



Minutes Met Council Task Force

Friday, September 25, 9:00 a.m. – 1:00 p.m.
Amherst H. Wilder Foundation, Auditorium C & D
451 Lexington Parkway North - Saint Paul, MN 55104

Directors present: John Adams, Susan Arntz (**Co-chair**), Peter Bell, Steve Dornfeld, Acooa Ellis, Jim Erkel, Carol Flynn, Michele Foster, Chris Gerlach, Bill Hargis, Elizabeth Kautz, John Knapp (**Co-chair**), Adeel Lari, Scott Neal, Ravi Norman, Sharon Sayles-Belton, Jim Solem, and Shannon Watson

Directors not present: Dan McElroy

Staff & staff support present: Pahoua Yang Hoffman, Sean Kershaw, and Ellen Waters

Citizens League members and special guests present: Tom Abeles, Sheldon Clay, Pat Davies, Paul Gilje, Patricia Nauman, Wayne Popham, Martin Olav Sabo, Paul Taylor, Deb Dyson

Proposed outcomes for meeting

- Introduce Task Force members, presenters, staff, and other participants.
- Receive Citizens League principles and draft charge.
- Hear from presenters on history of Met Council
- Agree on next steps
- Evaluate the meeting

Minutes

Co-Chairs Susan Arntz and John Knapp called the meeting to order at 9:05 a.m.

1. **Welcome, Introductions, and Citizens League Principles and Draft Charge**

Sean Kershaw, Executive Director of the Citizens League welcomed Task Force members and guests. He called attention to the Met Council Task Force project description and draft charge that was included in the three-ring binders provided to Task Force members. He briefly went over the document including the three phases for the project. Kershaw also cited some Citizens League principles including the importance of stating one's self-interest so that it is transparent and known. He also went over a couple of ground rules for the meeting, which included no tweeting or the use of other social media during the meetings. Since the meetings are open to any Citizens League member, this rule also applies to guests.

Co-Chair Susan Arntz started the introduction by asking each Task Force member to introduce themselves by stating their name and any interactions they may have had with the Met Council in order to provide additional context and information related to their self-interest in serving on the committee.

2. **History of the Met Council**

a. Met Council, Pre-1967 to mid-70s

The presentation was led by Ted Kolderie, Senior Associate, Education Evolving and former Citizens League Executive Director. He was also joined by special guests Martin Olav Sabo, former United States Representative for Minnesota's Fifth District; Paul Gilje, Executive Director, Civic Caucus and former Citizens League Research & Associate Director; and Wayne Popham, former State Senator from 1963-1972.

Kolderie distributed a document, entitled *The Origins of the Twin Cities Metropolitan Arrangement: 1950s-1970s* to help Task Force members follow along to his presentation. The document and his remarks consisted of four sections:

- The Recognition of the a “Metropolitan Situation”
- Four Key Questions, Raised and Debated
- The Regional Consensus Proposed to the Legislature
- What Resulted? What Questions Continue?

Recognition of the a “Metropolitan Situation”

The problem the Legislature began to address was the rapidly-growing disparity between the “legal city” and the “real city.” Kolderie noted that earlier on, each community was its own city - a settlement surrounded by a municipal boundary. There were exceptions but after World War II the population in Minneapolis and St. Paul spread into new housing outside the city limits and major new cities, thus creating suburbs. This phenomenon happened all across America. There existed now a visible a “real city” with its urban life systems needing to be planned, developed and operated in a coherent manner. This growth soon became out of scale with the smaller governmental units in the region with the “legal city” becoming a neighborhood of the “real city.” The question was how to respond to this new situation.

Growing Awareness of the Growth

Kolderie shared that in the late 1950s, Gov. Freeman called a metropolitan conference. In 1957 State Sen. Elmer Andersen authored a bill creating the Metropolitan Planning Commission. In 1959 the Legislature created the Minnesota Municipal Commission.

The 4,000,000 by 2000! Preliminary Proposals for Guiding Change report in 1964 got people’s attention. As football and baseball expanded nationally, major league sports also played role in the conversation since each entity wanted to put a team in Minnesota. If Minneapolis and St. Paul were to go separate ways, they would be minor leagues: the 27th and 43rd largest cities in America. If they wanted to think of the region as a whole, the cities together could be the 15th largest city in America.

