

# **Section 9**

**An Approach to Regional Government in Minnesota  
January, 1969**

**AN APPROACH TO  
STATE REGIONAL ORGANIZATION  
IN MINNESOTA**

*January, 1969*

**Public  
Administration  
Service**

**CHICAGO  
ATLANTA  
SAN FRANCISCO  
WASHINGTON**

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Service**



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March 7, 1969

Mr. Dave Kennedy  
Director  
Office of Local and Urban Affairs  
State Planning Agency  
State of Minnesota  
St. Paul, Minnesota

Dear Mr. Kennedy:

We are pleased to submit our report, An Approach to State Regional Organization in Minnesota, January, 1969, prepared in accordance with our contract entered into May 10, 1968, with the State Planning Agency.

The following members of our regular field staff participated in the study and the preparation of the report: Roger Buchanan, Dewey Bryant, Jerry Keyes, and Harry Toulmin. Mr. Toulmin had primary responsibility for directing the study.

We want to take this opportunity to express our appreciation for the cooperation and assistance provided by members of your staff and many officers and employees of state and local agencies. We wish you every success in your efforts to improve state regional operations, and we hope you will find the proposed pilot project to be a useful tool in this endeavor.

Sincerely yours,

*G. M. Morris*

G. M. Morris  
Associate Director

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## I. INTRODUCTION

This report is concerned with what is today termed "state regionalism." This term now refers to the creation of multicounty geographic areas to administer designated state and federal service programs. The focus of the report is upon state regionalism as a means of improving interagency coordination of state field operations, services, and programs.

In one sense, the practice of regionalism within any state is likely to be as old as the state itself. Counties were initially--and continue to be--one manifestation of state regionalism. When states were first formed, they were often subdivided into very few and very large counties; that was regionalism. As settlement and development proceeded and populations increased, those few large early counties were subsequently subdivided into many more smaller counties; that, too, was regionalism.

In recent decades, there has been a reversal of the population patterns which characterized the early settlement of the nation. Industrialization has concentrated more and more of a state's population in a few large urban areas. That development has been accompanied, among other things, by developments in instant communication, fast and convenient transportation, and a significant increase in the services provided by state and federal governments. As the state and federal governments increase their activities, they have organized their programs on the basis of districts which comprise various administrative subdivisions of a state; that also is regionalism.

The decline of population in outstate areas and the technological ability to administer and supervise services over larger geographic areas have led to the creation of multicounty districts (or regions) by state and federal agencies. Such districts or regions tend to vary from one program to another and seldom have the boundaries coincided. This lack of geographical congruence has added another obstacle to achieving



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coordination and cooperation between various public agencies and programs. Some steps have been taken by the federal government to minimize the creation of new and separate multicounty regions, and federal agencies have been directed to observe multicounty boundaries established by state authorities to serve multiple purposes. This study addresses the issues and feasibility of adapting such state-determined regions to serve the programs of state agencies. Utilizing the same multicounty administrative regions would enhance the opportunities for coordination among federal, state, local, and public endeavors and, incidentally, achieve desirable decentralization of state operations.

The study upon which this report is based evaluated emerging concepts of regionalism in terms of their applicability to Minnesota by (1) reviewing the existing multicounty arrangements of various federal, state, and local agencies in Minnesota and (2) considering alternative regional organizational and administrative mechanisms for use by the State in better serving its citizens and localities. A pilot area was selected for intensive examination and the development of a pilot program to allow limited field testing of regionalized state services which could be coordinated with the activities of federal agencies and local governments.

#### Summary of Related Studies

This study is but one of several companion or interrelated studies. As will be shown later in this report, these other studies, and the decisions made relative to them, can have a critical influence upon the effectiveness of state and regional organization. The companion studies referred to are the following:

1. Study of state executive organization by the Governor's Council on Executive Reorganization, resulting in the following reports: Modernizing State Executive Organization, Government of Minnesota, 1968, Public Administration Service, and Executive Reorganization for the Improvement of State Government, State of Minnesota, 1968, Report of the Governor's Council on Executive Reorganization.

2. Regional Development Systems in Minnesota, December, 1968, John S. Hoyt, Jr., Consultant, for the Minnesota State Planning Agency.
3. Regional and Intergovernmental Relations in Minnesota, St. John's University, Consultant, for the Minnesota State Planning Agency.

Each of these reports deals with issues related to achieving the objectives of this study. The first of these, dealing with executive organization of state government in Minnesota, recommends major consolidations of state government programs. Simplification of the organizational structure of state government in Minnesota would in itself permit coordination of both planning and administration of the State's field programs to be more easily effected.

The second study, Regional Development Systems in Minnesota, recommends the adoption of a common set of substate regions for use by state, federal, and local governments as well as the private sector. If coordination of state government regional activities is to be achieved, then such a common set of regions has to be adopted.

The third study, Regional and Intergovernmental Relations in Minnesota, deals with interlocal governmental relations and proposes means to achieve greater coordination of local activities by establishing local regional organizations. It is felt that such local regional organizations are necessary to complement what is done to effect regional coordination of state government programs through state regional centers.

#### Methodology

The first step in this study was to select, with the assistance of State Planning Agency personnel, an outstate area in Minnesota where the proposal for a pilot state regional center could be tested. The site selected for this purpose is a 17-county area, designated as Planning Area E in the Governor's Executive Order of November 13, 1967, in southwest Minnesota (see Map B, page 33). The reasons for selecting this area are discussed in the last chapter of this report. Both the research

and the proposal for a state regional center were designed around this area.

Preliminary to the intensive study within the designated areas, a general review was conducted of state government regional practices in Minnesota. This review was done primarily through interviews with officials of state agencies with major field operations. The purpose of these interviews was to determine the manner in which state government field programs are administered from St. Paul and to identify the obstacles to effective administration of field operations, as viewed by these officials. In addition, material was gathered on the activities of federal agencies and private organizations involved in major regional activities in Minnesota. This preliminary fact-gathering exercise helped the staff gain a perspective of all state operations that might not be gained in the study that was planned for the selected area in the southwest. This perspective has been helpful in tempering the recommendations for the pilot state regional center so that the proposal could, without major revision, be carried out in any region of the State.

It became apparent in the early stages of this study that no previous experiences, from which information or ideas could be drawn, specifically related to the objectives of this study. A number of states have established standard substate regions, but invariably these regions are being used either to foster the growth of local regional organizations or to serve state planning purposes. It appears that no state has devised a state government administrative system to coordinate state government and related activities at the field level, which is the concern of this study. In a sense, then, the subject of this report is innovative. Literature dealing with the subject was not available and little was to be gained from the experiences of other states.

Planning Area E was then studied in depth. A month was spent in the area interviewing officials of state, federal, and local government agencies and private organizations. However, again, the primary focus of this part of the study was state government activities. Information was obtained about the location of personnel, the purpose of various

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programs, the administrative structures of field offices, the administrative relationships between field personnel and their respective central offices, and problems field personnel were experiencing in coordinating their efforts with personnel from other agencies performing related functions.

