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Volume 9, Number 10
October 13, 1992

Nonmetro food plants attracting diverse work force

Second of two articles.

by Dana Schroeder

Expansions at food processing plants have played a major role in the recent influx of Asian and Hispanic populations to various Minnesota communities outside the Twin Cities area. The new residents have reversed, or at least reduced, population losses in a number of places. At the same time, the changes have raised challenges both for the newcomers and for the schools, local governments, agencies, and organizations in their new communities.

7) helps explain the influx of new residents to various nonmetro communities outlined in the Sept. 15 *Minnesota Journal*. As the chart shows, the recent growth in food, textiles, and apparel manufacturing jobs in Minnesota is largely taking place outside the metro area. According to Bruce Steuernagel, labor market analyst at the Minnesota Department of Jobs and Training, the bulk of the jobs in this category are in food processing.

jobs—nearly two-thirds of the nonmetro growth over the past four years—are located in the 18 counties in Regions 8 and 9 in southwestern and south central Minnesota. That area includes cities like Heron Lake, Jackson, Madelia, Mankato, Marshall, St. James, Sleepy Eye, Winnebago, and Worthington—all of which showed significant growth in either their Asian or Hispanic populations between 1980 and 1990.

southwestern Minnesota have had a shrinking labor pool in recent years. And not all the people who are available for work there are interested in the food processing jobs. "They're not the most pleasant jobs," he said. "It doesn't appeal to everybody." So as plants in those areas have expanded, they've had to look elsewhere to fill many of the jobs, opening opportunities for Southeast Asians, Hispanics, and others to move into the communities and take the jobs.

The accompanying chart (see page

Almost 3,000 of these new

Steuernagel noted that areas like

Continued on page 6

Link planning for transit vehicles and right-of-way

by Ted Kolderie

Whatever is going to happen to Michael Christenson will probably have happened by the time this article appears. Whether he stays or goes as administrator of the Metropolitan Transit Commission (MTC), the structure, the people and the decision-making process for transit in the Twin Cities area will be a problem for the 1993 legislative session and beyond.

The debate is likely to focus on the Regional Transit Board (RTB), set up by the Legislature in 1984 between the Metropolitan Council and the vehicle oper-

ators to develop mid-range plans and policies for new and better service.

Many think the RTB should simply be canned. "Time to Shed Tiers" the *Saint Paul Pioneer Press* editorialized September 30. "Eliminating the unneeded RTB should be a priority," said the *Star Tribune*.

When the appointee of the appointees of the appointees of the governor wants to negotiate the terms on which

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Instability, poverty take hold in inner-ring suburbs

by Myron Orfield

Social instability and poverty—commonly associated with the central cities of Minneapolis and St. Paul—have established a firm foothold in the inner-ring suburbs of the metropolitan area and are moving outward into developing-ring communities. As this core of instability grows larger, traditional middle-class families are moving farther and farther out to newly-built cities on the edge of the metropolitan area.

Married families

A look at the percentage of households made up of married

families with children shows that families are rapidly leaving inner-ring suburbs and moving to the fringe of the metropolitan area. On average, married couples with children make up 16 percent of central city, 23 percent of inner-ring, and over 39 percent of developing and outlying area households. Between—and within—the suburban rings, however, there is a wide degree of variation.

On one extreme, inner-ring cities such as Hilltop (11%), St. An-

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Public role vital for competitive, inclusive society

At a recent Humphrey Institute conference, former San Antonio Mayor Henry Cisneros argued that we need to work hard both to become more economically competitive in the global economic marketplace and to become much more inclusive. These two points come together forcefully in the work place with more and more entrants coming from ever more culturally diverse and, in many cases, disadvantaged backgrounds.

The pressure is clear on the economic and social fronts. Several leading business publications recently contained varying predictions of the year in which the Japanese gross national product would exceed our nation's. The battle in the world for high-paying jobs may just be beginning in earnest—many countries aspire to the “high value-added” jobs niche.

There are other disturbing trends. Real incomes in Minnesota are falling for many people in the state, and the future looks uncertain for many others. The state demographer has noted recently that the fairness of the state's income distribution has been backsliding badly for almost two decades. Income disparity is now back to where it was shortly after World War II. Leaving aside the human costs of this trend, this erosion undermines our democratic institutions and adds to the burdens of social programs.

We are also looking at rising rates of single-parent households with children in poverty, high dropout rates and low levels of

college and trade school entrance and completion among people from economically disadvantaged backgrounds and communities of color.

These twin challenges come at a bad time for the public sector. Financially strapped and faced with a largely disaffected public, the public sector seems in a weakened state to redouble its efforts in these directions. Clearly, though, collective action with some sacrifice will be needed to put our economic and social houses in order.

●First, we must build a public vision. The executive and legislative branches should work to in-

Viewpoint

by Lyle Wray

tegrate the many ongoing planning efforts—such as Minnesota Milestones—into an overall framework for building toward an economically competitive and inclusive society. Although the scope of state action alone without federal support is limited, the state can do much in the areas of education, job training, housing and economic development.

●Second, we must systematically infuse this vision throughout state action, from budgets to operations. We need to insist on clear answers to the question: How do we make these twin priorities “front burner” action items throughout the public sector?

Regent Candidates Sought

The Regent Candidate Advisory Council is in the process of recruiting candidates for the University of Minnesota Board of Regents, the University's 12-member governing body. The terms of four regents expire in February. The Legislature elects one regent from each of Minnesota's eight congressional districts and four from the state at large. The regents whose terms are expiring have not announced whether they plan to seek another term.

Quality people running for the board reflect the fact that the Uni-

versity is one of the state's most valuable resources. Getting the best governance for the University is the job of the Advisory Council. It was created in 1988 to recruit, screen and recommend regent candidates to the Legislature. Both in 1989 and 1991, the Legislature chose regents from the slate of candidates screened and selected by the Advisory Council.

Applications will be accepted until Dec. 11. Information is available from the Regent Candidate Advisory Council at (612) 297-3697.

●Third, we need to take a hard look at the infrastructure needs of the future economy. Is enough being done in the telecommunications and computing infrastructure of the state, as well as in the most traditional areas of transportation and other public services?

