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APPROVED: BOARD OF DIRECTORS
January 26, 1968

TO: Citizens League Board of Directors

FROM: Ad Hoc Committee on Special Districts

SUBJECT: Policy on the Creation of Additional Special Districts in the Twin Cities
Metropolitan Area

CONCLUSIONS AND RECOMMENDATIONS

1. A real possibility continues to exist that a very substantial number of new independent special districts -- or what amount to independent special districts -- will be created in the Twin Cities metropolitan area in the next few years. The situation resembles, in many respects, the situation that existed with respect to the potential for creation of new municipal units before the Legislature in 1959 established a procedure for the review of such proposals in the Municipal Commission Act. The potential for rapid, unregulated, unplanned growth in the number of special districts in the seven-county area arises from two sources. First, from the use of the Joint Powers Act, under which any two or more units of local government can join together to perform collectively any function they are authorized to perform separately. Second, from provisions embodied in many of the new federal acts that new or revised programs of grants-in-aid be accompanied by the creation of a local board or agency to develop plans, or to make decisions on the location of facilities and the allocation of funds.
2. This open-ended potential for the creation of new special-purpose districts presents a serious, and pressing, problem for the Twin Cities area. An unplanned expansion of such districts could have the most serious consequences for the effort by the Legislature, and by the civic and governmental leadership within the seven-county area, to develop some orderly framework for the handling of metropolitan decisions and functions.
3. The uncontrolled creation of additional special districts raises a real possibility of a needless rise in expenditure on local government and threatens to cut off the significant opportunities that now exist for economies through the pooling of operations and administrative organization as additional metropolitan functions appear.
4. Some arrangements need to be established promptly through which -- as proposals for new special districts are presented -- it would be possible to answer the following questions: Is the need for the new service or function so pressing as to require the creation of some form of special district prior to the next legislative session? Should the proposed new special district be fully areawide, or less than areawide? What method of representation would be most desirable to use in establishing the board? How should the members of the board of such a new special district be selected? How should a new special district be related to the existing special districts and units of general local government, including the Metropolitan Council?
5. Long-range comprehensive planning of the areawide governmental structure of the Twin Cities area is fully as important as long-range comprehensive planning for

the physical facilities of areawide significance. A decision to create an additional piece of local government structure must be made only after thorough study and discussion of the need for a new agency, of the impact on existing agencies, and of the alternative ways in which any new function might be organized.

6. As the agency charged by law with the principal responsibility for planning and coordinating the development of the Twin Cities area, the Metropolitan Council must be involved in this evolution of the areawide governmental structure, as well as in the development of its sewers, airports, highways, transit facilities and land-use programs.

We therefore recommend:

1. That every effort be made to discourage the establishment of new independent special districts, in order to give the Metropolitan Council and the Legislature a full opportunity to review the broad question of the future pattern of areawide governmental organization in the Twin Cities metropolitan area.
2. That the Metropolitan Council take affirmative steps to review and comment upon proposals for additional pieces of areawide governmental structure, in terms of their boundaries, representation, method of selection of members, financing, and relationship to the Metropolitan Council itself. The comments should be sent to the sponsors of such proposals, and to the 1969 Legislature as a part of the Council's overall report on the planning and development of the metropolitan area.
3. That, so far as possible, the Metropolitan Council absorb, within its program, studies of the need for, and planning for, the handling of new areawide functions. It should make every effort to arrange to provide staff and administrative services out of its own organization . . . much in the manner its "task forces" are now undertaking research and planning activities at the direction of the 1967 Legislature.
4. That local units proposing what amount to new independent special districts of areawide significance through the mechanism of the Joint Powers Act submit such proposals to the Metropolitan Council for review and comment; that such proposals be reconsidered by their authors in the light of such comment; and that, in the event of disagreement, the matter be submitted to the next legislative session for resolution.
5. That the Governor, when designating a local agency to perform for the metropolitan area the areawide planning required under a federal grant-in-aid program, assign such planning responsibility to the Metropolitan Council . . . in the manner that statewide planning required for the various grant-in-aid programs has been assigned, within state government, to the comprehensive State Planning Agency.