The remainder of the study was devoted to analyzing the information that had been gathered and, on the basis of this analysis, devising the proposal outlined in the last chapter of this report.

#### Summary of Major Conclusions

A number of conclusions have been reached as a result of this study. These conclusions are summarized as follows:

1. While substate regional boundaries have not been the principal concern, it is apparent that there exists a need for a standard set of substate regional delineations that could be utilized by state, local, and federal government agencies and private organizations. Duplication of efforts, lack of coordination, and the maze of confusion that surrounds governmental and private endeavors is attributable, to some degree, to the lack of uniformity in the substate geographic units that are used by governments and the private sector for both planning and administrative purposes.
2. There is need to disperse state agency personnel from St. Paul to field offices. This is particularly true in the case of supervisory personnel. Authority and responsibility need to be brought closer to where program administration is taking place and where decisions can be effected. The concentration of supervisory personnel in St. Paul means field personnel receive less than satisfactory guidance and control, and field program leadership is not commensurate with authority and responsibility. It is not anticipated that decentralization will take place immediately. However, it can be sought as a medium- or long-range goal along with that of strengthening responsibility and authority for program planning and execution at the field level.
3. Very closely related to the need to decentralize personnel is the need to reorganize the State's executive branch of

government. This may be another long-range goal. Achieving more efficiency in program administration and better program planning of state government activities depend much on modernizing the structure of the executive branch of government and reducing the proliferation of state executive departments, agencies, and commissions. The confusion that attends program planning and execution at the state level is compounded by the time plans and administrative directives are received by field personnel. This is not to suggest that better coordination of field plans and operations is dependent upon state executive reorganization. Real effectiveness in state government field operations, however, will not be achieved without a major state executive reorganization.

4. The state should encourage the formation of local regional organizations that could utilize the services made available by a state regional center. Local regional organizations would complement the efforts of the state by providing some coordination of local activities.
5. If the State does undertake a pilot experiment to test the feasibility of a state regional center, such an experiment should be of modest proportions, and its programs should consist of efforts that will have visible results. Consequently, a pilot state regional center should concentrate on physical developmental efforts and technical assistance to local governments rather than on social service-type activities which are less visible.

#### Organization of the Report

The following three chapters deal with both the problems and the steps that should be taken to improve the administration of state government field operations. The second chapter is a survey of major regional programs in Minnesota, and it documents the problems associated with the proliferation and lack of control over substate districting practices. The third chapter discusses the steps that need to be taken to effect both the immediate and long-range goals of improved administration of state government field operations. The fourth chapter describes the proposed pilot program for testing the feasibility of coordinating state government field programs through a state regional center. An inventory of state, federal, and local government activities is appended.

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## II. A PROFILE OF REGIONALISM IN MINNESOTA

Within Minnesota, regionalism has become an accepted practice. This is reflected by the number of organizations, both public and private, which have been formed to deal with field and sometimes interjurisdictional problems. These regional entities have not developed in any orderly pattern. Rather, their genesis appears to have been dictated by the responses to particular problems by the group or groups creating them. The lack of order is readily apparent. Coterminous boundaries among these various regional organizations seldom occur. Duplication of purpose and, consequently, of effort is common. Coordination of effort, in terms of planning and implementation, seldom is present. This chapter describes the more prominent regional developments in Minnesota and present a sampling of the different types of regional organizations. These regional organizations will be categorized under the following headings: (1) interstate; (2) metropolitan; (3) special purpose and development; (4) state; (5) federal; and (6) nongovernmental.

### Interstate Regional Organizations

Among regional developments, those of an interstate nature are possibly the most ambitious in both their design and their objectives. Regionalism on an interstate basis is common throughout the United States and is a response to the need for a problem-solving mechanism permitting cooperative efforts between adjacent states faced with a wide array of mutual concerns. Possibly the most common regional interstate activities have focused on problems associated with river drainage basins. However, other concerns such as those associated with poverty, economic development, conservation, tourist promotion, industrial growth, etc., have been approached through interstate compacts. Minnesota has been, and continues to be, a party to many such interstate regional developments.

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Upper Great Lakes Regional Development Commission

Possibly the most ambitious regional endeavor of an interstate nature in which Minnesota has become involved is the Upper Great Lakes Regional Development Commission. This Commission was formed under authorization of Title V of the Public Works and Economic Development Act of 1965. The act authorized economic development areas for multi-state regions which share economic, geographic, historic, and cultural bonds. Thirty-eight counties in north and central Minnesota are a part of the Upper Great Lakes Region, which also includes parts of northern Wisconsin and Michigan. The Commission is one of five such regions created under the act. Its scope of responsibility includes developing both long-range comprehensive economic development plans and implementation of such plans. The Commission consists of one member from each state, either the Governor or his assigned representative, and a federal cochairman appointed by the President. The Commission has a professional staff which is charged with administrative responsibilities pertaining to program development and implementation. Among the projects the Commission has undertaken to date are: (1) defining goals and a strategy of operation; (2) investigating tourism opportunities in the region; (3) identifying growth areas and centers; and (4) delineating development districts. Funding has been principally by the Economic Development Administration, which has obligated close to \$3,000,000 of its own funds for use by the Commission.

Other Interstate Organizations

While the Upper Great Lakes Regional Development Commission is possibly the most notable example by which Minnesota has recognized its interdependency with other states, it is not the only example of interstate regionalism involving Minnesota. Other regional organizations, including parts of Minnesota and parts of other states, have been formed to address other problems. Some of these other interstate regional organizations and their stated purposes include:

1. The Arrowhead Region Planning Council for Health Facilities and Services, consisting of northeastern Minnesota and Douglas County, Wisconsin. Its basic objective is to assess the adequacy of health facilities and services in the region and plan for the future health requirements of the area.
2. The Northern Great Lakes Area Council, consisting of Minnesota, Wisconsin, Michigan, and the Province of Ontario, Canada. The basic objective of the Council is to help expand the tourist-travel industry and to promote the natural resources of the Northern Great Lakes region.
3. The Northern Great Lakes Resource Development Committee, consisting of northeastern Minnesota, northern Wisconsin, and northern Michigan. The objectives of the Committee include mobilizing the region's resources for human development, managing the region's natural resources, promoting tourism and the industrial potential of the area, improving land and water use, and stemming out-migration.

These illustrations are but some of the interstate regional developments affecting Minnesota. The common feature is a recognition that common problems required an interstate problem-solving mechanism.

#### Metropolitan Regional Organization

Within the State, regionalism has also manifested itself as an approach to solving some problems of the Twin Cities and other metropolitan areas. Of all the possible settings, metropolitan areas are the most natural places for its use. It is in heavily urbanized metropolitan areas that political boundaries and natural service areas have the least congruence, and it is there that fragmented jurisdictional authority most seriously impedes orderly areawide development.

#### Metropolitan Council

The most prominent example of metropolitan regionalism in Minnesota is the Metropolitan Council, the successor of the Metropolitan Planning Commission. This Council was formed in 1967 to facilitate a more orderly development of the Twin Cities Metropolitan Area, by creating a single



administrative body with authority to review and coordinate plans and programs which are of metropolitanwide significance. The purview of this authority is set forth in the Metropolitan Council Act:

"In order to coordinate the planning and development of the metropolitan area comprising the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, it is in the public interest to create an administrative agency for that purpose."