●Fourth, we must acknowledge the social and economic trends in our metropolitan region and state as the stage on which our future will be played out. We must address in a constructive way the disturbing concentration of economic disadvantage in the core cities, and now the first-ring suburbs, and the movement of new jobs to areas not fully served by public transit—trends described by Rep. Myron Orfield in this issue of the *Journal*. We need a renewed vision of the metropolitan area, including how the core cities and other parts fit together in a strategy addressing economic development and housing.

●Fifth, we should look at ways to streamline government. We should fully explore ways to consolidate functions and services, if not always the governance structures. We may need financial incentives and increased technical assistance for units of government willing to be innovative in this area.

Building an inclusive, economically competitive society is a tall order. We need high levels of executive and legislative leadership for the public sector to do its part in meeting this challenge.

Lyle Wray is executive director of the Citizens League.

Transit

Continued from page 1

he will or will not meet with Gov. Carlson to discuss his effort to draft Christenson (whom Carlson says should be kept), it does suggest some need to rethink the whole arrangement. In the coming organizational redesign it will be critical to reduce the business of committees appointing committees, and to tighten accountability.

It will be equally important to think about structure in relation to purpose. A given organizational design, like any tool, is not right or wrong, good or bad. Like a hammer or a saw, it is useful or not useful depending on what you're trying to do.

The MTC was organized to operate buses running on surface streets. Since then the region has been trying both to “heavy-up”—with buses and light-rail vehicles running in exclusive right-of-way in the central areas—and to “lighten-up”—with smaller and less-expensive vehicles in the suburbs. We are still debating what kind of structure will best accomplish this transformation.

Some history may be helpful.

The MTC was set up by cities at the suggestion of the Citizens League in 1966 and put into law in 1967. The original idea was for it to acquire all the private bus lines. It was to be the only seller of transit service and the only buyer. It bought Twin City Lines about 1970 but soon after

stopped acquiring the smaller companies. Medicine Lake Lines and North Suburban Transit, for example, survive.

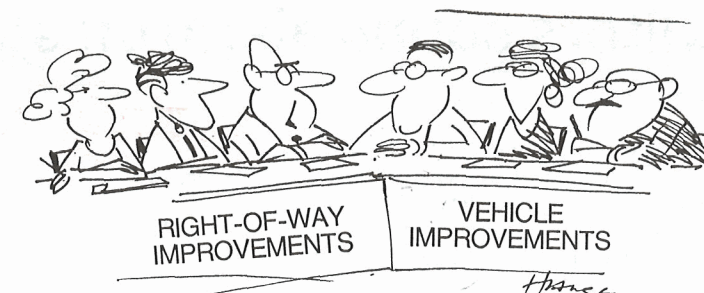
In 1974 when the Legislature was standardizing the regional structure, the MTC said it wanted to be a transit commission, not a transportation commission. The far-reaching effect was to separate the planning of vehicles from the planning of right-of-way. Buses were even then beginning to make more and more use of freeways. But the charge to think about right-of-way went elsewhere: to the Minnesota Department of Transportation (MnDOT) and to the Metropolitan Council and its Transportation Advisory Board. Transit agencies were to plan vehicle service.

The planning for rail had been an exception, of course. But in 1974 the MTC's plan for rail was not accepted by the Legislature, and when John Yngve became chair in 1979, he found a badly neglected bus system. He took the MTC out of policy debate and went to work modernizing the vehicle fleet, building new garages, revising the labor contract and (as ridership rose following the oil-price increase) dealing with the financial problems of a business losing money on every sale.

By 1980 suburbs at the end of the line were complaining about the disparity between the taxes they paid and the service they got. In 1981 they won the right to “opt out,” to keep most of the money, and to plan transit service for their communities (which turned out to be “circulator” and small-vehicle commuter service, bought on contract).

The University of Minnesota, which had long simply paid the MTC to run the inter-campus route, decided to bid out the service. The contract went to Medicine Lake Lines. Outside the Twin Cities area the Legislature began using MnDOT as the planner and buyer of bus and para-transit service. And the metro counties, using a law intended for the rural railroad abandonment problem, designated themselves planning agencies for light-rail transit.

By 1983, then, when the Legislature put Rep. Kathleen Vellenga and Sen. Steve Novak in charge of a commission to look at tran-



sit, pressures for change had totally broken up the original conception of the MTC as a single, consolidated regional transit utility.

The Vellenga-Novak commission concluded that the region's need for new forms of transit would be best implemented by putting the planning into a body separate from the agency whose main concern was inevitably and properly the 40-foot bus. The new Regional Transit Board (RTB) created in 1984 was to be a buyer of service, from the MTC and from other operators—partly to encourage the MTC to be careful about its costs. The MTC was made an operating agency and the RTB was to name its board.

The RTB restructured the Metro Mobility handicapped service and began a purchase-of-service-from-private-operator program. It also took the lead in the big light-rail proposal sent to the Legislature in 1989. That nine-line proposal was not approved, however. The Legislature also trimmed the RTB's authority to subject the MTC bus service to competition. A study by the Legislative Auditor published in March 1992 found the agency gradually evolving a useful analysis and planning role and recommended it continue to exist.

The most important recent transit-planning initiative has come from the MTC—Team Transit, a cooperative program between the MTC and MnDOT to build access ramps and lanes to let buses move around the waiting automobiles. (See “Effort seeks faster buses, car pools,” *Minnesota Journal*, Aug. 18, 1992.) This effort at last to link vehicle planning and right-of-way planning was Christenson's initiative. No one knows how it would be continued in his absence.

What to do? Four approaches

occur:

●Drop the RTB; return its service-planning functions to the MTC. If the Legislature wants some contract-for-service, direct the MTC to do that. Tighten Metro Council oversight.

●Keep the RTB; get rid of the MTC as a policy board. Put the MTC bus operation into some kind of public corporation and let it continue as a contractor to the RTB.

●Keep the RTB function separate from the MTC but combine it with the transportation-planning activity of the Metro Council (more or less on the model of the Open Space Board).

●Drop the RTB; combine the RTB service-planning functions with a charge to MnDOT to plan and develop right-of-way for transit—all to implement the Metro Council's transportation plans.

The big need is to bring together vehicle improvements and right-of-way improvements. Transit operators need to get their vehicles out of the auto stream. MnDOT needs transit in order to make more intensive use of its existing facilities. The clear implication is for MnDOT to build off the success of Team Transit and to become the developer of all kinds of exclusive right-of-way for buses, taxis, vanpools, etc., in major corridors. MnDOT presently owns most of the right-of-way, and 80 percent of the cost can now be financed by federal aid.

