



# COMMUNITY DEVELOPMENT BRIEFS

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## KINNEY HUMAN DEVELOPMENT PROJECT

If you were driving through the City of Kinney anytime during the week of June 18, you would have noticed a rather large and colorful tent set up on main street, heard singing and speakers from within, and seen a lot of people milling about the area, but you probably wouldn't be too concerned about what you have witnessed. You may have thought that there was an auction in progress, a circus moving in, or perhaps a religious evangelist setting up for the day. In each case you would have been wrong. If, however, you were a resident of the City of Kinney or any of the neighboring communities in the Iron Range, you would have known that this was the first week of a two plus year project initiated and sponsored by The Institute of Cultural Affairs (ICA), designed to improve community life in Kinney and to serve as a demonstration of comprehensive human development for other communities facing similar problems.

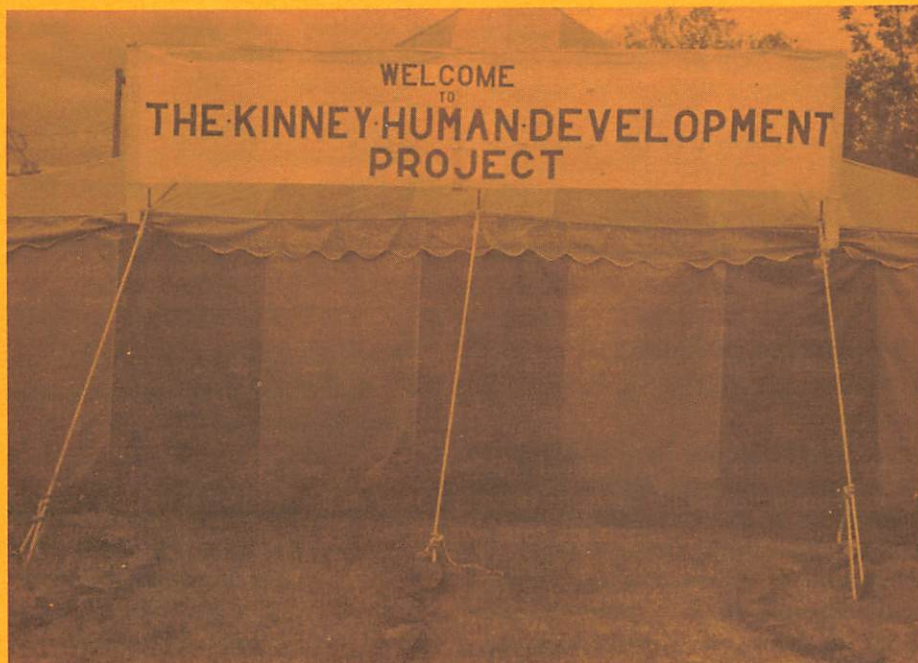
The Institute of Cultural Affairs is a private, non-profit organization. Its volunteer staff operates from over 100 offices in 27 nations around the world. ICA believes that effective human development must be initiated on the local community level. Toward this end, it has developed a staff that both lives and works with local people in planning and actuating socioeconomic projects around the world. Their projects are located in rural or urban communities of extreme need and are established for the purpose of demonstrating comprehensive human development. The work of the ICA is supported by private foundations, corporations, concerned individuals and government departments and agencies on the national, state and municipal level. The City of Kinney (sometimes referred to as the "Republic of Kinney"), population 325, located on the Iron Range about midway between Chisholm and Virginia, was selected by the Insti-

tute of Cultural Affairs as one of 12 new Human Development projects just now getting underway in various parts of the United States. The other 11 Human Development Projects are located in Washington, Arizona, California, Illinois, Iowa, Texas, Oklahoma, North Carolina, Maine, New York and West Virginia. Prior to the selection of these 12 Human Development Projects, ICA was heavily involved in the operation of town meetings during the bi-centennial period. Between 1976 and 1978, ICA conducted more than 120 town meetings throughout Minnesota. At least one town meeting was held in every county and still more are being planned.

