



Deal with Kludt may aid probe of Montpetit

Limited immunity offered for information

By Chris Ison
Staff Writer

Authorities turned up the heat in their prostitution case against St. Paul bar owner Earl L. Montpetit Thursday, reaching an agreement with state Rep. Kenneth Kludt under which he presumably will give information against Montpetit in return for limited immunity from prosecution.

Kludt, DFL-Moorhead, agreed to a deal late yesterday in which prosecutors will not prosecute him for any prostitution-related offenses based on

information authorities currently have about him, or on information he provides, said his attorney, David Ayers.

Police believe that Montpetit, who last month was charged with three prostitution-related felonies and one misdemeanor, also might have arranged several encounters between Kludt and prostitutes. Kludt lived in an apartment above Montpetit's Oz Night Club in downtown St. Paul

during last year's legislative session.

However, it is unclear — even to authorities — just how much information Kludt will be able to provide in their widening investigation of prostitution in downtown St. Paul. One person close to the investigation said that authorities currently have no information suggesting that Kludt knows about prostitution activities involving other legislators. Their information so far focuses only on

Kludt's relationship with Montpetit, the source said. He said police have collected information from other sources that could implicate other legislators, however.

Ayers said he expects police will ask Kludt what he knows about the prostitution activities of other legislators, but he wouldn't say whether his client has such information.

Kludt was found guilty in December

of trying to buy sex from an undercover policewoman. He was arrested June 23 while in St. Paul for committee meetings, and eventually sentenced to one year of informal probation.

Though Kludt has said he doesn't know Montpetit, Ayers said yesterday that his client might have met the prominent bar owner without learning his name.

"His position in the past is he doesn't know the name Earl Montpetit,"

Kludt continued on page 8B



Barbara Flanagan

The new Committee to Save Block E has produced a handsome poster with a color photograph of the illuminated sign above the entrance of Moby Dick's Bar, 620 Hennepin Av.

It urges us to protest the Minneapolis City Council's decision to raze the buildings on the block, which is bordered by Hennepin Av., 1st Av. N., 6th St. and 7th St.

If a developer wanted to incorporate the old buildings, including the historic Academy Theater, into a new development, I wouldn't mind. The developers are interested. Some I've talked to claim that the Academy, originally the Shubert and later, the Alvin, is too rickety to be preserved. Maybe a possible compromise would be to save the Moby Dick's sign.

Fifty years ago the big draw at the Minneapolis Home & Garden Show in the Minneapolis Auditorium was the "Minnesota Dream Home." It was a three-bedroom, two-bath bungalow. The 1938 price was \$3,000.

This year's 54th Home & Garden Show will be the last in the old auditorium. It is in the auditorium today through Sunday. During the next two years, the show will be in the Metrodome. It will reopen in the new Minneapolis Convention Center in 1992.

One other wisp of nostalgia this year concerns Maxine and Harry Shedlov of Minneapolis. They announced their engagement at the 1932 Home & Garden Show and have celebrated the anniversary of their engagement by participating in every home show since. Shedlov, now of Shedlov Furniture and Interiors, used to exhibit oil burners before World War II. His wife is an interior designer who is involved with the National Home Fashions League at the home show.

By the way, there is another dreamy Minnesota-style house on exhibit this year. Its price tag is \$137,000, but it is bigger than the 1938 model.

Newsmaking, Minneapolis style — The dedicated residents of the Phillips Neighborhood will celebrate their dream come true Saturday at 11 a.m., with a ground-breaking to renovate the Phillips Community Center. Vi DeMars, a 45-year resident who has been working more than five years on the project, said everyone is delighted.

Two gymnasiums and an Olympic-sized pool will be upgraded and an 8,000-square-foot attached building will be constructed. What makes it unusual is that the residents managed to persuade several organizations to help them make it happen. As a result, the Minneapolis Park and Recreation Board owns the center and will provide maintenance and some programming. The Boys and Girls Club will manage the building and facilities and provide more programs. The YWCA will operate a day care center there. And Pillsbury United Neighborhood Services will provide a variety of programs.