It may also make sense for MnDOT to develop and own the exclusive right-of-way for any light-rail line approved, whoever gets to own the vehicles and operate the system.

Ted Kolderie is contributing editor of the *Minnesota Journal*.

Call for salary curbs fuels school finance debate

Superintendents had been dropping hints for several weeks about their new report. When Rob Hotakainen picked it up for the *Star Tribune* on September 4 it was easy to see why. It introduces a major new factor into the debate about financing public education in Minnesota.

There's nothing new in this report from the Minnesota Association of School Administrators (MASA) about its appeal for more money—for a state-mandated “basic educational program,” for measuring student

achievement against new state standards, for the repair of buildings, for the purchase of new learning technology, for social services.

What's new is its call for containing the rising cost of teacher compensation. That's a sharp break with the tradition of the major education groups maintaining a united front, whatever their internal differences, in support of proposals for greater funding.

Basically the superintendents are saying that, given the pressure on state revenues, there can be no concept of program adequacy without some restraint on teacher compensation. MASA cites a commissioner's report in 1990 saying, “In the current collective bargaining environment school boards do not have the power to withstand difficult teacher negotiations.” And, “Teachers have little economic incentive to avoid a strike, since days-not-worked are usually made up as a condi-

tion of settlement.”

As a result, MASA says, “perennially, settlements outstrip resources granted by the Legislature.” Unless the board can find more money elsewhere “basic education programs would be cut to accommodate a negotiated settlement.”

The way out for boards in recent years has been to ask local voters for authority to spend beyond the state-provided amount. Some 285

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Editors sound alarm on state spending, budget woes

Red Wing Republican Eagle warned (Sept. 22) that if state spending continues as usual, "a larger and larger share of personal income will be swallowed by the state treasury." It said (Sept. 3) "balancing the budget will require more than selective surgery. Rather, it will require a butcher knife." St. Cloud Times urged (Sept. 4) candidates to make the state budget problem a campaign issue, warning that "Minnesota is running out of the relatively easy solutions for dealing with its continuing fiscal mess." Hibbing Tribune also urged (Sept. 4) candidates to deal with the budget shortfall and said "raising taxes should be a last resort."

West Central Tribune said (Sept. 25) "Cut spending; don't raise taxes." Bemidji Pioneer said (Sept. 3) legislators must realize that "the tax base isn't there" to support the kinds of tax increases local governments would need to cover aid reductions from other government sources. Star Tribune urged (Aug. 30) legislators to focus on "spending differently, rather than just spending more." Duluth News-Tribune said (Sept. 10) government spending will continue to rise "until the pay and fringe benefits of public em-

On Balance

"Whatever you have, spend less."—S. Johnson

ployees are considered in light of budget realities."

West Central Tribune said (Sept. 22) competition in providing government services is "the only way we're going to maintain an adequate level of services at a reasonable cost." St. Cloud Times said (Sept. 22) tight budgets can "force government officials to do some overdue prioritizing and develop more efficient methods."

St. Cloud Times called (Sept. 5) the Minnesota Association of School Administrators' recommendation for a statewide salary freeze for teachers "a copout." Mankato Free Press said (Sept. 8) "stripping the teachers' right to strike is not the solution" to the education funding problem. It suggested a larger state share of K-12 financing. Duluth News-Tribune said (Sept. 9) "school boards simply must stand up to unions and spend within their means." Hibbing Daily Tribune said (Sept. 4) although teachers deserve to be paid for what they do, children have rights to "an educational system that is not

guttled by increasing budget problems." Republican Eagle called (Sept. 17) statewide bargaining "the wrong message to take to legislators" and said there should be legislation "to curtail the ability of public employees to strike."

International Falls Daily Journal recommended (Sept. 3) mandatory examinations to test teachers' capabilities to teach a subject before assigning them to classrooms. Princeton Union-Eagle urged (Sept. 10) school districts to "encourage the innovative and promising experiment" of charter schools. Star Tribune said (Sept. 14) legislators should support systemic education changes like statewide performance standards and effective assessments instead of "vaguish experimentation at the margins." Duluth News-Tribune said (Sept. 17) the state's desegregation policy has "no reliable way of measuring whether it's doing any good in educating all children."

Free Press said (Sept. 19) the current judicial system discourages judicial turnover and sug-

gested appointing judges for fixed terms with the governor either re-appointing or selecting a new judge at the term's end. West Central Tribune disagreed (Sept. 9) with the "good old boy system" that implies the general public isn't capable of distinguishing between qualified and unqualified candidates for judgeships. Brainerd Daily Dispatch said (Sept. 2) voters face a "hopeless challenge" when they "start judging the judges."

Duluth News-Tribune called (Sept. 3) unfair the state laws that give incumbent judges certain privileges and positions on election ballots that aren't given other candidates for other offices. Bemidji Pioneer recommended (Sept. 24) legislators make judicial election reform a high priority in 1993. Republican Eagle questioned (Sept. 25) "whether the citizenry is served best by electing judges." St. Paul Pioneer Press called (Oct. 1) "disappointing" and "lousy public policy" the decision to uphold the incumbent designation on the election ballot.

Worthington Globe said (Sept. 3) the state "does everything it can to discourage new companies from coming to Minnesota."

Schools

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districts now have such "referendum levies" and the Minnesota School Boards Association says another 30 or 35 proposals for new or increased levies are on the

ballot next month, most conspicuously in St. Paul.

In proposing that referendum levies be eliminated, MASA risks offending another group: its own members. The local option to "go beyond" has been vigorously defended by the high-wealth districts as a key part of the system: "illuminating the lighthouse,

showing the way to improvement."

The MASA report is simply realistic. In recent years the levy has been used by boards mainly to provide funds for the contract settlement. Districts vary in their wealth and in their ability to pass these levies, and the courts are therefore moving to rule them out. (See "Teacher bargaining poses legislative quandary," Minnesota Journal, Nov. 19, 1991.)