DISCUSSION

Background and Scope of Report

The structure of government at the metropolitan level, which began developing in the Twin Cities area about 30 years ago, has proceeded in recent years with increasing speed. After the creation of the Minneapolis-Saint Paul Sanitary District in 1935, eight years went by before the creation of the Metropolitan Airports Commission in 1943. Smaller new pieces of governmental structure were fitted into place as a result of legislation and by intergovernmental agreement -- including the Hennepin County Park Reserve District, the watershed districts, and the Metropolitan Mosquito Control District -- through the 1940's and 1950's. The trend accelerated markedly after the creation of the Twin Cities Metropolitan Planning Commission in 1957, and the growing consciousness which followed, from the work of that agency, that this huge urban area did in fact possess growing problems which simply would not fit the conventional state-county-municipal pattern of government. By 1967, following creation of additional independent sanitary districts, and the beginnings of interest in refuse disposal districts, metropolitan park districts, areawide air pollution districts, a metropolitan zoo, and a metropolitan transit program, two things became apparent. First, as the Citizens League remarked in its report, "A Metropolitan Council for the Twin Cities Area," early last year, the Twin Cities area had developed, in fact, a form of "metropolitan government" -- in the form of these large independent special districts. Second, as the League pointed out in the same report, this area was on the verge of developing a substantial problem in coordinating these special districts into an effective governmental organization at the metropolitan level, and in relating their operation and their projects to the general areawide comprehensive planning program which we were, at considerable cost, trying to carry forward.

It seems likely, from the proposals already advanced, and from the studies requested by the Legislature from the new Metropolitan Council, that this area can expect to see additional functions undertaken at the metropolitan level over the coming years. The discussion leading up to the legislative session of 1967 indicated clearly enough, we think, that the Twin Cities area generally sees the Legislature as the agency that ought to exercise authority over the evolution of the metropolitan governmental structure in the Twin Cities area.

In the months following the legislative session, however, it became apparent that the creation of additional pieces of metropolitan governmental structure would not necessarily wait for the 1969 session, or indeed come through any legislative review at all. A number of proposals were advanced for the formation of what would amount to new special districts under the Joint Powers Act, and - perhaps more important (though perhaps less noticed) - persons here began to be aware of the way in which new federal legislation was tending to create additional pieces of local government for the metropolitan area. Public Law 89-749, the so-called Partnership for Health Act of 1966, is only one of several such pieces of federal legislation. This law, in the process of "de-categorizing" several federal grant-in-aid programs in the field of health, requires the creation of an agency within the metropolitan area to undertake the broad planning of health services and facilities -- encompassing many of the functions now carried on by two regional hospital planning councils presently operating in the Twin Cities area, the health departments of the major cities, and some of the programs of the voluntary social welfare agencies.

Recognizing this situation, the Board of Directors of the Citizens League November 1, 1967, established a small committee to review the questions presented by these

proposals for new pieces of local government structure, and to make recommendations for steps that might be taken to assure that whatever new agencies are created fit most logically into the existing structure and into the kind of metropolitan governmental framework that has seemed to be developing.

The President of the Citizens League, John W. Windhorst, appointed a committee made up of Charles Clay, Chairman, Earl F. Colborn, Jr., Mrs. Nicholas Duff, Richard J. FitzGerald, John Harrison, William Lahr, Leonard Ramberg and Dudley J. Russell.

After some preliminary discussion the committee concluded that it would not arbitrarily oppose the creation -- either as a result of federal legislation or through the Joint Powers Act -- of additional (or particular) regional or areawide special districts. The members agreed it was not appropriate, nor were they equipped, to review in detail the merits of each specific proposal for some new regional or areawide agency.

Neither did it try to make an exhaustive survey, either of proposals put forward for new agencies created under the Joint Powers Act, or of the regional agencies that might be brought into being under federal legislation either enacted or proposed. Rather, it selected certain proposed regional or areawide arrangements in each category, which had been rather widely discussed in the public press, which seemed of more than usual importance, and which, taken together, seemed to present most of the issues with which the committee was charged to be concerned.

Among these proposed new regional or areawide arrangements were the following:

(1) The proposed "Metropolitan Pollution Control Commission" initiated by the City Council of Minneapolis. The agency would be an advisory body to investigate problems of air, land and water pollution in the metropolitan area, and to make recommendations to the Legislature for laws governing and regulating pollution. It contemplates a board with two members each from the cities of Minneapolis and St. Paul, two members each from the suburban areas of Hennepin and Ramsey Counties, and one member from the metropolitan area outside Hennepin and Ramsey Counties. The commission would be financed by contributions from member communities, up to \$50,000. Each commissioner would serve a one-year term.