These conversations led to the recognition that having a first-class metropolitan area made Minnesota count nationally; that the social, economic and political health of the Twin Cities area was essential to the prosperity of the state. As such, Minnesota began to concentrate things within this Twin Cities region: the prison, the State Capitol, the University of Minnesota, the state fair, and soon after, the headquarters of most all the major business and nonprofit organizations.

The Need For Action

By 1958, big decisions had to get made about the layout of the freeways and the groundwater contamination crisis, which revealed that hundreds of thousands of people were burying their sewage *and* drawing their drinking water from their backyards.

The drinking water problem was quickly solved. The sewerage problem proved tougher to fix. The Minneapolis Saint Paul Sanitary District (MSSD) created in the 1930s, had interceptors running to the Pig’s Eye plant downstream, but most suburbs did not think first to contract with the MSSD. Groups of suburbs proposed different solutions. The Legislature was unable to come up with a solution in 1959, 1961, 1963, and again in 1965. In 1963, a frustrated Sen. Rosenmeier put through legislation giving the state commissioner of administration full authority to design and build a system and to levy the costs on the region. Too sweeping an assertion of authority, that law was never implemented.

Kolderie stressed that the succession of failures taught two important lessons: One was about the limited capability of “inter-governmental cooperation.” The other was the need for a regional mechanism able to develop a representative and politically responsible proposal on the basis of which the Legislature could act. After 1965, officials and organizations—public and private—got down to discuss the design of a metropolitan body able to tackle these regional issue and able to create policy consensus.

Four Key Questions, Raised and Debated

Kolderie went through four key questions:

1. *What is the purpose? Why a metropolitan body and what should it do?*
To control urban sprawl? To develop big regional facilities and to run services? To shape a consensus for the Legislature on regional problems? All of these? Some of these? In what priority?
2. *What geographic area should be covered?*
The original five-county area? The seven-county area?
3. *Who or what is to be representing?*
Units of local government? Citizens? A mixture of the two?
4. *How should its members be selected?*
This question connects to decisions about the “representation.” The thinking was that if it was to represent the public, members would presumably be elected. If it was to be a “council of governments” then presumably members would be appointed by the local governments.

Kolderie reported that the Citizens League began identifying these questions in its report on the Metropolitan Planning Commission, which led to the shaping of possible answers in the study committee work of 1966-67.

The Regional Consensus Proposed to the Legislature

After broad debate and discussion, what emerged was built into the bill proposed by Sen. Ogdahl and Rep. Frenzel.

What is the purpose? Why a metropolitan body and what should it do?

The idea was not to abolish local units and create a consolidated regional government. Kolderie reported that this had been tried in Cleveland and St. Louis and had been overwhelmingly rejected by the voters. This vision was that this metropolitan agency should be a “state-created local agency” charged to deal with matters of regional significance only – those raised by proposals from regional bodies or state agencies or local governments and perhaps even by private entities.

The idea was to provide a kind of “architect and general contractor” function to guide those developing the region. There was much disagreement as to whether this should involve consolidating the regional entities: sewer, airport and (by that time) transit into an “operating” council, or should the agencies be left intact, removing only their independence. In the end the Citizens League study committee proposed the “operating council” and the legislators accepted this for their bill.

What geographic area should be covered?

Kolderie reported that there was no disagreement about using the seven-county area.

Who or what is to be representing?

The consensus was that this council would represent people—the public—with a system of equal-population districts. The 1960s witnessed a change in representation; old arrangements representing geographic areas giving way to equal-population districts. The consensus came together at the St. Thomas conference in November 1966. Kolderie noted that the counties, late to the metropolitan discussion, were the principal dissenters.

How should its members be selected?

Rather than create new equal-population districts, Sen. Ogdahl and Rep. Frenzel used the state senate districts as the Council’s districts. An election process was implied.