This has big dollar implications. To raise the guaranteed per-student amount from the present \$3,050 to \$3,789 as the MASA report proposes (effectively extending the existing referendum-levy amount to all districts) will be a tough sell with the Legislature. The report at the same time asks the state to take over the financing fully: to levy whatever property taxes it wants to use and in effect to "levy" also the income or sales taxes (by pegging the amount to be collected and floating the rate so that revenues

never come up short).

In saying the districts cannot any longer handle the bargaining with teachers the superintendents are also saying to the state, "Here, you take it." For the short term they suggest a salary freeze; longer-term, a new way of resolving contract disputes or, more ambitiously, a new system for "regional" or state bargaining.

There may be no way out under existing arrangements. MASA proposes spending increases that the state may be totally unable to accept. If the state also declines to constrain teacher compensation and if the courts cut off the referendum levies, the pressure will play out as larger class sizes and cuts in staff and program.

So, along with the predictable efforts to fudge for one more session, there may be a growing interest in getting outside the box—in changing the existing arrangements in some new and fundamental way.

Suburbs

Continued from page 1

thony (17%), Hopkins (13%), St. Louis Park (17%), and Richfield (19%) actually had a smaller percentage of married families with children than the central city of St. Paul (19%).

On the other, more than 50 fringe communities, particularly those with rapid new housing development, had over 40 percent traditional family households. Examples of such family-oriented communities include Andover (56%), Ramsey (55%), and Maple Grove (49%) to the north; Lakeville (50%), Savage (48%) and Apple Valley (48%) to the south; Chanhassen (44%) to the west; and Cottage Grove (51%) and Afton (42%) to the east.

During the 1980s the inner-ring suburbs showed the greatest proportional loss of traditional families, dropping from 32 percent of households to 23 percent. The most rapid loss of these families as a percentage of households occurred in New Hope (40% to 23%), Golden Valley (36% to 22%) and Roseville (32% to 20%).

Household income

During the 1980s the income gap between the central cities and the inner-ring suburbs began to

shrink, while the gap between the core and the wealthy and developing suburbs grew more pronounced.

The average of the 1989 median household incomes of Minneapolis and St. Paul was \$25,911, compared to \$36,127 for the inner-ring suburbs, and \$49,630 for the developing-ring suburbs—putting the inner-ring suburbs closer to the central cities than to the developing ring.

The median income of the metropolitan area, after inflation, grew seven percent over the decade to \$39,588. In reality, this gentle regional growth represents strong income growth in developing areas and low growth or even decline at the core.

Minneapolis had median income growth of seven percent after inflation. However, St. Paul and virtually all of the surrounding inner-ring cities lost ground in terms of median household income adjusted for inflation. The median income in the developing ring gained 15 percent after inflation, on average.

The most dramatic losses in inflation-adjusted income occurred in suburbs bordering the north half of Minneapolis and its poorest neighborhoods. Communities like Columbia Heights (-12%), St. Anthony (-17%), Brooklyn Center (-7%), New Hope (-9%) and Golden Valley (-7%) experienced

the most severe loss of income.

To the south of Minneapolis, Richfield, East Bloomington, parts of Burnsville and even Edina lost ground. In suburban St. Paul communities adjacent to St. Paul's poor east side neighborhoods, South St. Paul (-7%), West St. Paul (-2%) and Lilydale (-17%), experienced the biggest changes. To the north, Roseville (-9%) and Maplewood (-2%) also lost ground over the decade.

The most dramatic growth in inflation-adjusted median income occurred in wealthy, insulated residential communities such as Sunfish Lake (106%), Gem Lake (42%), Woodland (37%), Shorewood (35%) and North Oaks (30%). There were also strong increases in the rapidly growing I-35 suburbs of Eagan (17%),

Lakeville (12%), and Rosemount (15%), the I-494 suburbs of Maple Grove (10%), Plymouth (11%), and Chanhassen (19%), and the I-94 suburbs of Woodbury (11%), Afton (22%), and Shoreview (11%).

These changes in income brought the inner-ring cities closer in income to Minneapolis, while wealthy and developing suburbs pulled further away. This picture becomes clearer by comparing communities using Minneapolis median income (MMI) as an index.

The inner-ring suburbs, on average, began the decade at 156 percent of MMI and ended it at 143 percent of MMI, a loss of eight percent in their relative po-

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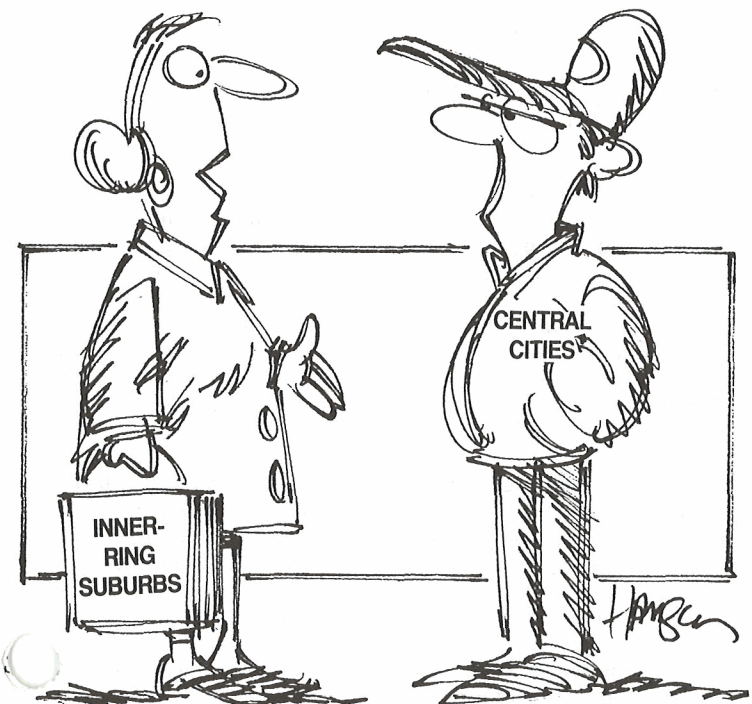
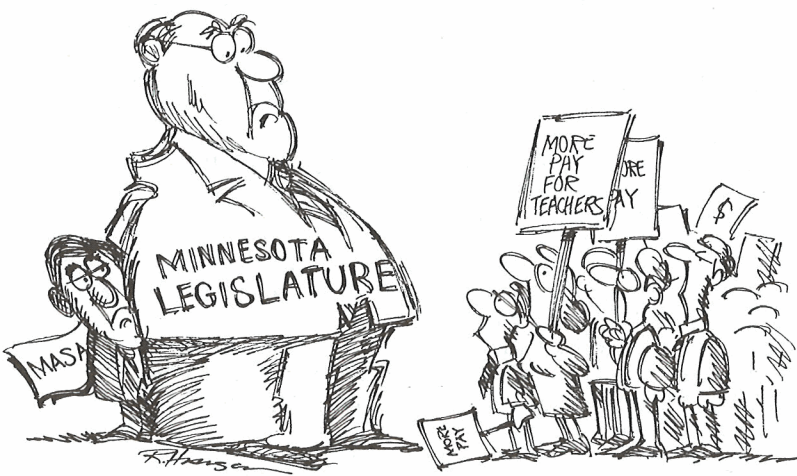
AVERAGE CHARACTERISTICS OF METRO COMMUNITIES BY LOCATION*

