, "What's best for the University?" but "What's best for my congressional district?"

3. There is no accountability in the present system. No one is accountable for the ultimate composition of the Board of Regents.

4. Finally, on the Board itself, we found very clearly a failure to appreciate the difference between policy and administration.

First, we recommend no dedicated seats, no congressional district seats and no seat for a student regent. The reason for our recommendation of no dedicated seats is it destroys flexibility. You cannot put together a board that has comprehensive talents if you have to plug one from here and one from there.

Also, the object of the congressional district seats was originally to protect the nonmetro areas, to make sure there's distribution outstate.

The congressional district concept is an anachronism. It provides no guarantee of rural representation on the board.

Our second major recommendation may look as though we're not deviating much from our current system with the council recommending people. But we are in two important respects.

Under our proposal the council would recommend people to the Governor. The Governor, then, would recommend people to the Legislature. Not only that. The council would recommend to the Governor one person per seat, not two to four, as the current system indicates.

That doesn't tie the Governor's hands, because he can reject the name, under our plan, and ask for another. The Governor would keep asking for names until he got one he liked. The Governor would then send to the Legislature one name

per seat. The same process is available there under our plan.

The Legislature would stay the electing body, as it now is. But it would elect by accepting or rejecting the Governor's proposal.

Finally, the simplest thing requires no legislative action at all: We asked the Board of Regents to think about what its job is, to realize its job is governance, not representation, and its focus is on policy, not administrative detail.

Our proposal has eight of the council members being nominated by the Governor, eight being nominated by the Legislature and eight being nominated by a joint committee of the University of Minnesota Foundation and the University of Minnesota Alumni Association.

Duluth

Continued from page

They decided that rather than ronding to weak proposals for rters, we would be proactive and look for a research-based proposal. We started going through the maze of getting the charters approved. We did a national search for proposals and received 40 responses. We decided 10 were authentic and we trimmed those down to half a dozen. The board selected Edison unanimously in November. The state Board of Education unanimously approved the charters Feb. 10.

Edison has spent \$45 million on research on a school model. They have really hired the best and the brightest. They have a researchbased mission and they've been successful where they've been. We've been impressed by their work.

MJ: I noticed the message on your main switchboard recording: "If you are calling in regard to the Edison Charter School Project, dial extension 432." Have you been ting a lot of calls?

Myles: We've been getting an incredible number of inquiries from parents for Edison information. We couldn't take applications till Feb. 10, after the state board approval. In two full weeks there've been 800 inquiries for applications. There are 600 slots and 485 applications in as of today.

The deadline is two weeks off. It'll probably require a lottery to determine who gets the spots. The applications have been coming from all over. The schools will open to all students in Duluth and to students from other districts. It's pulling a number of kids out of private and home schools. The parents are really enthused.

At one elementary school in Duluth, Birchwood Elementary, parents voted to convert to a charter. But under state law 90 percent of the teachers at the school had to approve the charter and they shot it n. All of them had seniority

and tenure and could have gone elsewhere in the district. I wish we could have converted the school.

Instead we're starting two new schools in former school buildings.

MJ: Wasn't the University of

Myles: The school will have a Minnesota at Duluth (UMD) interresearch design, a clearly articulatested in sponsoring a charter at ed, seamless model. It includes a one time? longer school day and year. Our schedule is pretty much agrarian, Myles: When the charter law was even though nobody lives on modified to allow community colfarms any more. The Edison leges and state universities to schedule will be 30 to 35 days sponsor charter schools, UMD got longer a year. A second language excited. They hoped to be able to is taught as early as kindergarten. create a professional development Some of these things they looked school with a charter. That got at are being done successfully in shot down by some of the same Europe.

"I believe one of the reasons so many people are against it is that it has every evidence that it's going to be successful." -Duluth Superintendent Mark Myles

people [opposing the Edison schools]. UMD was told they wouldn't be able to get their student teachers placed if they sponsored a charter, so they backed off pretty quickly.

It's unfortunate that the state of Minnesota, which prides itself in having the first charter school legislation in the country, has such a weak charter law. We have allowed all kinds of special interests to get in there.