Kolderie reported that in the 1967 session, the Legislature departed significantly from the regional consensus. Midway through the session, outstate conservatives and a minority of Twin Cities area legislators introduced a bill (the Rosenmeier-Albertson bill). As the session ended, Frenzel compromised and accepted its gubernatorial appointment, amending it to add district representation.

The final bill:

- Created just the Council; charging it to return the following session with a solution to the regional sewerage problem. It did not address questions about development, facilities, and services.
- Used the seven-county area as the area of metropolitan jurisdiction.
- Adopted the concept of representing people; creating equal-population districts but combining the state senate districts by twos to create a Council with initially 14 districts members.
- Provided for members to be appointed by the governor within those districts. Amendments offered in both houses changing this to direct election in 1970 were narrowly defeated.

Kolderie reported that in the 1969 session, the Legislature essentially adopted the model of a “coordinating” Council, which had been endorsed prior to the session by a separate Citizens League committee. The legislation created a new Metropolitan Waste Control Commission and left in existence the other regional commissions.

What Resulted? What Questions Continue?

The Legislature created—as a *Pioneer Press* reporter put it—essentially a state agency to oversee metropolitan affairs. The effort to produce a body able to create a “local bill” situation, a consensus on the basis of which the Legislature could act, was successful. Kolderie report that there was some disagreement with the Council’s proposal about the metropolitan sanitary district but, with opponents acknowledging the Council had given them a fair hearing, the Legislature accepted the Council’s recommendation and the sewerage problem was solved. This effort also provided evidence that the system of equal population district representation worked.

By way of further background, Kolderie explained that the 1966 Congressional legislation, aiming to create and implement a coherent “national urban policy” had required each region to create a regional council charged to develop a regional plan against which to review all local applications for federal aid; and had specified the regional council was to be composed of sitting officials of local governments. The Council of Governments (COGs) was one model, but it did not work (and was later taken down by the new national administration that came into office in 1981). Minnesota was the principal state to take advantage of a provision introduced into the Act by Congressman Fraser, who on the floor of the House added language: “...except as otherwise provided by state legislation.”

Kolderie concluded his presentation with a few questions and observations:

- The shift to thinking of the Twin Cities area as one regional has been positive. Minnesota remains about the 16th largest state.
- The challenges today are different but no less important and no less difficult. It is not guaranteed that Minnesota will continue to hold its place at the 16th place. Minnesota needs to think about how to grow a successful economy in this cold, remote location.

[10/14/2015 Correction: It's the region that's the 16th largest; not the state.]

- Ask about the consequences of the Legislature converting the Council in the 1990s to the “operating” form.
- Recognize how difficult it is everywhere to introduce a new level of government for the “real city” in between the state and the localities. While officials will acknowledge the need for “a regional approach”, state and local governments will likely want to maintain their authority.
- Local interests may not be regional interests and sometimes not public interests.

- It will take a major, continuing effort to maintain the concept of a Metropolitan Council able to speak forcefully for the regional interest.

Questions raised and comments made by Task Force members included:

- *How do you balance the immediate interest of the present vs. future? Interest of the local vs regional?*
- *How was the Council chair selected before?* Kolderie responded that the Governor would appoint and that he/she should not be a member of the Council but must be a metropolitan person. Even if members were elected, the Governor would still appoint the Chair.
- *We need to better understand the financial interest of various groups.* Kolderie responded that although a lot of money does flow through the Council, the most contentious arguments have been around representation and selection.

b. Met Council, 1992-1994

The presentation of Met Council history, years 1992-1995 was given by non-partisan research staffer Deborah (Deb) Dyson, the Legislative Analyst with the Minnesota House of Representatives. Dyson, having heard much of Kolderie's presentation commented that many of the issues have not changed, just the events that trigger them. Since she started working in House Research (1991), Dyson informed the group that she has been asked to help draft bills to abolish the Met Council, change the Met Council, and/or study the Met Council. Dyson clarified that she can only speak to research and work she is familiar with on the House side.