	Central cities	Inner-ring suburbs	Developing-ring suburbs
Married families with children as % of households, 1990	16.1%	22.7%	37.7%
% change in # of married families with children, 1980 to 1990	-11.3%	-20.3%	30.2%
Median income, 1989	\$25,911	\$36,127	\$49,630
% change in median income after inflation, 1979 to 1989	3.1%	-2.4%	14.9%
Income as % of Minneapolis median income, 1989	102%	143%	196%
% of children under age 5 in poverty, 1989	31.9%	9.5%	5.0%
% change in # of children under age 5 in poverty, 1979 to 1989	96.2%	35.8%	2.9%
Total number of new jobs, 1980 to 1990**	-6,993	68,071	152,713

Sources: U.S. Census, Metropolitan Council, Minnesota Dept. of Jobs and Training

*Central cities are Minneapolis and St. Paul. Inner-ring and developing-ring suburbs are geographically defined by the Metropolitan Council based on distance from the central cities.

**Total for all cities in each geographical category.



"...I don't know what's happened, but we're starting to look more like you every day."

Suburbs

Continued from page 5

sition. In contrast, the developing ring, on average, began at 182 percent of MMI and ended at 196 percent of MMI, a gain of eight percent.

Again, northern Minneapolis suburbs like St. Anthony (169% to 131% of MMI), Columbia Heights (146% to 120% of MMI), and New Hope (167% to 143% of MMI), showed significant losses in their median income advantage over Minneapolis during the 1980s.

Childhood poverty

By 1989, approximately one-third of all the children below age five in the central cities of Minneapolis and St. Paul lived below the federal poverty line.

During the 1980s, early childhood poverty also gained a firm foothold in the inner suburbs. Approximately half of the inner-ring suburbs ended the decade with at least ten percent of their children below age five in desperately poor homes. As with the other statistics, northern Minneapolis "blue collar" suburbs were

hit the hardest, followed by south Minneapolis suburbs and east St. Paul suburbs.

Columbia Heights provides a particularly striking example of the spread of childhood poverty in the inner suburbs. With 21 percent of its children under age five in poverty in 1989, it had as large a percentage of poor children as Minneapolis had in 1979. And the concentration of poor children in Columbia Heights is growing at a rate nearly twice that of Minneapolis.

“These changes in income brought the inner-ring cities closer in income to Minneapolis, while wealthy and developing suburbs pulled further away.”

As children of the city and inner-ring suburbs grew poorer over the decade, the children of wealthy and fast-growing fringe communities actually grew less poor. Already wealthy residential communities like Excelsior, Minnetonka Beach, Shorewood, Deephaven, and Orono had no poor children at all in 1989. Rapidly growing cities like Rosemount, Plymouth, Shakopee,

Savage, Eden Prairie, Andover, Lakeville and Woodbury saw decreases over the decade in the percentage of children below age five living in poverty.

Job growth

As instability increased in core communities in the 1980s, business and economic development followed middle-class families to the edge of the metropolitan area. During the decade, 75 percent of all new jobs were created in the outer-ring suburbs.

Tragically, the economic opportunity created in the outer-ring suburbs is often beyond the reach of the growing concentration of poor in core communities.

●Inadequate metropolitan transit provides no real access to these areas.

●Job growth leaders like Maple Grove (6,143 new jobs from

1980 to 1990), Plymouth (18,950), Minnetonka (18,271), Eden Prairie (24,436), Lakeville (3,927), and Apple Valley (4,393) have little or no low-income housing.

●These growing communities are increasingly using their zoning powers to restrict the construction of apartment buildings where poor families seeking work might live.

In the end, the issues of core community decline and peripheral expansion that confront the metropolitan area represent tragic patterns that have occurred in many larger, older metropolitan areas. In contrast, however, this area has the benefit of older areas' experiences and, with the Metropolitan Council, a means to deal with these difficult issues.

In the next several months, legislators, local government officials, and community groups will be working to create new metropolitan policies to ensure a more stable, balanced pattern of growth and break the tragic pattern of core urban decline.

Myron Orfield (DFL-Minneapolis) is a member of the Minnesota House Local Government and Metropolitan Affairs Committee.

other towns within a 30-mile radius of Worthington. De Leon said finding affordable homes that can accomodate large extended families is often a problem.

Emergency needs

The flow of new people into the Worthington area has increased the demand for emergency assistance, according to Lee McAllister, director of the Nobles County Family Services Agency. Families arriving from another state sometimes need food or housing assistance until their first paycheck arrives.

In addition, his agency often must help families who lose their new jobs or leave them. And some employed families may be large enough to qualify for food stamps or medical assistance if their earnings are low enough.

McAllister said the county has added 2.4 new financial assistance workers in the last few

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Diverse

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years to handle the larger workload and has had to hire Spanish and southeast Asian translators for the first time.

Schools

For some school districts the challenge of serving children with limited English skills is a new one.

In St. James, home to two poultry processing plants, a large influx of Hispanic residents began four to five years ago, about the time one of the plants opened, according to school Superintendent Jack Conway. He said 18 percent of this year's kindergarten through third grade students are Hispanic, compared with 12 percent a year ago.

About 100 St. James students are enrolled in the district's English

as a second language (ESL) program. Conway said the district is currently looking for an additional ESL teacher, but is having difficulty finding one who is licensed.