The Council is an explicit recognition by the Legislature that many metropolitan problems require a regional approach for effective solution.

#### Minneapolis-St. Paul Metropolitan Airports Commission

This Commission was created by the Legislature in 1943 and subsequently was given authority over the construction, operation, and maintenance of all airports owned and operated by the Commission. These airports include the Minneapolis-St. Paul International Airport, the St. Paul Downtown Airport, and the Anoka County, Crystal Field, Flying Cloud, and Lake Elmo field airports.

#### Twin Cities Area Metropolitan Transit Commission

This Commission was authorized by the Legislature in 1967. Its jurisdiction comprises Hennepin, Ramsey, Anoka, Washington, Dakota, Scott and Carver Counties. Its objective is to develop a comprehensive mass transit system for the seven counties included within the Twin Cities Metropolitan Area. To accomplish this objective, the Commission is authorized to purchase public transit systems and construct terminal facilities.

#### Minneapolis-St. Paul Sanitary District

This district was formed by legislative authorization for the express purpose of promoting the public health and welfare of the Twin Cities by developing an adequate and efficient method for disposing of domestic and industrial waste. To accomplish this objective, the district

has been empowered to construct and maintain waste disposal systems and regulate and control the discharge of industrial waste in the metropolitan area.

#### Head of the Lakes Council of Governments

A recent move to another type of metropolitan regional organization was creation in 1968 of the Head of the Lakes Council of Governments (HOTL COG). This is a voluntary interstate regional agency consisting of the City of Duluth, Proctor Village, Hermantown school district, St. Louis County, and the towns of Midway, Herman, Canosia, Rice Lake, and Duluth in Minnesota; and the City of Superior, Oliver and Superior villages, Superior school district, Douglas County, and the town of Parkland in Wisconsin.

#### Ad Hoc Groups

A number of ad hoc groups have been organized to deal with special multijurisdictional problems. Planning commissions, formed to conduct land use and transportation studies in Minnesota, are an example of such groups. The studies these commissions have undertaken are another manifestation of the need to integrate the plans and actions of distinct political communities within an emerging metropolitan area. In fact, the land use and transportation studies conducted in the Twin Cities and Duluth-Superior areas provided the basis for the subsequent development of the Metropolitan Council and the Head of the Lakes Council of Governments, respectively.

The studies that have been made are a result of federal legislation which requires that urban communities of more than 50,000 population cooperate in the formulation of comprehensive long-range highway plans and programs, taking into consideration the effects of transportation plans upon the future development of the community. To date, seven such studies have been made in the State and each has encompassed a multijurisdictional area, lending further credence to the need for integrating interjurisdictional planning and development in metropolitan areas.

## Special Districts and Development Districts

Special purpose districts and districts established for the purpose of the economic development of special areas in the State have been formed throughout Minnesota. Special purpose districts are exclusively local governmental in character, while development districts have been formed under the impetus of federal legislation.

### Special Districts

While special districts are not, in all cases, multicounty in their jurisdictional boundaries, they do illustrate the inadequacy of established units of local government, including cities, towns, villages, and counties, for solving certain problems. Such districts are formed to provide specific services or to perform certain governmental functions. Minnesota has numerous special purpose districts, as do most states. These include watershed districts, mosquito control districts, airport districts, transit districts, drainage districts, and sanitary districts, to mention but a few. Special purpose districts are usually authorized by legislation and organized by local citizens in accordance with the provisions of state statutes. Special purpose districts may be vested with taxing powers. However, many rely upon special service charges as their chief sources of revenue.

### Development Districts

There are a number of organizations in the State which have been formed for the purpose of concentrating on the economic development of multicounty areas. Possibly two of the most significant regional entities that have been created for this purpose are the Arrowhead Economic Development District and the West Central Minnesota Resource Conservation and Development Project.

Arrowhead District. This district was organized under the same legislation through which the Upper Great Lakes Regional Development Commission was created, viz., the Public Works and Economic Development Act

of 1965. The district includes Carlton, Cook, Itasca, Koochiching, Lake and St. Louis Counties in northeast Minnesota. The purpose of the district is to provide the regional framework for the economic development of the six-county area. To date, the principal undertakings by the Arrowhead District have been to develop an Overall Economic Development Program (OEDP), which included an analysis of the economy of the region, identify various segments of the economy which were considered to have potential growth possibilities, formulate goals for the region, and outline a number of projects to be undertaken for its economic development. The district is now moving to implement the projects it has planned.

Resource Conservation and Development Projects. The West Central Minnesota RC&D project is another multicounty organization which is concerned with regional economic development. It is one of 10 initial pilot projects in the country approved by the U. S. Department of Agriculture under authorization of the Food and Agricultural Act of 1962. It is organized to include Kandiyohi, Pope, Swift, Otter Tail, and Wadena Counties. While the West Central is the only operational RC&D in Minnesota, another RC&D in east central Minnesota has been authorized for planning purposes. The principal objective of an RC&D is to demonstrate to local people how they can accelerate the growth of their area by regional coordination of existing programs into a unified project.

To date, the West Central RC&D has spent over \$5 million for projects that have been completed or are currently under way, and projects valued at an additional \$57 million have been planned. The over 100 projects which have either been completed or are in process of execution include forest utilization and marketing surveys, cropland conversions, a high rise apartment, an alfalfa dehydration plant, and vacation and trout farms. The project represents a mix of local, state, and federal government participation, as well as private citizen involvement, in both the planning and implementation of individual projects.

## State Agency Regional Practices

The confusion attendant to the lack of uniformity in substate districting practices is best exemplified by regionalism as it has been used by agencies of state government. The number of different substate regional delineations that have been made by the State outnumbers the agencies of state government in Minnesota. What follows is a brief overview of state government substate districting practices and illustrations of some of the more pronounced "abuses" of the practice.

### An Overview of State Agency Regional Practices

State agencies have long recognized regionalism as necessary to effective administration of their programs. When their programs have required it, state agencies have delineated regions for field operations and for planning purposes. Some of the larger agencies have been able to locate staff in designated regions. Others headquarter field personnel in St. Paul from whence they travel periodically to assigned regions or districts. However, there has been virtually no attention given to districting practices from the standpoint of over-all state concern. In a consultant study of Regional Development Systems in Minnesota, the substate regional practices of 20 executive state government agencies and 4 state agencies related to higher education were documented. Out of these 24 state agencies, 93 substate regional delineations were identified. Of these 93 delineations, only 10 conform to the 11 economic regions delineated by the Governor in an executive order promulgated on November 13, 1967. With the exception of these 10, very few of these substate geographic boundaries are coterminous. Both between agencies, and among the respective divisions and programs within individual agencies, there is little uniformity in the substate boundaries that are used. As the consultant's survey covered less than half of all state government programs, it is clear that regionalism as it has been employed by agencies of the State, has become grossly inconsistent and therefore a deterrent to achieving interagency coordination of state field programs.