Only after an extensive search of Minnesota, Wisconsin,

and the Dakotas, was the City of Kinney selected by ICA to be the pilot project for the Upper Midwest. Kinney has the Iron Range's tradition, unique history and national and international identity to make a major demonstration project. Kinney's size makes it representative of the 550 cities in Minnesota whose populations are less than 1,000. Kinney's development needs are many. Its declining population

since earlier boom periods in iron mining have left it with inadequate commercial and social resources. It has critical needs to social activities. The willingness of Kinney's citizens to undertake this project and to expend a substantial amount of their own energy at essential self-help efforts was revealed by their recent creation of the "Republic of Kinney" staging a symbolic session from the nation as a dramatic statement of the plight of America's small rural towns and of the resolve of Kinney to deal with its own future. The Kinney Human Development Project is expected to last for at least two years or until ICA feels their involvement is no longer necessary. Four or more full time ICA staff will continue



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to live and work in the City of Kinney for at least the next few years to help implement the Kinney development plan that was prepared last month.

The opening, on June 18, of the week-long planning session for the Kinney Human Development Project was signaled by the appearance of a large gold and orange striped tent on an empty lot near the center of town which was decorated with banners from the original ICA projects; world, continental, and regional maps; and a large photograph of Main Street Kinney taken fifty years ago. Three hundred people attended the opening of the consult.

The planning session lasted through Saturday, June 24. Monday's activity was concerned with the identification of goals or visions that Kinney residents expressed. On Tuesday, the goals or visions were evaluated. On Wednesday and Thursday, obstacles to realizing the goals were identified and tactics to eliminate the obstacles were explored. On Friday, the implementation program was reviewed and put into perspective.

Participants in the Kinney Human Development Planning Project were principally made up of Kinney residents, ICA staff, and technical consultants from a variety of state and federal agencies operating programs in Minnesota. Participating consultants came from as far away as Hong Kong and as close as Virginia, Minnesota. Their experience included architecture, agriculture, business planning, education, health, law, and engineering. Consultants either took a week's vacation, or were assigned by their company or agency to participate in the week-long planning session with the citizens of Kinney. One hundred and fifty-one Kinney residents from age 13 to 83 participated in the team workshop sessions during the week. Participants in the planning program were divided into five working teams. Each team focused on a specific element such as: economic development, physical resources, social, educational and medical

issues, government services, and cultural community engagements. Each team concentrated on the objectives and strategies necessary to meet the goals that were identified by Kinney residents. The work of each team was shared daily at the general sessions in order to avoid duplication or gross omissions. Each team was looking toward action and visible results in the community rather than extensive, drawn out planning. The format of the workshop were that of a town meeting, with an emphasis on getting everyone's contributions. Not all the planning was conducted in group sessions. Members of the Kinney Human Development Project planning teams also visited with residents in their homes and businesses to supplement local participation in the tent. The long-term objective of ICA in this project is not to plan for the City of Kinney, but rather to work with and help the residents of Kinney do it themselves.

On the last day of the consult each team did their "miracles" in the community, including a new bus stop for service beginning August 1, fresh yellow lines down the middle of Main Street, claiming of space by separating parking spaces from play areas, a desktop size model of Kinney with projected commercial and light industry sites, a new playground, and pocket park for the new youth center.

After the week long planning session, the four ICA staff that remained in Kinney assembled the plan, adding the necessary charts and budgets, and edited it into a workable program. Those ICA staff will remain in Kinney for at least the next two years and work with local officials and residents toward the implementation of the plan.

The planning process used by ICA in Kinney would seem to be relevant and useful to other communities in Minnesota. The Kinney Human Development Plan Document may also be of interest to communities and is available, free of charge, from the Office of Local and Urban Affairs.

## HUD REQUESTS FULL APPLICATIONS FOR IMMINENT THREAT PROJECTS

The Single Purpose Grant Section of the new CDBG program provides for grants to communities for projects involving an imminent threat to public health or safety verified by HUD and an appropriate third party. These funds are to be used to deal with those threats which are unique and unusual, such as contaminated drinking water, and not for the type of threat which can be projected in advance or reoccurs with frequency.