Conway said this year the district is developing an individual learning plan for every Hispanic child with a language problem. For three years the district has had a full-time Hispanic outreach worker, and it has just received a grant to hire another staff member to work with at-risk students.

In addition, Conway said, the school is "trying to do some things to make the transition easier and to help all of us learn and understand each other's culture." Last year a special program brought in Hispanic writers and artists to work with students. A festival of nations last spring included Hispanic food and dancers, and the school offers Hispanic clubs for older elementary and high school students.

Community response

Evidence of Worthington's changing population is not hard to find. Mayor Demuth said a Spanish Mass is held once a month in Worthington that attracts 200 to 250 people. When the city started its recycling program a year and a half ago, it printed instructions in Laotian, Vietnamese, Spanish, and English. The town now has two Asian food markets and two Asian restaurants.

“It's going to be a thing of the future. Where are you going to get the people if we're going to grow?”

—Worthington Mayor Robert Demuth

In mid-1990 Demuth launched a Cultural Diversity Coalition to help people understand the changes in the cultural makeup of the community and to foster relationships among groups.

The 50-member coalition has sponsored Vietnamese and Laotian new year's celebrations and an intercultural potluck supper. Using a grant from the Minnesota Department of Education, the group is undertaking a needs assessment survey of various cultural groups. It is seeking peer advisors to serve as advocates and publishes an occasional newsletter printed in English, Spanish, Vietnamese, and Laotian.

In Willmar the Bremer Foundation recently funded a new three-year program that will teach English to Hispanics and Spanish to non-Hispanics. In addition, members of Willmar's Hispanic community formed a new organization in late September to act as a voice for their concerns. According to Guadalupe Castillo, one of the organizers, the group will meet monthly to discuss issues and make recommendations on how to address problems.

In Mankato a new organization, Community Assistance for Refugees (CAR), was established this summer to give help and support to refugees. The group is the brainchild of Jean Harberts, Christian educator director and refugee advocate at Mankato's First Presbyterian Church. "I meet a new person each month with no sponsor," she said.

"They're not in a position to function independently. They need help for further adjustment, and we want to make that difference."

CAR is seeking funds to hire a full-time refugee advocate to help with contacts with government agencies and schools, housing, jobs, family problems, and interpreting, according to board chair Tuan Phan. Phan, assistant director of Asian-American Affairs at Mankato State University, said

another development is a year-long special course at the university for recent immigrants, whether Asian or Hispanic, without full command of English.

Despite the challenges, Worthington Mayor Demuth remains optimistic and sees the influx of new people as an opportunity.

"I think it's an opportunity for us to learn other people's culture and to find out they're other people just like us," he said. "We can't wish it away. It's going to be a thing of the future. Where are you going to get the people if we're going to grow?"

Dana Schroeder is interim editor of the Minnesota Journal.

Corrections

Several incorrect figures appeared in two tables in the Sept. 15 Journal article "Minnesota's countryside becoming more diverse."

The corrected figures for Table 2:

Albert Lea: 1990 Hispanic population—number: 897; percent: 4.90. Madelia: 1990 black population—number: 3; percent: 0.13; 1990 Asian population—number: 1; percent: 0.04.

The corrected figures for Table 3:

Albert Lea: 1980 to 1990 Hispanic population growth—number: 167; percent: 22.9.

Diverse

Continued from page 1

One example of the recent expansion in food processing jobs is Monfort Pork in Worthington. According to K.T. Miller, assistant director of public relations at Monfort, Inc., headquarters in Greeley, Colo., the Worthington plant has added 760 new jobs since 1987, when a second shift was added. The plant's work force now numbers 1,450.

The starting salary for pork processing workers at the plant is \$7 an hour, Miller said, with the opportunity to work up to \$9.60 after two years on the job. More skilled workers can earn between 25 cents and \$1 more per hour.

Raul DeAnda, associate director of the Spanish Speaking Affairs Council, said the new year-round jobs have attracted a migrant stream from Texas for several reasons. Migrant farm workers had been coming to Minnesota for years, the Texas economy has

been poor recently, and some companies have sent recruiters to south Texas to actively solicit workers, a practice reported in a recent Star Tribune story on the Tony Downs Foods chicken processing plant in Madelia.

Miller said although Monfort has attracted new workers from Texas, it does not send recruiters there. She said there is considerable turnover at the Monfort plant in Worthington, but it is within industry standards. "It's a hard job," she said. "Some people don't find it fits."

Albert De Leon, executive director of the Council on Asian-Pacific Minnesotans, said the food processing and other manufacturing plants in Greater Minnesota have attracted recent southeast Asian refugees because of the nature of the skills needed for the jobs. "They don't need communication skills," he said, "so they can be easily hired."

He said some southeast Asian refugees find out about the jobs

through word of mouth, and others are recruited by companies who contact Asian community organizations. "Companies are looking for refugees, because they have a good track record and stay on the job longer," he said.

Housing

DeAnda said housing is one of the biggest problems for new migrants to smaller Minnesota communities. "There just isn't enough housing," he said. "And there's a lot of racism. Some people won't rent or sell to Hispanics or Asians or blacks."

DeAnda said people coming to work in the food processing plants are often given what he called "a double message: You're needed here to work, but you're not needed here to live."

Worthington Mayor Robert Demuth said the influx of new residents has created a housing shortage in the community, and new residents have spilled over into

County plan would replace TIF with tax abatements

The Legislature has been tightening the use of tax-increment financing (TIF) in recent years and now a proposal to replace it is on the table. TIF allows cities to set aside the property taxes from certain property and spend those tax receipts on some of the costs of developing that property.

A plan being considered by the Association of Minnesota Counties would phase out TIF and replace it with a tax-abatement program. Under this proposal a city could choose to abate taxes on a project, but its decision would not obligate a county to do so, and vice versa. They could provide direct subsidies to developers through issuing general obligation bonds or tax levies. School districts would be allowed to abate only those taxes from referenda approved for excess levies or capital improvements.

Every two years the local governments involved would review each project to ensure it was meeting the goals originally set for it. Abatements would be limited to 10 years.

Jim Mulder, executive director of the association, said the tax abatement proposal would bring accountability to development subsidies. Delegates at the association's annual meeting in November will consider the proposal. Mulder hopes legislators will debate the idea during the 1993 session.—Jody A. Hauer.