(2) A Metropolitan Library Service Agency (MELSA). This proposal, resulting from a study done for the State Department of Education, recommends an areawide agency to coordinate library services in the Twin Cities area. It would be governed by a board of citizens appointed by the county boards of commissioners and by city councils, with an advisory committee of librarians. Revenue would come from member library dues, and fees for certain services, and from grants from the federal and state governments through the State Department of Education. Among the services of MELSA "could be" a new system of inter-library loans, central reference service among libraries, uniform borrower registration and circulation procedures, central ordering and processing of new books for member libraries, possibly a printed catalog in multiple copies listing all book additions by member libraries, development of a data processing center, daily truck delivery to all member agencies, and the provision of a large collection of educational films and visual materials. MELSA would also undertake planning for regional branch libraries in the seven-county area and for additional types of inter-library cooperation among all types of libraries -- public, college and university, school, and special libraries.

(3) The Southeast Metropolitan Solid Waste Disposal Commission proposed by leaders in the municipalities in that part of the Twin Cities area confronted with the pressing problem created by the imminent closure of some of their existing and heavily used dump sites. The district was proposed to begin immediate efforts planned for the provision of solid waste disposal facilities in northern Dakota and southern Washington Counties, including recommendations for specific facilities, financing arrangements, and long-range planning. The district would be open-ended as to the communities that could become members. The governing board would be established composed of the mayor of each community or his representative, at least in the early planning stages. A similar district has existed in northwest Hennepin County for a number of years. At the same time, the Metropolitan Council has listed as one of its priority study projects between 1967 and 1969 this same problem of solid waste disposal in the seven-county area as a whole.

(4) Watershed districts. The committee became aware that the Washington County Planning Advisory Commission had brought to the Metropolitan Council a problem presented by the prospective creation of up to a dozen additional drainage districts involving Washington, Ramsey and Anoka Counties. This problem, the Planning Advisory Commission noted, "covers the entire metropolitan area. Action could be taken locally." But the Commission was concerned "that we do not support a course of action that is contrary to programs you (the Metropolitan Council) may propose in other areas."

(5) Areawide health facilities planning. PL 89-749 requires the creation of a "regional" health planning agency, which is to be the focus for community discussions about health problems, for the identification of health goals and needs, and for the coordination of the existing and planned facilities, services and manpower in the fields of physical, mental and environmental health. It can be a voluntary, nonprofit or public agency; it must be generally representative of agencies concerned with health problems; it must have a planning director and staff; it must provide local matching money; it must be permanent; and it must be recognized by the major governmental and voluntary health agencies as having the responsibility for conducting a comprehensive areawide health planning program. Nothing is specified in the legislation, however, as to how or by whom this areawide agency is to be set up.

(6) Law enforcement planning. In December it was announced that the Department of Housing and Urban Development, in cooperation with the Department of Justice, has initiated a new pilot program in law enforcement planning. This program would provide urban planning assistance to regional agencies for the design of law enforcement and criminal justice programs. The program grows out of the recommendations in the report of the President's Commission on Law Enforcement and the Administration of Justice, in February, 1967, titled "The Challenge of Crime in a Free Society." This report recognizes the regional character of crime and the need to combat it on an inter-jurisdictional basis. To start this program, HUD is encouraging 11 regional agencies -- including the Metropolitan Council in the Twin Cities area -- to propose methods for comprehensive planning in crime prevention and law enforcement. There was in Congress, at the same time, a proposed "law enforcement and criminal justice act" which would provide a program of federal grants, through state planning agencies, to permanent local and regional organizations which would undertake to carry on programs and projects of areawide scope in the general field of law enforcement.

(7) The cooperative area manpower planning system (CAMPS). This is a federal inter-agency team set up administratively in the spring of 1967 to plan and co-

ordinate the various manpower and manpower-related federal programs at all levels, including the metropolitan. The team consists of the Department of Labor, the Department of Health, Education and Welfare, the Department of Housing and Urban Development, the Department of Commerce, and the Office of Economic Opportunity. CAMPS is a move toward coordinated planning and implementation of manpower programs at various levels, including the metropolitan level. The local CAMPS committees are set up as metropolitan bodies and their plans are for the whole metropolitan area. The CAMPS proposal contemplates, however, that in order to make the system work, political responsible leadership must be involved in the effort and municipal, county and governors' offices are expected to take an active part in local coordinating committees.