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### Illustrations of State Agency Regional Practices

Some specific examples of individual state agency regional practices will illustrate inconsistencies and variations in state field organization.

Executive State Agencies. In some instances, individual state agencies have not made substate delineations for certain aspects of their program: for example, the Department of Aeronautics, the Division of Vocational-Technical Education of the Department of Education, and the Soil and Water Conservation Commission. In each case, all field personnel are headquartered in St. Paul and may travel anywhere in the State. Other agencies, such as the Iron Range Resources and Rehabilitation Commission, have programs which are not statewide and, in such cases, the agency's region(s) are confined to only a portion of the State. However, for the most part, state executive agencies have made a number of different district delineations to meet the presumed requirements of their respective program responsibilities. In the case of the Department of Economic Development, which is a relatively small agency, four distinct sets of substate regional delineations are used. One set is used for field services, another for industrial development, a third for tourism, and a fourth for the Governor's Tourist Conferences.

The Department of Taxation uses nine distinct sets of substate delineations for different programs. For example, separate regions or districts have established for auditing taxes on cigarettes, income, and petroleum; for statistical purposes; for property appraisals; for the administration of sales and use taxes and the petroleum tax; and for seeking tax compliance.

Finally, the Departments of Conservation, Public Service, and Public Welfare are relatively large state agencies which have failed to develop a consistent set of substate delineations for their divisions and programs. Conservation uses five separate sets of regions, one for each division within the department. Public Service utilizes four sets of regional delineations, including one each for the Motor Bus and Truck Inspection Division and the Livestock Buyers Division, and two for the Division of Weights and Measures. The Department of Public Welfare

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has at least 12 distinct sets of regions, including 2 for the Field Services Division, 5 for the Child Welfare Division, and 5 for the Medical Services Division.

In some of the agencies illustrated above, the rationale for substate delineations may have been to equalize the work loads of field personnel. In other cases, there does not appear to have been any particular rationale for the boundaries. In few cases has compatibility of regions as a means of interprogram and interagency correlation of effort been observed as a desirable objective or criterion.

Higher Education. Both state colleges and junior colleges have been established in outstate areas to service residents of the regions in which they are located and of the State as a whole. In the case of junior colleges, regional service means essentially providing post high school education to college age residents within a college's regional service area and meeting the particular educational needs of its area. In the case of the state colleges, in addition to their education responsibilities, they are intended to assist the communities within their service regions by acting as research, cultural, and educational centers.

The Agricultural Extension Service of the University of Minnesota has also turned to a multicounty regional approach in its efforts to provide better services to the rural areas of Minnesota. Area specialists have been designated by the Extension Service to provide expertise in specialized fields of agriculture. In addition, the Extension Service has delineated the State into regions for administrative purposes and has assigned regional supervisors to each for coordinating and supervising the programs of the county agents within each region.

#### Federal Agency Regionalism

In addition to its involvement in such regional organizations as the Upper Great Lakes Regional Development Commission, the Arrowhead Economic Development District, and the Resource Conservation and Development Projects, the federal government is more directly involved in

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providing services on a regional basis through the U. S. Department of Agriculture (USDA). Regionalism is used by USDA both for the administration of agency programs and by Technical Advisory Panels (TAPs) that have been formed throughout the State.

#### USDA Agencies

Most USDA agencies, such as the Agricultural Stabilization and Conservation Service, the Soil Conservation Service, and the Federal Crop Insurance Corporation, are organized within county boundaries. However, in addition to county offices, these agencies are regionalized for the supervision of their programs of respective county offices.

#### Technical Action Panels

In addition to regional delineations for the supervision of individual agency programs, the USDA has been instrumental in the formation of regional organizations known as Technical Advisory Panels. TAPs have been formed by the USDA as a mechanism for coordinating not only the respective USDA agency programs, but also as a coordinative device for other organizations, both public and private, which voluntarily associate with individual TAPs. While TAPs were organized originally at the state and county level, they have recently been formed on a multicounty basis as well. TAPs are now organized in each of the 87 counties of the State and in seven regions. The latter conform in their configuration to the planning areas designated by the Governor.

#### Nongovernmental Regional Associations.

There are a number of private organizations which perform functions that are regional in character and which, in many respects, parallel the efforts being made by government agencies. Five economic development associations in the State and the Lutheran Social Services of Minnesota illustrate the diverse purposes for which private regional organizations have been formed.



### Economic Development Associations

Associations of an economic developmental character have recently begun to be organized in the State. To date, there are five which are active and one is in the embryonic stage. While each of these associations is unique, with budgets ranging upward to \$100,000 annually, each has been formed for the purpose of developing an intercommunity regional partnership to achieve economic viability and growth within its area. Projects which these associations have undertaken include tourist promotion programs, contacting businesses and industrial firms that might be attracted to locate facilities in their communities, conducting research to develop a clearer picture of their areas' needs and potential, and a variety of other activities which could prove economically beneficial to the communities within their regions.

Three of these associations have been sponsored by the State Department of Economic Development, including the Southwest Economic Development Association, the River Bend Association, and Towns United. Impetus for the formation of the other associations has come from private citizens and local government officials who have recognized the correlation between regional cooperation and the economic rebirth of their individual communities. The associations formed almost exclusively through local initiative include the Northeastern Minnesota Development Association, the Southeast Minnesota Industrial Development Organization, and one referred to locally as "I-90."

### Lutheran Social Services of Minnesota

This organization provides family counseling services through three regional centers located at Moorhead, Rochester, and Willmar, serving the northern, southeastern, and southwestern parts of the State, respectively. In addition, the Lutheran Social Services maintains six residential homes in various parts of the State for children and juveniles. Through its centers and institutions, the Lutheran Social Services of Minnesota supplements the welfare programs of state, federal, and local governments.

III. ORGANIZING FOR EFFECTIVE STATE  
REGIONAL COORDINATION AND SERVICE

Achieving optimum organization for effective state regional coordination in Minnesota can only be a long-range goal. Viewing the problem comprehensively, a number of prefatory steps must be taken-- simplifying over-all state executive organization, improving state agency field organization, systematizing state and federal regions in Minnesota, and developing effective local multijurisdictional organizations. The ultimate goal should be a highly productive regional arrangement wherein state, local, and federal agencies, and the private sector, could make maximum contributions to the common welfare.

This is no small undertaking. In no state has the desired goal been achieved. In fact, in none have more than preliminary, experimental steps been taken; and rarely have long-range objectives, or the steps prerequisite to their attainment, even been clearly perceived. Minnesota, in consequence, must in large measure pioneer in regional organization and coordination if it is eventually to achieve optimum arrangements.

Prerequisites to Effective Regionalism

The studies companion to this dealing with state executive reorganization, delineation of state regions, and multicounty local organizations all have important bearings upon state regional coordination and service.

General State Executive Reorganization

The over-all structure of state government is needlessly fragmented as has been documented by the Governor's Council on Executive Reorganization. The organization of the State's executive branch is portrayed in Chart I. It consists of 85 important separate agencies, exclusive of some 200 advisory and state-related bodies.