October is the annual open-enrollment period for state employees who want to make changes in their health insurance. Employees in the Twin Cities area have a choice of four health maintenance organizations (HMOs) plus the State Health Plan, a self-insured arrangement administered by Blue Cross and Blue Shield of Minnesota.

MedCenters, which has lost price-sensitive state employees with its rate increases in past years, kept this year's increase to a remarkable 1.2 percent. Group Health, still the lowest-priced plan offered, and the State Health Plan had increases of about five percent. While those three plans kept their increases below last year's, the two Medica HMO plans (formerly called PHP and Share) boosted their rates by more than last year: 12.9 and 9.5

Take Note

No tiffs about these public affairs tips.

percent, respectively.

Because the state's contribution to the insurance premiums is based on the price of the lowest cost plans, Group Health enrollees will pay \$232 toward family coverage next year, which is less than six percent of the premium. Medica Choice enrollees will pay \$1,731 from their paychecks, still less than one-third of the cost of the coverage.—Allan Baumgarten.

In September California became the second state, following Minnesota's lead, to pass a law authorizing charter schools. Charter schools are public schools, operated independently and held accountable under a contract with school districts. They set up an educational program with specific outcomes students must meet and measure students' progress toward those outcomes. State education money follows the student to the charter school.

As in Minnesota, California's law requires those who want to start a charter school to receive school board approval. And the composition of a charter school's student body must reflect that of the district.

Unlike Minnesota's, California's law requires that a petition for a charter school have signatures from 10 percent of the teachers in a district or 50 percent of teachers in an individual school. If local school boards in California twice reject a charter proposal, the proponents can seek approval from a county school board. California allows up to 100 charter schools, compared to Minnesota's eight, and also permits an entire district to convert to charter status if it meets certain conditions.—J.A.H.

Teachers wanting to set up private education businesses now have an organization to help them get started. The nonprofit American Association of Educators in Private Practice is 18 months old, according to board member Wayne Jennings, president of St. Paul-based Designs for Learning. The organization, with 120 members from around the country, provides a monthly

newsletter and consulting services to teachers wanting to set up their own education businesses. It is offering a workshop at the Humphrey Institute on Oct. 31.

Some teachers, such as the association's president, Chris Welch of Watertown, Wisc., work alone. Welch, formerly a scientist with a private company, contracts with a number of schools as an elementary science teacher. Others run larger businesses. One teacher in Milwaukee hires other teachers to provide language services to schools and businesses.

Jennings said the association grew out of the work of Minneapolis-based Public Schools Incentives.—Dana Schroeder.

Telephone customers in parts of Greater Minnesota are discovering they have lots of new "family and friends." Earlier this year, the Minnesota Equal Access Network Services (MEANS) switched over the central offices of participating phone companies to give their users "dial-1" access to competing long-distance companies. MEANS is owned by most of the independent telephone companies in the state.

David Kelley, president of MEANS, explained at a recent meeting that the switchovers were done at night, and the change was transparent to users. Larry Ware, general manager of the Garden Valley Telephone Company, corrected Kelley: the

change in technology may have been inconspicuous, but users have noticed one important change. Since the switchover, they've heard from numerous direct-marketing firms hoping to sign up new users for MCI, Sprint and the other long-distance companies who have begun to serve those areas.—A.B.

State department of education officials are expecting a few dozen school districts to hold referenda this November to raise extra dollars for general education purposes. Should these referenda pass, they would be the first in Minnesota to be levied against the market value, rather than the tax capacity, of all property.

This means that \$1,000 of business property would have the same taxable value as \$1,000 of residential property. For all other property tax purposes, commercial and industrial property are valued at amounts more than four times higher than residential; as a result, business property owners pay far more in taxes than owners of homes and other noncommercial properties that sell for equivalent amounts.

Interestingly, the St. Paul school district received a one-time exemption from the 1991 law requiring the switch to market values. If St. Paul's referendum passes this year, homeowners there would still bear a relatively small share of the overall tax burden, at the expense of other types of property. However, if it should fail and come up again in the future, all properties of similar value, regardless of type, would shoulder equal shares of the referendum burden.—J.A.H.

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Minneapolis, MN 55415

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Citizens League Matters

October 13, 1992

News for Citizens League Members

Welcome members!

- Richard Aadelen
- Joseph Alexander
- Janet K. Bohan
- Estelle Brouwer
- Richard Brubacher
- Eileen Capshaw
- Mary Carlson
- James R. Casserly
- Louis R. Clark
- Sally Covington
- Gary DeCramer
- Jessica K. Dodge
- Ted Dooley
- Mark Dreyer
- JoAnn Fink
- Carol Friendly
- Ian Friendly
- Mark Gehan
- Suzan Grovender
- Alice M. Hale
- Rolf Hanson
- Cynthia M. Hasselbusch
- Steven T. Hetland
- H. Hughesdon
- Leona Humphrey
- J. Michael Kelberer
- Dave Knutson
- Brent Korengold
- Connie L. Korstad
- John Lally
- Ginny Lane
- Debbie L. Ledvina
- J. Thomas Lockhart
- Virginia McAninch
- Laura McCarten
- Kathee McCright
- Barbara E. Merrill
- Paula Ogg
- Jefferson Patterson
- William R. Peck
- Cindy Person
- Jeri Rasmussen
- Bruce Philip Rips
- Gloria C. Stier
- Steve Thomas
- Cindy Threlkeld
- Eric Utne
- Jeanie Watson
- Timothy Zellmer

1992 Mind-Opener's season marks 32 years of community breakfasts

University President Nils Hasselmo in first series

Another year of Mind-Opener breakfasts is about to get underway. Each year for the past 32, the Citizens League has sponsored weekly breakfast meetings at which members of the public can talk with community leaders about timely issues. These Mind-Opener breakfasts are held Tuesday mornings through the fall, winter and spring. This year's Mind-Opener's will be held in new locations both in St. Paul and Minneapolis.

This year's first series will focus on the competitiveness of Minnesota's work force. It will address how well trained our work force is and whether Minnesota's work force can compete with others in this global economy. To lay out the context of the issue, **Bobbie Henrie** with Minnesota Technology Inc. will start the Mind-Opener's series on October 20. The following week, October 27, **Jim Benson**, president of Dunwoody Institute, will describe what types of training are available and in demand today.