HUD is requesting full applications from the following communities:

Hewitt — nitrate & bacterial contaminated water	\$160,000
LaSalle — nitrate & bacterial contaminated water	92,000
Randolph — nitrate & bacterial contaminated water	317,000
Dennison — nitrate & bacterial contamination	100,000
Lakeville — inadequate sewage system	790,000

*Next Month: Women in City Government*

*To receive more information on the Mile One or Mile Two programs, explained on page 3, use this coupon:*

Send to: Minnesota State Planning Agency  
Attention: Training Officer, Room 200  
Capitol Square Building  
550 Cedar Street  
St. Paul, MN 55101

Please send me a brochure for:

☐ Mile One  
☐ Mile Two

Name \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_

County \_\_\_\_\_

Zip \_\_\_\_\_

Position \_\_\_\_\_

Telephone (area) \_\_\_\_\_



# INTERGOVERNMENTAL TRAINING

## INTRODUCTION

Training Programs Mile One and Mile Two (the Minnesota Inter-Governmental Learning Experience One and Two) were designed to help local government officials deal with the ever increasing number of inter-governmental activities facing our communities.

While Minnesota is nationally recognized for its efficient local government, competent local elected officials, and high caliber professional staffs at all levels, the complexities of the inter-governmental process can still cause problems. With the encouragement and assistance of the Local Government Committees of the Legislature, the State Planning Agency set about developing a program that would provide local government officials assistance.

Resulting were two unique programs which offer local government officials a chance to experience a variety of inter-governmental problems and to find ways to solve them, Mile One and Mile Two.

## MILE ONE

Mile One is a 1½ day program which features an intensive simulation experience. The simulation is based on data received from local public officials in the state, reflecting typical inter-governmental experiences. Because of the special relationship of the metropolitan council to communities in the seven counties around Minneapolis and St. Paul, a different version of the simulation has been designed for the metropolitan area.

In Mile One programs which have been held, people commented that they were dealing with real issues from another perspective. They also felt that it helped them better understand the problems of officials from other levels of government.

The Mile One program features:

1. Experience in a simulation and an opportunity to play an active part in dealing with the inter-governmental problem solving process.
2. Discovering common barriers and avenues to success in inter-governmental problem-solving.
3. Exploring the effects of inter-governmental cooperation when units of local government do or do not work together.
4. Trading information with colleagues about methods of coping with common problems.
5. Defining and expanding areas of knowledge about roles and responsibilities of other local government levels.
6. Learning to understand the forces that help and hinder cooperation between units of local government.
7. Examining current back home problems and discussing plans for handling them.
8. Creating a system for analyzing and dealing with issues relevant to your community.

All meals during the course of the program as well as an overnight lodging between the first and second days are included in the minimal registration charge of \$10 to each participant. Each person who participates in the program receives a certificate in recognition of having completed the program.

At the present time the State Planning Agency is working with Regional Development Commissions around the state to repeat the program so that as many local government officials as possible can have this interesting and informative experience. Watch for program offering in your area.

## MILE TWO

The Mile Two program gives local government officials an opportunity to participate in learning a new inter-governmental problem-solving method.

Mile Two is designed to help local government officials develop their problem-solving skills. It presents practical information that can be applied to back home situations.

Mile Two features:

1. A 35mm sound slide presentation that reviews the inter-governmental cooperation program.
2. A problem-solving method for dealing with inter-governmental issues.
3. A simulation game called "Can't Please Them All" provides an experience in cooperation and negotiation skills.
4. A 16mm sound color film demonstration of role playing applications for the inter-governmental problem-solving process.
5. Group presentations and evaluations of applied back home problem-solving.
6. A process for critiquing problem-solving approaches.
7. Creation of modified solution plans for back home problems.

As in Mile One, Mile Two is offered to local government officials and concerned citizens representing municipalities, townships, counties, Regional Development Commissions, or the Metropolitan Council, school districts, and state personnel.

Mile Two is a one day program, and the minimal registration fee of \$5 covers all materials and a lunch. Each person completing the program is awarded a certificate of completion.

The registration for Mile One and Mile Two is on a limited first come, first serve basis. During the next few months, the State Planning Agency will be working with Regional Development Commissions, to offer the Mile Two program in several locations throughout the state.