Private and public funds came from a community block grant, the city and from the McKnight, Bush and Minneapolis Foundations. The ground-breaking program is on property bordered by 22nd and 24th Sts., and 11th and 13th Aves. S.

Making news again is the annual Night of the Penguin, a party that raises cash for the ninth annual local roof lifts. It is set for March 26. The Penguins, a group of creative downtowners, surprise us this year by staging the party in the Young Quinlan Building on the Nicollet Mall at 9th St. The 614 Co., owner of the YQ building, is donating it for the night. Funds raised will go to Incarnation House, a home offering shelter, training and support to abused women and their children.

Who's News — Elizabeth Dole is the VIP guest at the ninth annual Children's Heart Fund Ball Saturday at the Hyatt Regency Hotel in Minneapolis. . . Actress Sigourney Weaver will be in the audience tonight for the opening of "Cleveland" at the Brass Tacks Theater, 401 N. 3rd St., Minneapolis. The play was directed by Weaver's husband, James Simpson, associate director of the Williamson Theatre Festival in Massachusetts.

Lesbian rabbi says synagogue forced her out

By Neal Gendler
and Martha Sawyer Allen
Staff Writers

A synagogue representative says it was the result of a professional disagreement with a senior rabbi, but Rabbi Stacy Offner said Thursday that her resignation from Mount Zion Temple in St. Paul was forced on her because the congregation had become aware that she is a lesbian.

The resignation of Minnesota's first full-time woman rabbi was effective last Friday, five months after she was promoted to associate rabbi of the 850-household congregation on Summit Av.

Officials say that what happened in the Offner case mirrors what often happens in Christian denominations. Most will not ordain someone who is a practicing homosexual, but the key word is "practicing." If a single, gay or lesbian clergy person promises to be celibate, then his or her bishop, Catholic or Protestant, will frequently look the other way. However, most won't ordain someone if his or her sexual preference is known beforehand, particularly if the person does not promise to be celibate.

Offner said she signed the resignation agreement "because the leadership of the congregation had determined that

Rabbi continued on page 4B

Injecting, smoking of cocaine increases

By Gordon Slovot
Staff Writer

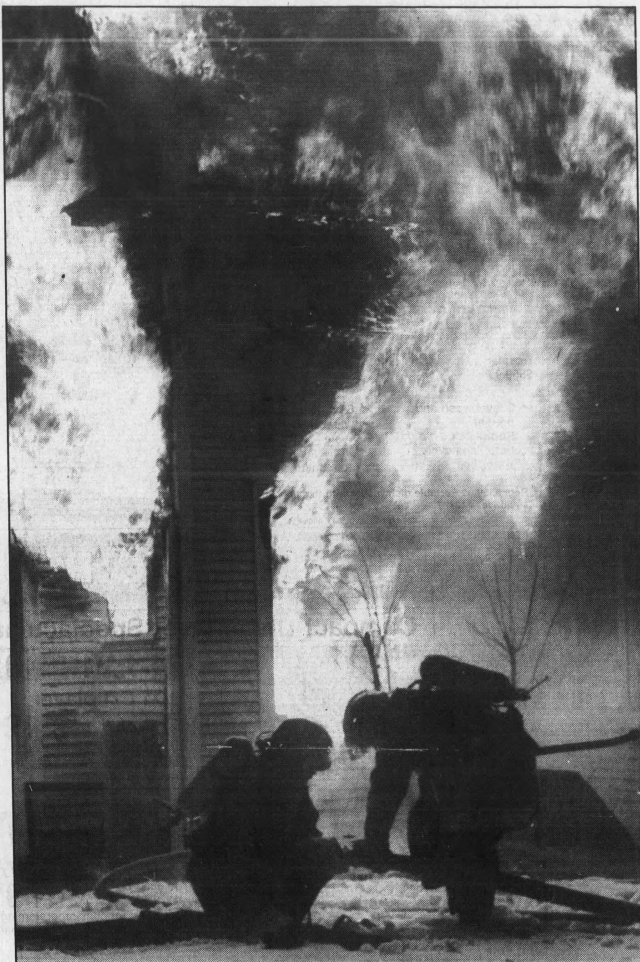
Two of the most lethal forms of cocaine use — smoking it from a water pipe and injecting it — are increasing rapidly among patients surveyed in two suburban Minneapolis cocaine treatment programs.