Dyson reported that in 1992, there were many proposals being created to restructure the Met Council. Many were driven by issues related to transportation but also comprehensive planning by local governments and the Council's role in reviewing those plans. In 1993, there were about six different bills were introduced, ranging from turning the Council into an elected body to establishing the Council as a legislative body, separating the legislative function from the administrative functions of the Council, but Dyson reported that what really established the impetus for change was the failure of Metro Mobility. Dyson also referenced a memo she drafted which was distributed to the Task Force members.

The Regional Transit Board had established a new provider for Metro Mobility and the new system did not work causing Metro Mobility riders to be stranded on the streets. The Governor at the time had to call the National Guard to operate Metro Mobility. Due to this, the Legislature established the State Advisory Council on Metropolitan Governance to meet over the interim to figure out what to do. This Advisory Council was co-chaired by legislators Myron Orfield and Carol Flynn and also included public members of the community appointed by the Governor. The Advisory Council worked hard during this interim period to review proposals from local government associations, state agencies, and citizens on what kind of governance structure would work better.

The final proposal that came out of the Advisory Council was to abolish the Regional Transit Board, the Waste Control Commission, and the Metro Transit Commission and move all the operating functions into the Met Council, creating for the first time not only be a planning agency but also an operating agency. It also included a proposal to make the Council an elected body. Dyson reported that after a long debate, the proposal for an elected body failed by one vote. Days later, a new proposal surfaced providing for a Governor-appointed body but instead of a staggered term, terms were now served at the pleasure of the Governor. This process has remained to this day. A question was asked about the reasons for serving at the Governor's pleasure. Dyson explained that while staggered terms maintained institutional memory, needed for long-range planning, it was unclear who the Council was accountable to, and so the change to serve at the pleasure of the Governor was to establish and underscore that the Council was accountable to one person: the Governor.

Dyson reported that in 1995 the Livable Communities Act was established to provide grants to local government for transit and clean-up for redevelopment and revitalization. It is a voluntary participation program. The program was originally funded from monies from the Mosquito Control district levy authority, but today, it is mainly funded from general property tax levies.

Also in 1995, another major piece of legislation was around land planning. The original 1976 Land Planning Act was amended to require local governments to review their local plans and make updates every ten years. These are tied to the metropolitan systems plan. Dyson reported that these plans have often created conflicts and controversies because they are based population estimate.

Dyson repeated that all questions she has heard today have always been the questions. She added that while there have been bills to abolish or change the Met Council, there have not been meaningful solutions offered on how and who would manage the different functions. If the Metro Housing Authority were to go away, where would those functions go? The Minnesota Housing Finance Agency does not want it. What should it do with other commissions and councils related to the Met Council?

Dyson concluded her presentation by stating that currently, there does not exist a standing legislative committee with a focus on overall metropolitan concerns. A sub-committee on Met Council accountability and transparency does exist, but it does not go beyond the sub-committee level. Task Force members commented that this could be the reason many legislators are not familiar with Met Council issues. It was also commented that the Met Council does not come before any group.

c. Met Council Committees and related organizations

The presentation on the various Met Council Committees and related organization was given by Peter Bell, former Met Council Chair and a Task Force member.

Bell mentioned that one of the most important activities of the Met Council is the comprehensive planning process. While it can get long and tedious, the comp planning process enables the state to plan in a rational way and make efficient use of very expensive infrastructure. The comprehensive planning includes these four areas:

1. Parks
2. Transportation
3. Aviation (approves MAC capital budget)
4. Waste water

Housing is not part of the Council's comprehensive planning process.

[\[10/05/2015 Clarification: Housing IS part of comprehensive planning. Minn. Stat. sec. 473.859, subd. 2, paragraph \(d\) requires each local government's comp plan to include a housing element. "\(c\) A land use plan shall also include a housing element containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and regional housing needs, including but not limited to the use of official controls and land use planning to promote the availability of land for the development of low and moderate income housing."](#)

[However, unlike wastewater, transportation \(including air transportation\), and the regional parks and open space system, housing is NOT a metropolitan system. This means the Council does not directly control housing but it can comment on a local comp plan's housing element.](#)

Livable Communities Advisory Committee (LCAC)

Bell noted that the Livable Communities program has become a major of area of political conversation. The Livable Communities Act (LCA)—adopted by the Minnesota Legislature in 1995 and administered by the Metropolitan Council—provides grant funding for communities to invest in

local economic revitalization, affordable housing initiatives, and development or redevelopment that connects different land uses and transportation. The associated grant program is a voluntary, incentive-based approach to help communities grow and redevelop, and to address the region's affordable and lifecycle housing needs. The Livable Communities Advisory Committees makes recommendation on where the monies go. Grantees must make progress and sometimes this is unclear.