Mile One and Mile Two are distinct and individual programs. Attendance at Mile One is not required for Mile Two nor vice versa. The programs, however, are compatible, and attendance at both is encouraged.



## NEW RURAL LOW INCOME HOMEOWNER-SHIP PROGRAM

Help is in sight for nearly 1.8 million rural families who are too poor to qualify for current federal rural housing programs. The House and Senate Banking Committees have adopted provisions for an innovative program proposed by the Carter Administration in their FY79 housing authorization bills. At this writing, each bill awaits the vote of the full House and Senate.

The new program would help low-income rural non-farm and state residents who cannot now be served by available federal assistance. Although not specified in the legislation, the annual income of eligible applicants is likely to be under \$7,500. Currently, families with under \$6,000 annual income occupy 75 percent of the sub-standard housing in rural areas.

Eligible families would contribute one-fourth of their income to total shelter costs under the program. The Farmers Home Administration of the United States Department of Agriculture would cover the difference between the family contribution and the total of principal, interest, property taxes, insurance, utilities, and home maintenance. On profitable sale of the home, the family and FmHA would share in the appreciated value. This "recapture" would control long term costs of the program. FmHA is designing a recapture provision, and estimates that 50 percent of the subsidy costs will be recaptured in the first ten years of the program.

Included in the congressional testimony was the admission that this proposal recognizes a basic characteristic of rural life that differs somewhat from the urban environment. Adequate rental housing simply is not and never will be available in rural areas. A homeownership program especially designed to meet the needs of rural people is required. This program could fill the gap caused by deficiencies of present rural housing programs at a lower cost than HUD's public housing and Section 8, and could provide the benefits of homeownership to more low income families.

## MARK L. KORRELL TO WASHINGTON

The Minnesota Housing Finance Agency announced that Mark L. Korell, Deputy Director, has resigned to accept a position with the Federal Home Loan Bank Board in Washington, D.C. He has been appointed Executive Assistant to Board Member, Anita Miller, who was recently appointed to a four year term by President Carter. The Bank Board is a self-supporting executive branch agency that regulates and provides financial services to the nation's savings and loan industry.

## TWENTY-FIVE MHFA MULTIFAMILY DEVELOPMENT PROPOSALS APPROVED

During the most recent Apartment Development selection process, which took place in late March and early April, MHFA staff and board members approved 25 multifamily development proposals for a total of 1,556 new housing units in the state. Of the 1,556 units selected under the 1978 Section 8 Set-Aside, 490 were designated for substantial rehabilitation, while the remaining 1,066 will be new construction. The proportion of market rate and Section 8 units is as follows:

429 units, market rate — family
370 units, Section 8 — elderly
757 units, Section 8 — family
1,556 units TOTAL
1,127 units Section 8

## M.H.F.A. RENTAL REHABILITATION STUDY

A team of architects and engineers has been selected by MHFA to conduct research for a study on energy related rehabilitation of rental housing. The study, which was requested by the State Legislature, is to be completed by January 15, 1979. It will focus on the financial impact of energy related rehabilitation on low and moderate income tenants and will include program recommendations on methods to ensure that tenants are not unduly burdened by the costs of energy improvements, and that they do benefit from whatever energy savings may result.

The consultant team, headed by Alexander Ritter, Michael Plautz and Donald Suppes, will be collecting and analyzing data on the structural characteristics of the rental housing stock which are relevant to energy consumption, on the costs and benefits of energy related improvements, and on appropriate program options to be recommended to the State Legislature. For additional information regarding this project, contact Ms. Riva Lee, (612) 296-2820.

## GAIL L. VETTER TO MINNESOTA

Gail L. Vetter, a native of North Dakota, succeeds Mark Korell as Director of the Home Improvement and Mortgage Loan Program within the Minnesota Housing Finance Agency. Ms. Vetter was Manager of the Residential Real Estate Division of the Bank of North Dakota prior to assuming her responsibilities with the Agency on May 18, 1978. The Bank of North Dakota is the only state owned and operated bank in the country.