Such an expansive organization cannot be effectively managed-- either for central or field activities. To facilitate improved general management and executive control, the Governor's Council has proposed significant functional consolidations of existing agencies. The structure which it has proposed is shown in Chart II. Essentially this new structure, if approved, would result in a strengthened role for the State's chief executive, the creation of an Executive Office of the Governor to consist of a number of staff, service, and coordinative units; and the functional combination of the now numerous operating agencies into only about 10 major line departments.

#### Opportunities for Improved Field Administration

Over-all strengthening of the executive branch through organizational simplification, functional alignments, and the consolidation of activities into fewer departments have important implications, but they are not ends unto themselves. They are means toward further executive refinements. The next phase, beyond general executive reorganization, would be to organize each department internally for the efficient accomplishment of its intended purposes. In this process, attention should be given both to the logical organization of each agency's central components and also to the organization of its field staff.

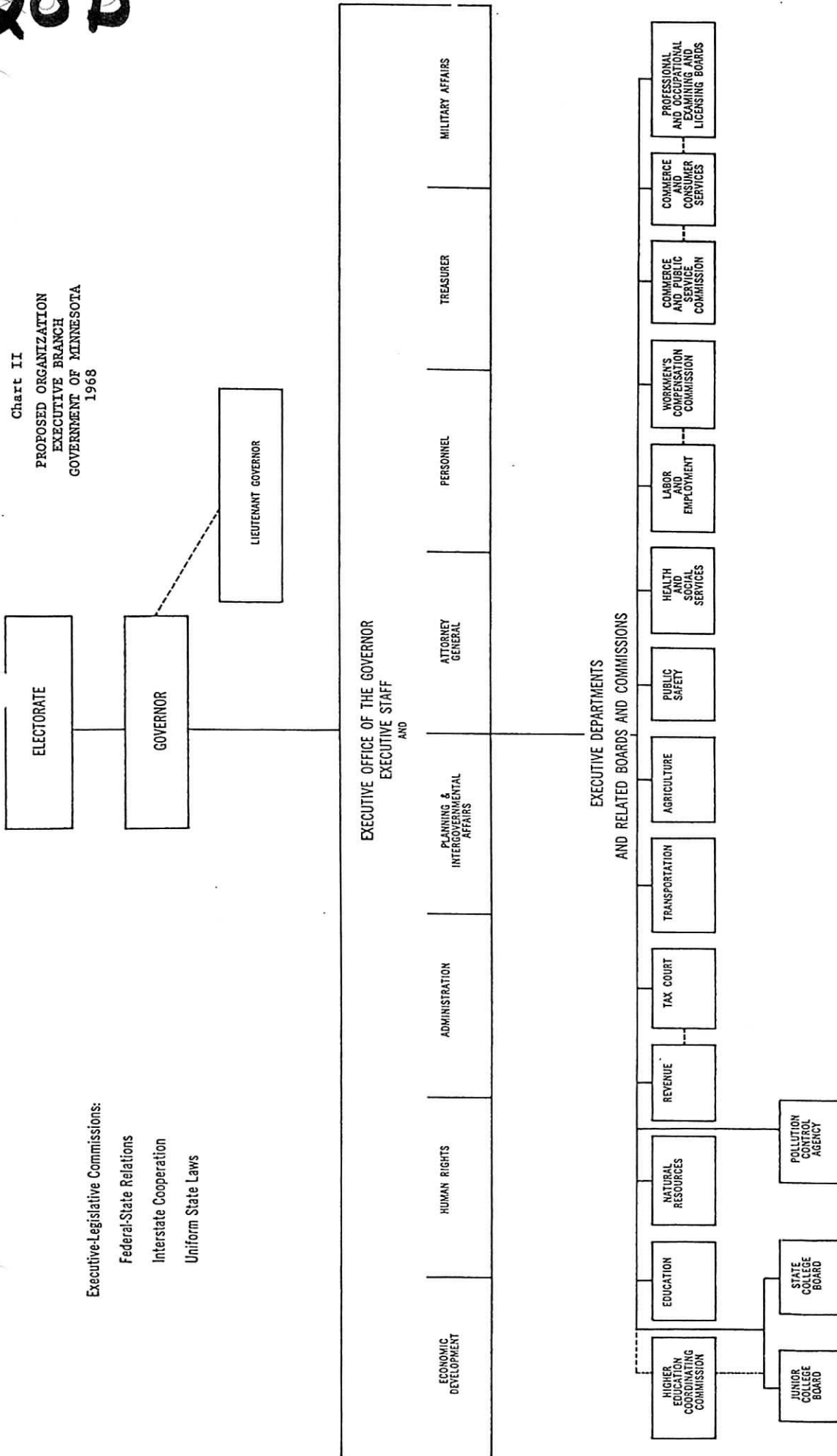
Most desirably, each operating department should have: (1) central staff components to provide legal, administrative, program planning, and public information services; (2) a group of central program divisions responsible for developing standards and regulations relevant to their respective programs; and (3) an efficient field organization responsible for the field administration of those departmental activities which have field implications.

From the point of view of this study, the last item (3) is most important. It assumes that whenever possible all field operations of a given department would be organized into common regions, that each region would be headed by a director, and that each regional director would be responsible to the department's commissioner or to another official located organizationally high in the department's administrative hierarchy.



20-B

Chart II  
PROPOSED ORGANIZATION  
EXECUTIVE BRANCH  
GOVERNMENT OF MINNESOTA  
1968



The points made above are best illustrated--and Chart III diagrams a state department organized in the manner described. The Department of Agriculture, reorganized to include functions proposed for it by the Governor's Council on Executive Reorganization, has been chosen for the illustration. By contrast, there is shown in Chart IV the Department of Agriculture as it is organized today. Chart IV illustrates the traditional pattern for organizing a state agency which has multiprogram responsibilities.

The structure shown in Chart III has definite advantages over that portrayed in Chart IV--particularly in terms of more effective field organization and direction:

1. It focuses all programs of the department which have field implications upon common regions.
2. It concentrates authority and responsibility for all performance in a given region upon a single individual, viz., its regional director.
3. It concentrates authority and responsibility for all field operations of the department upon a single, highly placed official in the agency's hierarchy (in the illustration--Chart III--upon a deputy commissioner for field operations).

The structure portrayed in Chart III could have other important advantages in field organizational development. To the extent this organizational pattern could reasonably be employed, it could permit a department to retain in its central office only a minimum of its most highly professional program specialists; the greater number of its professional and technical personnel could be transferred to the field and there form the nucleus of a strong regional organization.

Organization is not such a precise endeavor that the "model" shown in Chart III could always be employed. Departmental structure must be tailored to the needs of individual agencies. However, to the extent that the principles portrayed in Chart III could be observed, they would both facilitate and simplify central program development and field program execution. In the latter case they could, in particular, serve to facilitate interagency coordination in the field--as will be seen more clearly hereafter.