Program officials say their conclusions likely are representative of users throughout the Twin Cities, because their patients come from throughout the seven-county metropolitan area and from various income levels.

snorting so they can get "a bigger, faster high," said Peter Nammack, supervisor of the cocaine treatment programs at Fairview Southdale Hospital in Edina and Fairview Ridges Hospital in Burnsville.

"Unfortunately, they get addicted faster smoking or injecting," he said. "The physical and psychological consequences of smoking or intravenous use are more imminent and more severe than the social use of snorting cocaine. The transition from experimental use to addiction becomes much shorter, while the individual becomes continued financially and

Cocaine users are switching from Cocaine continued on page 2B



Staff Photo by Richard Sennott

Fire damages 2 houses

Minneapolis firefighters tried to control a fire at 3617 Dupont Av. S. Thursday. The roof and both floors of the house caved in, causing about \$80,000 in damage.

The house next door also started burning, destroying \$10,000 of siding in the attic. There were no injuries, and the cause has not been determined.

Session '88

- A House subcommittee postponed action on reducing taxes on Canterbury Downs until next week. **Page 8B.**
- The arts school has no building funds, but plans are progressing. **Page 8B.**
- Child care advocates gathered more than 400 government, school and business leaders yesterday to discuss the issue. **Page 7B.**
- Gov. Rudy Perpich endorsed a bill that would create a statewide recycling and waste-reduction program. **Page 7B.**

PUC weighs controversial '976' services

By Josephine Marcotty
Staff Writer

The Minnesota Public Utilities Commission has become the arbiter on a 1980s-style sociological controversy — random human contact via the telephone.

Today the commission will begin deliberations on how to regulate pay-per-call services. It must decide whether the so-called "976" services

should continue to be permitted in Minnesota, and if so, how they should be controlled.

It's a process that promises to touch on a number of social issues, including freedom of speech and the limits of parental control. Then there's the financial question of who must bear the cost of restricting access to these services.

Dial-data services, known as "976"

numbers for the telephone prefix they share, are a fledgling but rapidly growing business. The state's first was started in 1983 by the University of Minnesota to provide information on services and plants. Today the services range from taped messages about time and weather, sports, race results and AIDS, to dating services and group conversations that anyone can tap into.

Last year there were 2 million calls to

about 75 data services, Northwestern Bell Telephone Co. estimates. Charges for those calls range from 50 cents to \$2 per minute. For a fee, Northwestern Bell connects the services to customers in the Twin Cities area, and provides billing and collection services through monthly telephone bills.

"The whole business of providing

Calls continued on page 5B

Six shots kill man in Crystal; was leaving friend's house

By Mark Brunswick
Staff Writer

A 32-year-old businessman was slain as he left a friend's house early Thursday, shot six times in an apparent ambush, Crystal police said.

Dirk Van Slooten of 3826 Budd Lane, Spring Park, died in the front yard of his friend's house at 3114 Georgia Av. N. in Crystal shortly after 5:25 a.m., the Hennepin County medical examiner said.

A neighbor, awakened by shots, looked out his window and saw Van Slooten stagger and fall in the yard.

Although a number of people were questioned, police said yesterday that they have no suspects. They said it did not appear that the shooting was related to a domestic dispute. Police were investigating who might have known that Van Slooten was at the house and when he planned to leave.

"He was set up," said Crystal police Lt. Rick Gautsch. "Whoever did this

Shooting continued on page 2B

Democratic candidates to debate in St. Paul

By Jim Parsons
Staff Writer

All of the Democratic candidates for president except one are supposed to show up in St. Paul tonight for a televised debate, but there was so little interest by the Republican candidates in a similar debate scheduled for Sunday night that it had to be canceled.