Valerie Pace, state external programs manager for IBM-Rochester will present a private sector view of the problem on November 3. **Bob Vanasek**, executive director of the Minnesota High Technology Council, will describe an initiative that will

improve instruction for K-12 students and why such an effort is necessary. In the final session of the series, **Nils Hasselmo**, University of Minnesota president, will discuss the key role the University plays in the state's economy.

During this Mind-Opener's season, participants may receive admission at reduced rates by purchasing a *Series Saver* ticket. Save 25 percent by purchasing a set of 10 breakfasts; use your *Series Saver*

ticket for admittance to any Mind-Opener breakfast during the 1992-93 year. The cost of attending a single Mind-

Opener is \$10 for League members and \$15 for nonmembers. With a Mind-Opener's *Series Saver* you would pay only \$7.50 per breakfast. Call the Citizens League for more information about the Mind-Opener's *Series Saver*.

This first series of Mind-Opener breakfasts will return to the **Normandy Inn**, located at 405 South 8th Street in Minneapolis.

The League will hold Mind-Opener breakfasts in a variety of settings this year, including St. Paul. All begin at 7:30 and end at 8:30 a.m.

League members will receive a flyer in the mail with additional details on this first series.

League cuts costs but deficit still looms in 1992

Changes in corporate giving affect League

Despite a strong year-end contribution drive and a 7.6 percent spending decrease, the Citizens League ended fiscal year 1992 with an operating fund shortfall of about \$16,000.

Revenue for the year declined slightly (\$3,695) from the previous year, the first decline in seven years. Contributions from the corporate community continue to erode due to economic conditions and changes in spending priorities. The individual membership level declined slightly because the League did not undertake any large membership drives.

The lost corporate and individual dues income was virtually offset by a 50 percent increase in earned income from meetings, special projects and the sale of reports, such as the *Managed Care Review*.

Expenses declined by nearly \$40,000 between FY91 and FY92. Despite the reduction in expenses, the revenues did not keep up.

The coming year is critical for the League's financial health. The League has no operating reserves or fund balance which leaves no room for another operating deficit. The League must build reasonable reserves in order to fully implement its new strategic direction.

An aggressive development plan, headed by **Kent Eklund**, will be considered by the board at its October meeting. Call Phil Jenni at the League if you have questions.

The Citizens League at 40: Incentives and choice in the 1980s

Editor's note: This is the sixth in a series on League history in honor of its 40th anniversary.

A 1978 task force, chaired by Allen Sacks, conducted a somewhat routine five-year review of League operations. The result was anything but routine. The report confirmed the basic job of the League and concluded that the study process established in the early 1960s was working fine. But the task force also recommended a special committee—the first in League history—to try to see a decade ahead into “the issues of the 80s.”

Chaired by David Graven, the committee, made up largely of League veterans, set out to determine what policy issues were likely to force their way to the top of the public agenda during the coming decade.

The report argued that the political system was in between idea-systems. It proposed not as much action as a new way of thinking about problems and solutions. It provided an intellectual framework for thinking about emerging issues that focused on incentives, choice, competition and decentralization as means for improving systems for delivery of public services.

The report included such ideas as:

- **The essential function of government is deciding. Government might, but it need not, do what it has decided must be done.**

- **Decentralized systems are probably inherently safer from over-bureaucratization, and usually work better.**

Looking back a dozen years later, the report is visionary and prophetic. At the time, however, it seemed a natural outgrowth of League work in the 1970s, beginning with the 1972 report on *Why Not Buy Services* through a 1979 report on desegregation, chaired by Gordon Stephenson, that emphasized consumer choice as the fundamental indicator of quality education.

Under the leadership of Executive Director Curt Johnson, the Citizens League in the 1980s carried out its commitment to the

organizing framework of the *Issues of the 80s* report. More than half of League studies during the decade reviewed the delivery of public services. And nearly all reports in the period focused on incentives, choice, decentralization and competition. In addition, most of the League leadership during the decade participated on the *Issues of the 80s* committee.

League recommendations were successfully implemented in many service areas, including health care, solid waste and, most notably, education. While less successful in implementation, many other League reports helped to frame issues differently and often changed the terms of the debate.

Thanks to group presenters

The committee that prepared the report *Results for Citizens, Options for Officials* heard from 27 resource persons during its deliberations. Those persons are:

Joel Alter	Darin Florenz	Lisa Kugler
Armi Armajani	Mike Garris	Dr. Burt Nygren
John Brandl	Susan Hanson	John Ostlund
Julie Brunner	Judith Hollander	Dr. Marl Ramsey
Dave Childs	Dan Hoverman	Robert Rohlf
Stanley Cowle	Peter Hutchinson	Steve Sarkozy
Earl Craig	John James	Jerry Serfling
Jon Elam	Dwight Johnson	Chuck Swanson
Joan Fabian	Kevin Kenney	Donn Wiski

The League thanks these people for their valuable contributions of time and expertise.

Retiring board members made a mark

Fourteen members of the Citizens League's Board of Directors retired this year after serving an accumulated 70 years on the board. Three of the 14, Carl “Buzz” Cummins, Jean King and Tom Swain, are also past presidents of the League. Many of these former directors also served as chairs of one or more study committees or standing committees for the League over the years.

These persons have provided much of the leadership and energy that has kept the League

strong over the past two decades. Their dedication and support to the organization exemplify what citizen participation in public policy is all about. The Citizens League is indebted to them for their years of service.

John Cairns	Jay Kiedrowski
Buzz Cummins	Jean King
David Dobrotka	Steve Kluz
Robert Erickson	Dan Peterson
W. Bruce Erickson	Tom Swain
Fred Finch	Carol Thatcher
Karen Himle	Nancy Zingale

League signs on to computerized information, communications service

The Citizens League is now a part of the CompuServe database information service. CompuServe is a computerized, personal information and communication service. With it, the League can send messages or information via

computer to anyone else signed on to CompuServe or a number of other computerized information services.

CompuServe also gives the League computer access to news stories from major daily

newspapers, databases of reference libraries and support for hardware or software problems.

If you are also a CompuServe member, the League would like to have your CompuServe

address. We hope to build a directory of CompuServe addresses for easy communications. Please call us (338-0 with your address. The Citizens League CompuServe address is 71054,272. It is in our Executive Director Lyle Wray's name.