Opportunities for Interagency Coordination

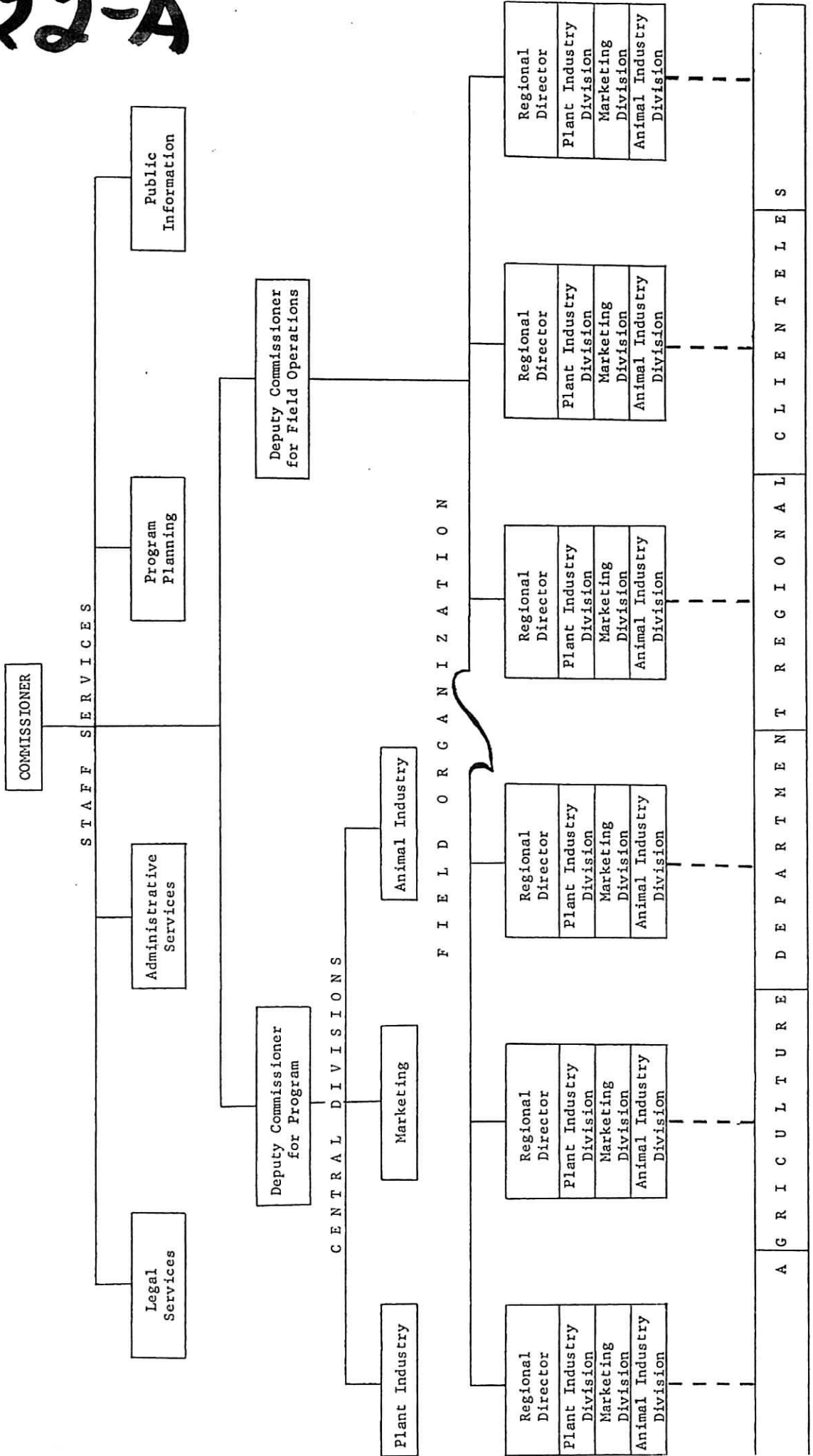
If recommendations of the Governor's Council on Executive Reorganization were adopted, the task of over-all interagency coordination would be greatly simplified. This can be clearly discerned by comparing the state government's present structure (Chart I) with the simplified organization recommended by the Governor's Council (Chart II). It should be easier to coordinate 10 individual departments than many times that number. Furthermore, the Governor's Council proposed improved staff and interagency coordinative devices in an "Executive Office of the Governor." In the words of the Council, it was recommended that this Executive Office be "developed through enlargement of the present Office of the Governor (which would be) strengthened in terms of personnel and coordinative capabilities."

From this language it would seem clearly the intent of the Reorganization Council that the Governor be equipped with adequate staff support to assist him with interagency coordination at least at the central level of state government. An extension of this coordinative role of the Governor's Office might also be employed advantageously to achieve improved interagency cooperation and coordination in the field. This assumes consistent or fairly consistent state regional delineations. This subject is discussed below. But, assuming such consistent state regions, an interagency regional coordinator (or "state government regional representative") could be assigned to each region. As a representative of the Executive Office of the Governor--without authority to compel compliance, but merely through wise use of his liaison position--such an official could stimulate and encourage coordination and cooperative efforts between key field representatives (regional directors) of state departments. In this way the coordinative role of the Executive Office of the Governor could be brought to bear upon regional operations of the government in the same way that its coordinative influence would be felt by central departmental elements in St. Paul.

