

**MINORITY REPORT OF
JAMES B. HOVLAND, MAYOR OF EDINA, MN
ON BEHALF OF METRO CITIES**

Introduction

When I first agreed to represent cities in the seven county metropolitan area on the Metropolitan Governance Task Force (“Task Force”), I assumed the Task Force would be discussing and carefully analyzing whether there was a good reason or reasons to change the existing form of governance.

As a member of the Task Force, I came to learn and understand that all Task Force members came into our work, at some level, with our own preconceived notions of what regional governance should look like and over the course of six plus months of working together, it became clear, for the most part, that cities (the largest constituent of the Met Council), counties, and some state legislators, generally had very disparate views of what that model of governance should be, despite what I perceived to be the legislative directive for the Task Force to assess whether there should be any substantive change in the existing legislatively created regional governance model.

Counties have generally long favored a Council of Governments model, so the advancement of that idea in the work of the Task Force was no epiphany, and some legislators have long favored a directly elected model and have said so, in plain language, over the years.

These various views of what regional governance should look like get developed over time, in different ways, many of which notions are experience-based or based upon constituent experiences shared with an elected official. Calls for accountability and governance changes often get advanced to the ears of elected officials by citizens who aren’t satisfied with the outcome of specific determinations made for the benefit of the region as a whole and those individual views and circumstances may resonate with elected officials.

My experience over the years as a council member and a mayor, serving my town and my region on Met Council jurisdictional matters, has led me to believe that the existing model is fundamentally sound but can be improved; and it would not take a major change to improve it. I have seen, based on that experience of well over a decade, no reason, metaphorically, to “throw the baby out with the bath water,” and my work on the Task Force only reinforced those thoughts based upon those experiences.

I have found my thoughts on regional governance not to be just those of a singular elected official, but instead to be entirely consistent with the views of organizations which much more carefully and thoroughly studied the operations of the Met Council than did the Task Force, namely organizations such as the Metropolitan League of Women Voters, the Citizens League, and lastly, a Blue Ribbon Commission convened by Governor Walz himself only three years ago, on which I also served as a member.

These studies all recommended modest governance modifications to the existing model, which changes would add political diversity while maintaining a continuity of knowledge appropriate for a long range planning body and add more transparency to the Board nominating processing, all without upsetting important balances in the region.

While I argued on behalf of cities in the work of the Task Force that changes or improvements should be modest, certain legislators and county officials thought otherwise and have advanced ideas that would significantly reconstitute the Met Council with either directly elected members or populate the Met Council with elected officials from local and county government. My response to these ideas and my perceived shortcomings in the work of the Task Force are shown below.

ARGUMENT

1. The Task Force did not fulfill its legislative responsibilities.

While, during the course of its work, the Task Force received presentations regarding various governance structures and took public testimony on alternative governance structures for our metropolitan region, it did not fulfill all of its legislatively defined responsibilities. The enabling legislation provided for the Task Force to study and make recommendations for the governance of our region and specifically prescribed that a study of the costs and benefits of various governance models be performed. The Task Force did not conduct this most critical analysis of the various models of regional governance being advanced to the state legislature to determine if any of these models were more cost effective and efficient than what we have with our existing model. This is a fatal flaw in the process as a cost/benefit analysis is a critical part of any assessment of potential change.

2. No specific structural problems have been identified with the existing governance model.

The Task Force has not identified specific problems that would be resolved by a change to the existing form of governance for the Metropolitan Council.

While acknowledging that Task Force members and members of the public have articulated individual concerns and disagreements relating to specific decisions made by the Council, and though these concerns are important to the discussion and should be considerations for regional policymaking and operational purposes generally, these criticisms regarding decisions by the Council, in and of themselves, and the outcomes of those decisions, should not be conflated with the notion that those decisions would have been different or not made at all, if we had a different form of regional governance.

3. There is existing accountability for the work of the Met Council.

Counties, in particular, have argued there is a lack of accountability in the existing governance model. Improvement of the existing model will enhance all expressed areas of

concern about accountability and transparency far more effectively and efficiently than creating an entirely new model.