While the Met Council was established to efficiently plan and build regional infrastructure and run some services, programs like Livable Communities is now dealing with issues of economic equity and allocation of affordable housing.

County Transit Improvement Board (CTIB)

Bell explained that CTIB is joint-powers board made up of elected officials from Anoka, Dakota, Hennepin, Ramsey and Washington counties. A quarter-cent metro sales tax initiated in 2008 provides CTIB with funding to invest into transit projects. There was some resistance about his funding going to Council since counties wanted some control over how those monies were used. Bell estimated that the funding pool may be around the \$95 million range now. Bell added that while this brought new money into the transit system, the governance structure is challenging because the Met Council has to maintain its existing bus system as well as maintain new transit projects. CTIB also wants a hand in operations because it helped pay for this function too. CTIB cannot do anything that is not approved by the Council. Associated with CTIB is the Grant Evaluation and Ranking System (GEARS) Committee, which evaluates all capital and operating grant applications and ranks projects for CTIB review. Counties are represented on GEARS, along with cities from within the counties.

Transportation Advisory Board (TAB) and Technical Advisory Committee (TAC)

Bell shared that TAB was set up, in part, to get around the federal requirement that requires elected officials to be eligible to receive federal funding. Together, the Council and TAB are the designated Metropolitan Planning Organization (MPO) and this qualifies the region for federal transportation planning, operating and construction funds. TAC is comprised of nearly 30 professionals and is an appendage to the TAB. TAC provides technical advice to TAB. Bell reported that there has been a lot of consternation from some suburbs that they are not getting enough transit. Some suburbs have their own system (example: Southwest Transit).

Parks and Open Space Committee (MPOSC)

The MPOSC helps the Council develop a long-range plan for parks. MPOSC works in coordination with ten implementing agencies (counties, cities and special park districts). While state statute stipulates 40% in funding, currently only 12 % is allotted. It was clarified that the state never appropriated enough money.

Bell closed his presentation by stating that the work of this group will be extremely important because the transportation discussion next year will tee up all the same questions but in a major way. With some counties raising concerns about the agreement established with TAB, the interpretation is being carefully reviewed and examined. With this and under issues under review, Bell articulated three possible areas the Task Force could focus its work:

- Governance alone
- Powers – for example, should certain entities be under the Council's jurisdiction?
- Should it still be just the seven counties or should it be nine or a hybrid? If and how should the Council grow beyond its footprint?

3. Next Steps & Evaluation

Co-chair Susan went through the next four meeting dates asking members to raise hands if they were not able to attend meetings. Based on the hand votes, the meeting schedule will stand as published since the majority of members will be able to attend.

After Sean Kershaw explained the Citizens League meeting evaluation process, which will inform staff and Co-chairs if we need to improve meetings, Co-chairs Susan Arntz and John Knapp asked the members to

evaluate on a scale of 1-5, 1 being poor and 5 being exceptional. Evaluation of the 18 members present were as follows: 4, 5, 4, 5, 5, 4, 4, 4, 4, 4, 4, 4, 4, 4, 4.5, 4, 4, 4, and 4 Average 4.2.

Final comments included:

- Great discussion
- Wish there was more time spent on today's issues
- Can't tackle today's and future issues without knowing the past
- Let's final tackle the recurring questions
- Important for the average person to know more about the Met Council and these issues
- Let's put a contemporary spin on these recurring issues
- A question was raised about elected officials and compatibility of offices. While it is a common law doctrine in Minnesota, it is observed.

4. Adjourn

Co-Chairs Susan Arntz and John Knapp adjourned the meeting at 12:57 p.m.