MJ: What's happening at the Leg-By the time a youngster goes to an islature right now with regard to Edison school from kindergarten charters contracting with for-profit through grade 10, they will have companies? been in school a full six years longer than students on the tradi-Myles: They're leaning on the tional schedule. The school year is Legislature pretty hard [to prohib-20 to 25 percent longer and the it charter schools from being able school day is several hours longer to contract with for-profit compaevery day.

nies.] Just think. If schools couldn't contract with anyone that's for-profit, schools would have to manufacture their own pencils, textbooks, even their own buses.

I'm a big advocate of public education. But we can be doing better than we presently are. In public education we've never had much research and development. Edison has done \$45 million of R & D.

Myles: I believe one of the reasons We couldn't do that on our own so many people are against it is that it has every evidence that it's MJ: It's somewhat unusual that going to be successful. It's OK to the Duluth school board is using have small charter schools with

charters to challenge its own schools.

Let's say the youngsters at Edison truly begin reading better, doing math better. It would be an impetus for change.

We think their design is solid. But we have no notion of converting all schools to Edison. One of the schools will be grades K through five and the other six through eight. People are already asking what happens after they finish here? The school board wants to add nine through 12.

Under the Edison model the last two years of high school youngsters are mostly in advanced placement classes. By the time they graduate, they have the equivalent of a couple of years of college under their belt.

M.I: Why is there so much opposition to the Edison charters?

hard-to-teach kids, but not to have something that's going to be successful on a larger scale.

We believe this has a strong design, strong research, strong student assessment and strong staff assessment. It uses multi-age, multi-year groupings. Children are taught according to the level they're at. There's an extended school year. There's a computer in the home of every child in grade two and up. The computers are hooked by intranet and the parents can communicate over a common curriculum.

MJ: Will they be able to do this at the same costs as traditional public schools?

Myles: Their mission is to do this and operate at the average per pupil expenditure. They will make an investment of their own at the start.

The purpose of education is to prepare all students for successful lives. The mission has changed. We must prepare all students.

We thought charter school legislation empowered school boards. We're beginning to doubt that. It'll be interesting to see who wins this one.

MJ: You've talked about the reaction of the statewide teacher unions. What's been the reaction from teachers in Duluth?

Myles: It's been the same reaction. The leaders are cut from the same cloth. They're out of step with the president of the United States and with the Governor and with their national leaders. We're hoping our state strengthens the charter legislation.

The school board really has been courageous taking this stand to improve the education of our children. We'll see how this all turns out

Uninsured Minnesotans stabilize at nine percent

Changing faces. A recent report by the state Department of Health revealed an interesting trend for those without health insurance.

The proportion of uninsured Minnesotans has stabilized at about nine percent, while the national average has crept steadily upward to more than 15 percent. One reason for Minnesota's lower rate is the level of employer-provided health insurance. In Minnesota, 71 percent of nonelderly people received insurance through work, compared with 65 percent nationally.

But rising health-care costs and a changing workplace—more parttime, temporary workers and more job hopping—are expected to push up rates for the uninsured, at least at the national level. Persons receiving health insurance through government programs (mostly children and low-income people) rose between 1990 and 1995, both here and nationwide. In Minnesota, the percentage buying their own health insurance dropped from almost 10 percent in 1990 to just five percent in 1995.

These factors have given rise to a curious trend both here and nationwide: the average uninsured person in 1995 is older and has a *higher* income than the average uninsured person in 1990.—*Ron Wirtz*.

In August 1995 the Journal reported that restrictions by a number of metro-area school districts were making open enrollment "less open." The article pointed to tight restrictions on the policy in Minneapolis-prohibiting white students from open enrolling out of the district and students of color from open enrolling in-and restrictions by a number of suburban districts as they struggled with space issues and tried to pass building referenda. The article noted that St. Paul, unlike Minneapolis, had placed no restrictions on the policy. The story was picked up by the metro newspapers and KTCA-TV.

Interestingly, the Minneapolis restriction prohibiting white students from open enrolling out of the district has just been dropped—at the direction of the state Department of Children, Families and Learning. But space restrictions will prevent students of any race **Take Note**

"I keep getting more cynical, but I just can't keep up."-L. Tomlin

from open enrolling *into* Minneapolis, with a few exceptions. One Minneapolis official quoted in the *Star Tribune* said students wishing to leave the district may find no place to go, because of the continuing restrictions on enrollment into surrounding suburban districts.