(8) A metropolitan park agency. A number of individuals and groups, including the Citizens League itself, have been actively studying the possibility of some kind of an areawide district for the acquisition of parks and open space in the seven-county area. Major questions arise as to the method for creating the district, the representation on the board, the selection of members of the board, and the financing of the program.

(9) A metropolitan zoo. A proposal is now under active study by an advisory task force of the Metropolitan Council for the creation of a metropolitan zoo. Some type of public governing structure will apparently be required for this program. The same questions of boundaries, representation, financing arise -- as does an even more basic question as to whether the agency responsible for the zoo should be an independent agency or part of some overall metropolitan park district.

The Problem of Coordination

The Metropolitan Affairs Committee of the Citizens League, in its research between June of 1966 and its report in February 1967 examined carefully the major special-purpose districts in existence, or in the process of creation, in the Twin Cities metropolitan area. It was concerned partly about the existence of the present districts, partly about the creation of new districts, but also, and very largely, about the independence of these districts, whether existing or still-proposed. In its report the committee said:

"If past practice is followed, new single-purpose units of government will be established to solve new problems. If so, the Twin Cities area would end up with a vast array of these single-purpose districts, each operating independently of the other. Decision making would be overly diffuse. Policies of districts could be in conflict, with no way to resolve differences. There would be no way to allocate available funds among various metropolitan services according to relative needs. Management efficiencies, such as central personnel, data processing and purchasing, for a variety of governmental services and functions, could not be implemented."

The committee heard much testimony about, and was impressed with, the effectiveness of many of these districts in developing their programs and building the facilities for which they had been made responsible. The effectiveness, however, of these districts, the committee felt, was not the heart of the issue. The problem with which it was increasingly concerned was the problem of relating the airports system, parks system, sewer system, road system, transit system . . . into some kind of total development pattern at the metropolitan level. It found that the legal and financial independence that is typical of the special districts tends to reduce, rather than to

increase, the chances that these agencies will cooperate effectively with each other and in support of a comprehensive general plan.

We are convinced that the critical stage comes early . . . when arrangements are first being made for the research and preparation of plans and legislation. Organizations, once created, have a tendency to remain. Not unnaturally, they are interested to develop and run the programs they have designed.

Thus, if this area is concerned about the kind of governmental framework that will develop here . . . and particularly if it is interested in maintaining some kind of general policy review over the various specialized sewer, transport, school, park and other functions . . . it must think seriously about the questions involved even in the very early proposals for making studies, drawing up plans, and preparing recommendations.

The committee is aware the Citizens League has in the past proposed the creation of new single-purpose districts, even for research and planning: The League played a key role, for example, in the creation of the Metropolitan Transit Commission set up through a joint powers agreement in 1966. This was, however, at a time when no other mechanism existed within the metropolitan area that could realistically begin the needed planning for an improved transit system. The creation of the Metropolitan Council by the 1967 session gives us, however, an agency capable -- and made officially responsible -- for just this sort of planning . . . and well suited to thinking out the implications for the area of any new proposal for an additional special district:

The kinds of question now arising from the current proposals are well illustrated by the various proposals for some kind of new arrangement to handle solid waste disposal. The problem is, as of the end of 1967, particularly acute in the southeastern region of the Twin Cities area. As a result, it is a limited group of municipalities that is banding together in a proposal for a new regional waste disposal district. Their district, if formed, might very well be able to move successfully to implement a solution for that southeastern section of the area. But this would be, in that sense, a limited solution. The report of the Citizens League committee on metropolitan area refuse collection and disposal concluded that all parts of the metropolitan area will, before very many more years have gone by, face equally serious problems in the development of sites and facilities for the disposal of solid refuse. The question is: Would the Twin Cities area, as a result of having attacked the problem in pieces for a period of years, run the risk of ending up with a less desirable, less effective and perhaps more costly overall system for refuse disposal than we might have had if we had proceeded to look at the problem on an areawide basis, through some kind of area-wide agency, in the beginning?

Questions like these need to be asked, in the process of considering any proposal for a new piece of metropolitan area governmental structure . . . and need to be discussed thoroughly, openly and broadly across the seven-county area. Perhaps equally important: Decisions that involve the creation of additional pieces of areawide governmental structure need to be subject in some fashion to review by an agency which is charged with the responsibility, or which assumes the responsibility, for overseeing the development of the areawide governmental framework in accordance with some kind of plan and policy.