As the Task Force learned, the Metropolitan Council, in its current structure, has defined statutory powers that allow it to plan and operate regional-level infrastructure that includes wastewater, transit, and parks. Existing state laws directly tether the Council to the Governor, the Legislature, local officials, and citizens. These laws include gubernatorial appointment of members, concurrent with a gubernatorial term, the screening of candidates via a statutorily defined nominating process methodology with seven members, three of whom must be local elected officials. Further, Senate confirmation of the Chair and Council is required by law, and numerous longstanding and regularly meeting advisory committees, that require membership by local officials and citizens, such as the statutorily required Transportation Advisory Board, also give guidance to the Council. Such requirements were put into place by design to ensure the Council has sufficient authority to effectively operate the region's infrastructure, while remaining accountable to various perspectives, needs and interests, including those interests at the legislature and in the executive branch of government. Finally, while the Council has taxing authority, the Council's property tax levy is limited by the legislature. It is worthy of note that there has been little to no examination by the Task Force of the structures that importantly underpin the existing governance of the Council and to argue there is a lack of accountability under existing law is accordingly misplaced.

4. The Task Force did not address the role of the Met Council as MPO.

The critically important role of the Met Council, as the federally designated Metropolitan Planning Organization (MPO), was given no attention by the Task Force.

The Metropolitan Planning Area ("MPA") is the area of MPO jurisdiction for planning and programming the use of federal funds. Each MPO defines/selects boundaries for its metropolitan planning area.

The Metropolitan Council serves as the MPO for the Twin Cities region. The Council was first designated as the MPO in 1973 by Gov. Wendell Anderson and the Council's status as the MPO has been reaffirmed by US DOT on four occasions.

What was critically important for this task force to consider, which it did not discuss on a single occasion, is the fact that under federal law (23 U.S.C. § 134(d)), a MPO may only be redesignated by agreement between the Governor and units of general purpose local government that together represent at least 75% of the existing planning area population (including the largest incorporated city). This is a key procedural consideration in the process of thinking about potentially changing the form of governance of the Council. The Council's role as an MPO is presently well established and approval to change the MPO by redesignation is a distinct risk in a different governance model.

Cities, in particular, and the Council's key constituency, are not asking for and do not support the types of changes that have been proposed (i.e., a COG or directly elected officials) by some in the legislature. Cities are responsible for implementing most regional decisions and

policies and what cities recommend is far less dramatic and does not disturb the Council's role as the federally designated MPO. Securing support from local governments that represent 75% of the existing planning area, population may be difficult, if not impossible, to achieve, in a different governance model.

5. **A COG, modified COG and directly elected models of regional governance are fraught with challenges non-existent in the present model of regional governance.**

a. Weaknesses/flaws in a directly elected model.

- i. establishes another layer of elected government;
- ii. significantly more costly for taxpayers;
- iii. could duplicate services provided by local government;
- iv. subject to influence from special interests;
- v. could parochialize the Council;
- vi. destroys citizen involvement at the Council and TAB level.

b. Weaknesses/flaws in Council of Governments Model.

- i. potential conflicts of interest for elected officials also serving as Met Council members due to the broad nature of the Met Council's work;
- ii. impractical for local elected officials to serve who already typically hold two jobs;
- iii. COGs tend to be limited around the country to transportation matters, not the broad range of matters dealt with by the Met Council;
- iv. COG model precludes direct citizen involvement. All Met Council members are citizens and one-third of TAB members are citizens serving the region;
- v. Met Council members spend 40-60 hours per month at their work. City officials and County Commissioners have no such time availability.

Conclusion

While there was near consensus of moving all forms of proposals of models of regional governance to the Legislature, the report, by its very nature, infers there is a need for change with no basis in fact warranting any substantive change to our existing governance model.

In summary, a COG (Council of Governments) gives counties an outsized voice in the region, to the distinct disadvantage of cities, the Met Council's largest constituency. Counties were queried during the work of the Task Force in what way they have been either advantaged or disadvantaged by the existing model of regional governance and they offered nary a single example of such advantage or disadvantage.

A directly elected model, as proposed by some legislators, offers, on balance, more negatives than positives – and all at unnecessary taxpayer expense.

The fact is the Task Force did no more than scratch the surface of understanding of the Met Council's existing operations. There should be no rush to judgment for a change in the model of governance in the region as the existing model has not shown itself to need a major overhaul or replacement, but only some refinement work.

Cities support common sense and careful changes to the existing form of governance. They are prudent changes with no new burden to the region's taxpayers. So fix what we have, but don't abandon the good in favor of the uncertain for no good reason.

Respectfully submitted,

James B. Hovland
Mayor, City of Edina, MN