22-A

Chart

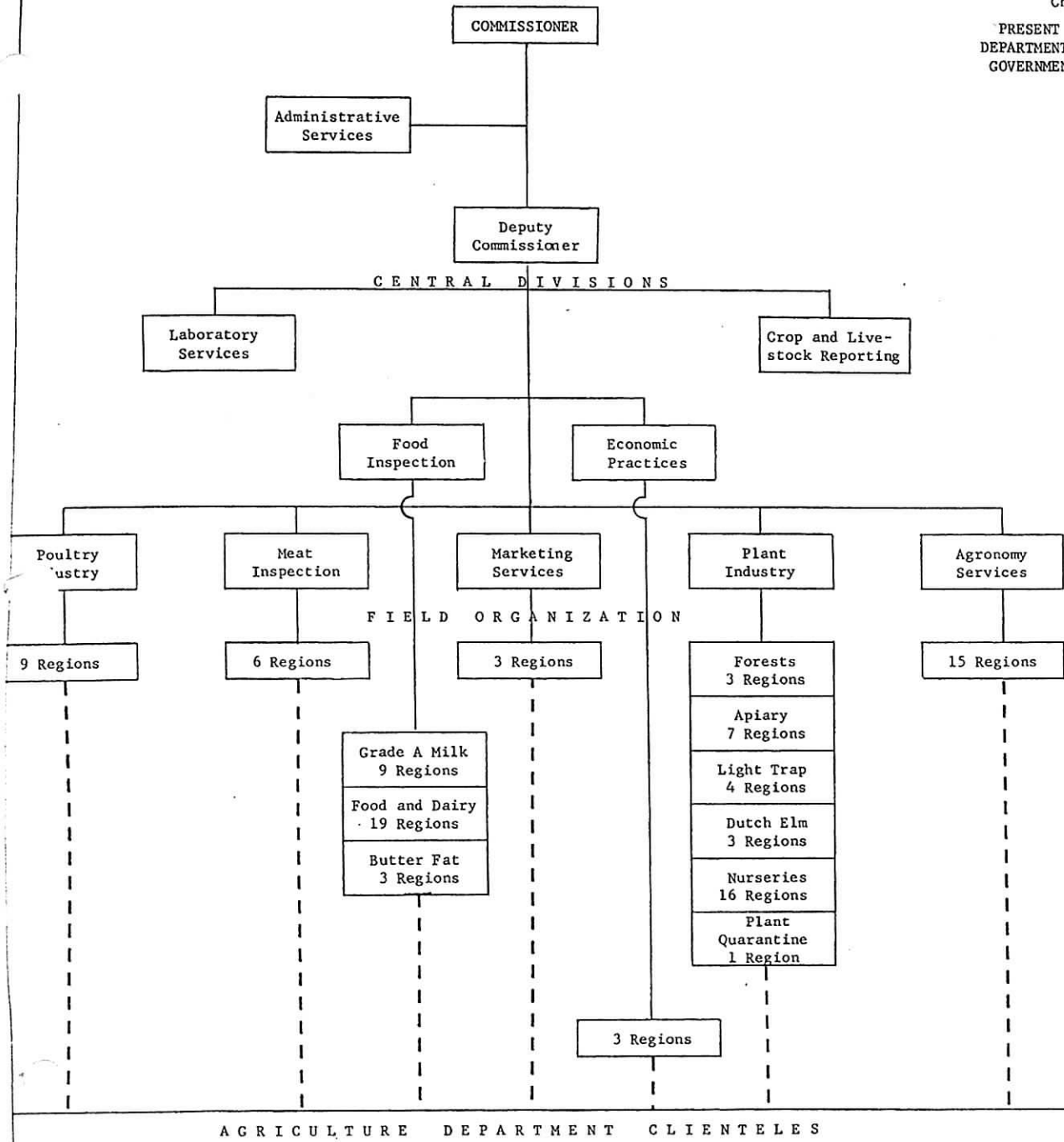
HYPOTHETICAL FUTURE ORGANIZATION  
DEPARTMENT OF AGRICULTURE  
GOVERNMENT OF MINNESOTA





# 22-B

Chart IV  
PRESENT ORGANIZATION  
DEPARTMENT OF AGRICULTURE  
GOVERNMENT OF MINNESOTA  
1969



REGOR, TX-LOCUST GROVE, GA  
U.S.A.

Summary

Sub-state delineations 14  
Sub-state regions 101

### Consistent State Regional Delineations

Pursuant to studies by the University of Minnesota and the State Planning Agency, Governor Harold LeVander, on November 13, 1967, by Executive Order No. 9, delineated 7 planning areas and 11 economic regions of the State. The areas and regions so prescribed are shown on Map A. It was stipulated by the Governor in this order that the delineations would be used on a trial basis for comprehensive planning purposes through December 31, 1968, and could be used voluntarily by state agencies for administrative purposes.

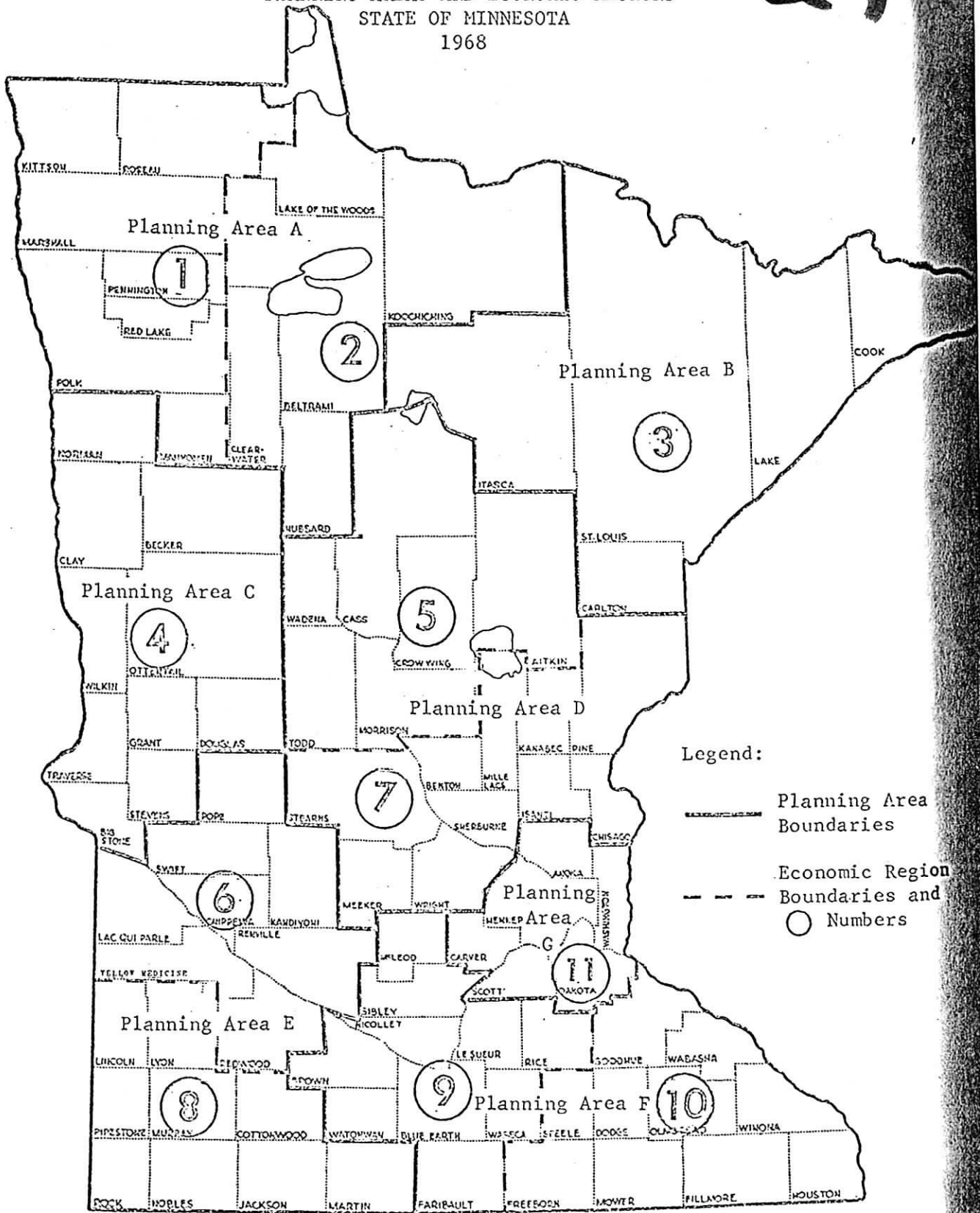
During the trial period, the delineations were to be evaluated to determine their efficacy. The report of the consultant engaged for this task has now been rendered, and it confirms the 11 economic regions specified earlier by the Governor. They are referred to as "building blocks" or parts of a regional development systems concept. They, or aggregations thereof, could be used for planning, developmental, and/or administrative purposes; and issuance of a new executive order incorporating the regional development systems concept was recommended by the consultant.