So, while the change allowing freer movement from Minneapolis is a welcome one—at least in theory, it's still not clear exactly how open Minnesota's highly touted open enrollment really is.—*Dana Schroeder*.

Bad news, good news: *Time* (Feb. 24) reported on a UCLA survey of college freshmen on a set of bell-wether attitude questions that have been posed over the past 30 years. In 1967, students' top goal was "to develop a meaningful philosophy of life." Today the top goal is "to be very well off financially." And the share of students who think it's important to keep up-to-date with political affairs has plunged from just under 60 percent to about 30 percent.

Meanwhile, the national student loan default rate is at its lowest point ever, according to a report in the MnSCU student paper *The Monitor*. The default rate for 1994, the most recent year for which figures are available, was 10.7 percent, compared with 22.4 percent just four years earlier.

U.S. Secretary of Education Richard Riley attributed the improvement to get-tough policies and enforcement efforts.

But we wonder whether the supposed crass materialism on the part of today's young adults might somehow translate into better billpaying habits and more responsible citizenship. Could it be a silver lining to the alleged dark cloud of youthful cynicism?—Janet Dudrow.

Back to 40. Rep. Ann Rest (DFL-New Hope) reports that, after further analysis, she has decided to offer an author's amendment regarding the fiscal disparities program to her property tax reform bill. The amendment will leave the percentage of commercial-industrial (C-I) tax-base growth that is contributed to the shared fiscal disparities pool at its current level of 40 percent.

Rest's bill, which was introduced in February, originally proposed cutting the contribution percentage from 40 percent to 20 percent because of changes the bill makes in the way C-I property is taxed. More detailed analysis by the House Research Department after the bill was introduced, Rest said, showed that dropping the contribution to 20 percent reduced the impact of the fiscal disparities program. Since that was not her intent, she will return the contribution percentage to 40 percent at the first hearing of her reform bill. No hearing was scheduled at press time.-D.S.

Forbes (Jan. 27) ran an eye-catching chart showing big differences in federal research spending among various maladies. The National Institutes of Health (NIH), which spend 80 percent of the federal government's research dollars, spent \$1.34 billion on AIDS research in 1995. With AIDS claiming 42,506 deaths that year, that works out to \$31,453 per death. Meanwhile, NIH spent \$1,297 per death related to heart disease, which claimed 738,781 lives in 1995.

Reporter Peter Brimelow was quick to point out that there are likely many scientifically defensible explanations for the difference. But

Minnesota Journal Citizens League Suite 500 708 S. Third St. Minneapolis, MN 55415 it's hard to avoid at least hypothesizing that interest-group politics has something to do with it.—J.D.

Back to the basics, dummy. Wi all of the complex theories and strategies surrounding urban renewal and redevelopment, the city of Houston has used simple and basic infrastructure improvements to boost the condition of its inner-city neighborhoods.

Like many cities, the central neighborhoods declined both in appearance and socio-economic status over the last decade and a half. Building on a simple plan, entitled "Neighborhoods to Standard" (NTS), the city is focusing on making neighborhoods safe, clean and attractive to residents. It does so through simple infrastructure investments like upgrading water and wastewater service, installing more sidewalks and street lights, overlaying asphalt streets, and upgrading parks.

Importantly, NTS concentrates on maintenance rather than new infrastructure and has pumped \$75 million into 57 neighborhoods, with another 14 preparing for improvments. NTS has shown some remarkable success after only four years: property values in targeted neighborhoods have gone up 30 percent in several cases, and an estimated 5,000 people are returning annually to these neighborhoods.

Incidentally, in two mayoral elections since the inception of NTS, Mayor Bob Lanier has won 90 and 85 percent of the vote.—*R.W.*

"Take Note" contributors include Minnesota Journal and Citizens League staff members.

> PERIODICALS POSTAGE PAID AT MINNEAPOLIS MINNESOTA

Citizens League Matters

March 18, 1997

News for Citizens League Members

Welcome New and Returning Members

Robert Ambrose Barbara & James Eppel, Jr. Eric Eoloff Jesse L. Goodman & Nicole Lurie John Hovanec & Sally Hovanec John T. Lawlor **Michael Nguyen** Linda Oliva **Terry Riley Jeffrey Schneider** Michael J. Stutzer Joe Tennyson Gary Thaden Avisia Whiteman Susan Wolkerstorfer Duane Zaun

Thank you recruiters: Mike Christenson and Linda Ewen.