We find that this review is taking place in a limited fashion at present. The request which came voluntarily to the Metropolitan Council from the Washington County Planning Advisory Commission is an example of an enlightened concern by officials in one region of the area about the implications of their action over the long run for

the area as a whole.

A similar willingness to consider the alternatives is apparent in the southeastern region on the question of the refuse disposal district. The Southeast Metropolitan Area Chamber of Commerce, for example, in its "Spotlight," dated December 1, 1967, said: "Solid waste waits . . . for opinion from the Metropolitan Council on whether or not municipalities through a joint agreement should attack this problem. The alternatives: One study of the entire metropolitan area under the Metropolitan Council; regional studies under the Metropolitan Council; or regional studies by joint agreement among municipalities, under guidance of the Metropolitan Council. Chairman Jim Hetland of the Metro Council has informed the Chamber that an opinion should be rendered on this question within 90 days. Just in case the last of the alternatives is decided upon, your Chamber has sent a copy of a proposed joint agreement to all governmental units in Dakota and south Washington Counties asking for their attorney's opinion on the legality of participation and other opinions from each governmental unit. Should the okay come from the Metropolitan Council, all will then be in a position to get a fast start."

The Role of the Metropolitan Council

This committee has concluded that the logical organization to take responsibility for thinking out the direction the Twin Cities area is going in the evolution of its metropolitan governmental structure is the Metropolitan Council.

This function is implied in the language of the Metropolitan Council Act itself, particularly in section 4 (6) in which the Council is charged with bringing to the Legislature its recommendations generally for metropolitan area legislation "including the organization and functions of the Metropolitan Council." We also believe the language of section 6, subdivision 7, in which the Metropolitan Council may review and comment on "any matter which has a substantial effect on metropolitan area development," should be read to include proposals from individual local governments, or groups of local governments, for new regional agencies, under the Joint Powers Act, which would be undertaking new functions and building new facilities, in the metropolitan area.

Obviously, any such review of local proposals for new pieces of area governmental structure would be subject to the same common-sense test the Metropolitan Council will have to apply to proposals from any local unit for a change in, say, land use. Many uses of the Joint Powers Act clearly will not have a substantial effect on metropolitan area development, and nothing in this report should be construed as discouraging the use of this important state enabling legislation in such a way as to permit local units to move jointly on a project of common importance to both.

The essential point is that the Metropolitan Council, with responsibility for planning the development of the areawide governmental system, ought to have what would amount to a "right of refusal" in cases where a proposed Joint Powers Agreement might be so extensive, and of such significance, as to raise some of the questions this committee has found associated with the major areawide special districts.

The committee was sufficiently impressed with the potential seriousness of this whole problem to recommend that the Metropolitan Council take the initiative -- even to the point of seeming to intrude itself -- in offering its areawide, long-term

point of view on specific proposals, or local proposals, for new pieces of areawide governmental structure.

The Council is currently taking just this sort of initiative in the area of comprehensive health facilities planning . . . in resolving November 18 to take the lead in working out the kind of organization that would be set up to handle the responsibilities delegated in general terms to some "local" agency under the terms of the 1966 federal "Partnership for Health" Act. At the same time, there are other areas into which -- after reviewing the situation -- the Council has declined to move: civil defense, as a principal example.

The committee hopes the Metropolitan Council will take the initiative, too, in offering to make available its staff and administrative resources to such new area-wide or regional agencies as may be created. The committee discussed at some length, and was intrigued with -- though it made no final recommendation -- the possibility of the Metropolitan Council's assigning, from its own professional staff, technical people to work with the system planning problems in the various independent or semi-independent areawide or regional agencies . . . perhaps in something like the way the Attorney General's office in state government provides the legal staff for the various departments and independent agencies.

Finally, the committee believes the Metropolitan Council might usefully make special efforts to work with persons in Washington concerned with the impact of federal programs on local government organization and planning . . . in terms of the tendency of the different pieces of recent federal legislation to move in different directions, further fragmenting our governmental pattern at the metropolitan level. The Advisory Commission on Intergovernmental Relations is concerned about the lack of an overall federal policy among the various federal programs. So -- from a different point of view -- should the state's congressional delegation be. We believe it is important that -- as the Legislature, under its authority over the organization and power of local government, defines a policy on the governmental arrangements for the Twin Cities metropolitan area -- planning requirements in federal adapt to this local determination.