It is not within the purview of this report to judge the efficacy of the proposed 11 regions. Much work has gone into their determination, both prior and subsequent to the Governor's earlier executive order. This report does, however, strongly endorse a standard system of official, multi-purpose state regions. Such a system is essential to achieving coordination of state agency field operations. It must be noted, however, that there would appear to be no utility in having separate regions for state planning and state operational purposes. Planning and operations should encompass the same regions.

Insofar as state executive reorganization permits, and as rapidly as possible, state departments should be required to conform their regional operations to prescribed regional delineations.

If substantial general state reorganization is authorized by the legislature, there would appear to be little need for executive departments to vary from whatever standard regional patterns that may be prescribed. If and when they were permitted to do so, they should be required to justify their exceptions.

PLANNING AREAS AND ECONOMIC REGIONS  
STATE OF MINNESOTA  
1968



In this regard, it should be noted that the federal government has provided noteworthy stimulus to the standardization of state regions and that presidential policy, enunciated through the Bureau of the Budget Circular Number A-30, dated January 31, 1967, directed that all federal agencies whose programs require or utilize substate (or multicounty) districts must adapt to and observe the official regions determined by the states.

Federal agencies are well on the way to compliance with the Bureau of Budget order. Given a reasonable and manageable state organization, no less obligation would appear appropriate for state departments to comply with state regional delineations.

#### State Regional Centers

For state regionalism to be most effective, in terms of inter agency coordination and cooperation within state regions, there should be a regional center in each. Such centers were noted and endorsed by the consultant who evaluated the pilot state regions.

At such a regional center, the designated state government regional representative (heretofore noted), could headquarter. There, too, such staff aids as might be assigned to this principal representative by other elements of the proposed Executive Office of the Governor (see Chart II) could likewise headquarter.

In a regional center facility, if such were eventually constructed, regional directors of state operating departments and their immediate staffs could also headquarter. This should not be interpreted to mean that any more than a small fraction of a department's regional staff ordinarily would be located at such a center. Other field offices within the region to serve particular clienteles probably would be required for particular programs. Some field inspectors might continue to work from their homes as at present.

In addition to space eventually being afforded at common state regional centers for the aforementioned officials, it might prove advantageous

if state legislators elected from districts composing a particular region could be provided office space in the state regional center. This could prove to be a great convenience to their constituents.

#### Local Regional Organizations

As noted in the introductory chapter, a consultant study of local regional organization was authorized by the State Planning Agency, and that report has been rendered. It recommends the formation of local regional councils in the State, each representative of local governing bodies (counties, municipalities, etc.) and perhaps also of civic group and area development associations within multicounty areas.

It is not within the purview of this report to endorse the form which any such local regional organization might take or to say how many such multicounty local councils might be needed in any given state region. This report, however, does strongly endorse the concept of local multicounty organizations. Further, it suggests that such local coordinative bodies which are organized be formed in such a way geographically as not to overlap or extend beyond the boundaries prescribed for state regions.

The state regional interagency coordinative organization heretofore described should be instrumental, within the capacity of its resources, in lending assistance to the formation of local regional councils. It should also provide such local regional organizations with technical support and assistance after they are formed. It is implicit that federal agencies operating in state prescribed regions would do likewise.

In the comprehensive long-range approach to regionalism which Minnesota requires, local regional organizations should play a prominent role. They would in no way be subservient to either the state or the federal bureaucracy, but they would constitute a primary vehicle through which state and federal governments would interact in the identification and solution of local multijurisdictional problems.

Summary Aspects of an Eventual  
State Regional Organization

From the foregoing it can be seen that there are long-range opportunities for improved interagency coordination in state regional operations and for better intergovernmental cooperation requisite to solving interjurisdictional problems of multicounty areas. Observing the prerequisites to optimum regional effectiveness discussed in this chapter, organizational arrangement portrayed in Chart V eventually should emerge.

State Central and Regional Structure

The state central executive structure shown in Chart V is patterned upon the reorganization proposals of the Governor's Council on Executive Reorganization. The field structures of each line department are portrayed in a way which would achieve maximum concentration of operational authority in each agency's regions. All state agencies would observe common state regional delineations.

A state center would be established in each region. At such a center would be headquartered a state government regional representative (who would have a small supporting staff), plus the regional directors of major state operating departments. Office space would also be provided at the center for legislators elected from the region.

The state government representative would be appointed by the Governor. For ordinary administrative purposes he would report to a regional liaison executive assistant in the Executive Office of the Governor in St. Paul.

The small supporting staff of the state government representative in each region would report administratively to him. However, each such staff aide would, in a technical sense, be related to a particular component of the Executive Office of the Governor (see Chart II) for example, to the State Office of Economic Development, Department of Administration, Department of Planning and Intergovernmental Affairs, or the State Attorney General.

As such, these staff aides would be expert, respectively, in economic development; budgeting, finance, and administrative services; physical and program planning and intergovernmental affairs; and law. In these staff and service areas, these specialists should be available to, and utilized as needed for assistance and advice by, state department regional organizations and local regional councils.

The state government regional representative would have no administrative authority over regional directors of line departments headquartered at the center or over any of their field subordinates. He would, of course, meet such regional officials informally at frequent intervals in the ordinary course of his and their work. He might also have convenor authority for calling together two or more such regional directors for conferences when coordinative problems associated with their field programs arose.

The state government regional representative and his staff aides would be the ordinary contact between the state regional organization and all local regional councils organized within the region--affording to the latter advice and technical assistance in their organization, preparation and amendment of their by-laws, preparation of physical and developmental plans, preparation and submission of project funding applications, and in economic developmental activities.

In a similar manner, the state regional representative should be a liaison contact between federal agency personnel, the state regional organization, and local regional councils; but this should in no way interfere with direct operational and program contacts on common problems between federal and state or state and local operating officials. His presence, in these regards, would merely afford an added dimension and stimulus to intergovernmental cooperation and activity.

#### Local Regional Councils

To the extent possible, local regional organizations should be formed and should develop pursuant to local initiative. As heretofore noted, however, the state government regional representative should lend his good offices and assistance to their formation and to fostering the

development of their cooperative programs. Furthermore, each state department regional director continuously should be cognizant of local regional council programs, projects, and activities related to his functional area of state responsibility, and to muster the resources at his command to assist local regional councils.

Federal Agencies

Federal agency officials in a state region, in addition to their traditional program responsibilities, should maintain contact with the state regional center and with local regional councils organized within the area. To the extent possible, they should correlate their programs with corresponding or related programs and projects undertaken by state and local authorities. They should participate in conferences and meetings initiated both by the state regional center and by local regional councils whenever their presence, advice, or program resources would assist in the solution of state, local, or interjurisdictional problems.



Chart V  
PROJECTED ORGANIZATION FOR  
REGIONAL COORDINATION AND SERVICE  
STATE OF MINNESOTA