Citizens League

708 South 3rd St. Suite 500 Minneapolis, MN 55415 Ph 338-0791 Fax 337-5919 citizen@epx.cis.umn.edu

Please visit our Web site at: http://freenet.msp.mn.us/ip/pol/citizen

The Citizens League promotes the public interest in Minnesota by involving citizens in identifying and framing critical public policy choices, forging recommendations and advocating eir adoption. Suggested dues for membership are \$50 for individuals and \$75 for families. For more information, please call 338-0791.

Legislative Network Breakfasts resume in April

Reserve Friday mornings in April on your calendar for the League's popular Legislative Network Breakfasts.

The Legislative Network Breakfasts provide an informal setting to talk politics, keep abreast of activities at the Capitol and hear from policy makers about issues that are of concern to the League. If you are interested in getting beyond the headlines, this forum is for you.

This year the breakfasts will focus on four issues in which the League has recently produced reports.

On <u>Friday, April 4</u>, Sen. Ember Reichgott Junge (DFL- New Hope), **Rep. Charles Weaver** (R-Anoka) and **Pam Neary**, co-chair of the League study, *Straight A's for Minnesota Schools*, will talk about the various **K-12 education** initiatives.

Economic competitiveness is the subject on Friday, April 11. Sen. Ed Oliver (R-Deephaven), Rep. Jean Wagenius (DFL-Mpls.), John Gunyou, Minnesota Office of Technology and John Yngve, co-chair of the League study, *Compete Globally, Thrive Locally*, will provide the commentary.

On <u>Friday, April 18</u>, the subject will be tax and finance with featured guests **Rep. Ann Rest** (DFL-New Hope), Morrie Anderson, chief of staff, Governor's Office, and Citizens League Board members Duane Benson and Gene Merriam discussing the stadium, the budget surplus and property tax reform.

The series will end on <u>Friday</u>, <u>April 25</u> with a look at urban growth strategies. We will be joined by Sen. Steve Morse (DFL-Dakota), Rep. Joe Opatz (DFL-St. Cloud) and Sally Evert, co-chair of the League study, It Takes A Region to Build Livable Neighborhoods.

Meetings will be at the Univ. Club, 420 Summit Ave., St. Paul from 7:30 to 9 a.m. Cost is \$10 for members; \$15 for non-members. Call 338-0791 for reservations.

Mind-Openers look at closing the education gap

Few public policy areas receive attention and scrutiny at so many levels as does education.

Yet despite this importance, and the resources dedicated for education, arguments over education policy often focus on the margins, such as over teacher licensure or the length of the school day and school year.

Often lost in the discussion is the goal of education — to provide kids with a portfolio of skills to be productive citizens — and the elements necessary to facilitate learning.

Related to this mission is an

issue too often overlooked in our school system: the achievement gap between poor and minority students compared with more well-to-do white students.

The Mind-Opener series will look at how Minnesota can

<u>Tuesday. March 25</u> 7:30 - 8:30 a.m. **Ted Kolderie** Director, Center for Policy Studies

> Tuesday, April 1 7:30 - 8:30 a.m. Dr. Curman Gaines Superintendent St. Paul School District

close the education gap that currently exists in the state's public education system.

The series will be at the Univ. Club, 420 Summit Ave., St. Paul. Cost is \$10 for members; \$15 for non-members. Call 338-0791 for reservations.

Wednesday. April 9 7:30 - 8:30 a.m. Hubert H. Humphrey III State Attorney General

<u>Tuesday, April 15</u> 7:30 - 8:30 a.m. **Debra Leigh** Professor, St. Cloud State Member, League K-12 Committee

Prolific output generates attention for the League

In his December "Viewpoint," Executive Director Lyle Wray talked about the League Board's pledge to increase the League's impact by rolling out an "idea product" every 90 days.

Well, the League has turned out no less than five products—all in the past 45 days:

Two major study committee reports, our annual review of Minnesota's metropolitan taxbase sharing law, and two Mind-Opener series—on property tax reform and University regent selection—that captured news and editorial coverage in both Twin Cities newspapers. For instance, the *Star Tribune*, in a March 3 editorial on the League's It Takes a Region to Build Livable Neighborhoods report, said "no group has exerted more positive influence on metropolitan affairs than the Citizens League...the League again has done a fine job of laying its regional cards on the table."

League volunteers and staff have been testifying and meeting with Legislators on issues including student assessment, state economic development, land use and property tax reform. Toss in the Public Affairs Directory of who's who in the policy arena and the 1996 Annual Report, and it adds up to a pretty significant outpouring of League work. By our count, the five "products" were made possible by the efforts of 107 League volunteers, 70 community resource people who contributed their time and expertise, and lots of behind-thescenes help from public agency staffers who provide data and technical advice to League staff.

Special thanks to study committee chairs **Buzz Cummins**, **Pam Neary**, **Sally Evert** and **Don Fraser** for their leadership. **Steve Hinze**, legislative analyst for House Research, merits special thanks for his technical assistance with the League's annual tax-base sharing review.

Hunting Web-bitts

Have you visited the League's World Wide Web site? The League has recently expand' the items on its web site. Now, in addition to Take Notes and the Viewpoint from the latest *Minnesota Journal*, you'll find summaries of the global competitiveness report and *It Takes a Region to Build Livable Neighborhoods*. You can also read the entire report, *Straight A's for Minnesota's Schools*.

Want to know what's happening? Check out the current calendar of events.

Can't attend all the Mind-Openers? Check the League's web page for transcripts of selected meetings. Dan Salomone's informative Mind-Opener presentation on property taxes is now on the web.

We also are developing a link with the PioneerPlanet's "A' the Capitol" web site.

So stay in touch with the League and with public affairs through our web site: http://freenet.msp.mn.us/ip/pol/citizen.

While we're at it, please let us know your favorite web sites.

Correction and omission

Norma Lorshbough's name was inadvertently omitted from the list of committee members in the League report, It Takes a Region to Build Livable Neighborhoods.

In the League's 1996 Annual Report, Medtronic was listed in the wrong contribution category. They shou' be included in the \$2,500 t. \$9,999 category of corporate contributors.

Resource testimony educates the League's education committee

Once again a League study committee is the beneficiary of the collective wisdom of people in the community with special expertise. Our thanks to the following resource speakers who provided graduate school-level instruction to the K-12 education committee which produced the report, *Straight A's for Minnesota's Schools*.

- Beth Aune, coordinator of external consumers in the Office of Graduation Standards, Minnesota Department of Children, Families and Learning. Jennifer Bloom, director, Minnesota Center for
- Community Legal Education. Milo Cutter, teacher, City Academy charter school.
- Dan Loritz, vice president of University relations,
- Hamline University, and former assistant commissioner and director of governmental relations, Minnesota Department of Education.
- Vicky Davis, parent, Summit-University Education Consortium.
- **Claudia Dengler**, director of services to children and families, The Amherst H. Wilder Foundation.
- Vernae Hasbargen, Minnesota Rural Education Association.
- **Susan Heegaard**, director of education policy, Office of the Governor.
- Jim Hilbert, legal fellow and co-director of programs for the Institute on Race and Poverty, University of Minnesota.
- **Tom Kingston**, president and CEO, The Amherst H. Wilder Foundation.

Ted Kolderie, director, Center for Policy Studies.

Mark Larson, strategic planning specialist, Minnesota Office of Strategic and Long-Range Planning. Don Lifto, superintendent, Northeast Metro District 916, and member, Minnesota Association of School Administrators (MASA). **Tom Melcher**, manager of the finance division of

- the Office of Management Services, Minnesota Department of Children, Families and Learning.
- Sen. Gene Merriam, (on 9/9/96) DFL- Coon Rapids.
- Van Mueller, professor of education policy and administration, University of Minnesota.
- Joe Nathan, senior fellow, Hubert H. Humphrey Institute of Public Affairs, and director, Center for School Change.
- Ruth Anne Olson, education consultant in program design and evaluation.
- Randy Peterson, Minnesota Court of Appeals, and former member, Minnesota Senate.
- Matthew Ramadan, executive director, Northside Residents Redevelopment Council.
- August Rivera, principal, Wenonah Elementary School, Minneapolis.
- Fr. Richard Schuler, pastor, St. Agnes Church and School.
- Laura Waterman Wittstock, executive director, MIGIZI Communications.

Robert Ziegler, principal, New Hope Elementary School, and president, Minnesota Elementary School Principals Association.