"This is a genuine, genuine disappointment," said Jayne Marecek, one of the organizers of the debates. "Hundreds and hundreds of hours have gone into (the Republican debate), and to have to cancel it at the

last minute really hurts.

"I think the Republicans are missing an opportunity, because this was going to be a different kind of forum." The debate would have featured many Minnesota residents who were videotaped earlier with questions and issues that they wanted to hear discussed. The taping was done at meetings in Duluth, Mankato, Rochester and Bloomington.

That same formula will be used for tonight's 7 o'clock debate at the World Theater. It will be broadcast

Democrats continued on page 4B



Staff Photo by Duane Braley

Gail Jacobson, a campaign worker for Michael Dukakis, showed her technique for affixing mailing labels to campaign literature.

State arts school idea alive and kicking

By Robert Whereatt
Staff Writer

Although Gov. Rudy Perpich has not asked the Legislature this year for money to build an arts high school, plans for one are zipping along.

It is not so much that the school has a life of its own. More important, it has a budget of its own that is unaffected by Perpich's apparent decision not to seek building funds from the 1988 Legislature.

On March 3, some members of the arts school board of directors and some legislators will tour a school for the arts in New York City. That could drum up new interest among some lawmakers.

On March 9 the school will announce its building design at a St. Paul news conference. The design is by Arata Isozaki of Tokyo, considered "the hottest architect in the world right now," according to Jim Undercofler, the school's executive director.

Possibly the same month, Undercofler expects to make offers on an acre of land owned by three private owners. If the parcels are bought, the school could put together a 5-acre site just north of the Civic Center in St. Paul, clearing the way for construction.

Perpich sidetracked a request for \$26 million to build the Minnesota School and Resource Center for the Arts (the official name) saying that it was too controversial and that the land had not been acquired for the school.

But that might change. Undercofler said that if the site becomes available soon, there is an outside chance that Perpich might make a last-minute appeal to the Legislature for building funds. "The governor has indicated that once the land assembly deal comes together, he will consider including it (this year). I stress the word consider."

Dan Loritz, the governor's chief lobbyist, hinted that Perpich might be willing to change his mind and move on the arts school this year. "The governor has said as soon as the board has acquired the land he would like to meet with them," Loritz said.

Meanwhile, Undercofler and a staff

of 14 have a \$2.2 million operating budget this year that pays their salaries and allows them to conduct programs for teachers and students throughout the state.

The school-resource center has a summer program that includes curriculum development and classes in dance, theater and music.

"Our constituency is building now," said Undercofler. That could help the school in the Legislature, where some critics have said its appeal was too narrow.

"The school originally was characterized as elitist. Now it will serve up to 2,500 through various programs," said Undercofler. "The school now is a statewide arts education center, not just a high school for 500 students."

Kludt

Ayers said.

Ayers added that by making the deal, Kludt was not admitting that he knew anything about Montpetit or prostitution in St. Paul. The agreement, signed by an assistant St. Paul city attorney and an assistant Ramsey County attorney, also does not specify that Kludt must give certain information or testify in court. Ayers said. But there is a "good faith" agreement that Kludt "agrees to talk to Sgt. (Richard) Simmons regarding anything that Simmons wants to talk about."

"It alleviates the threat of a prosecution, and it gives him (Kludt) an opportunity to possibly, and hopefully, aid an investigation," Ayers said. "Now he has every reason to tell the authorities what they need to know, assuming he knows something."

Ayers acknowledged that the agreement does not grant Kludt immunity from prosecution based on evidence authorities collect in the future.

Simmons, who has led recent investigations resulting in charges against Montpetit and his brother, Walter, said he did not know how much information Kludt could provide.

"I'm going to talk to him, and I hope he tells me the truth," Simmons said. "We're here to prove innocence as well as guilt."

Ayers said Walter Montpetit's name did not come up in his negotiations with prosecutors.

Walter Montpetit, formerly a leading figure in St. Paul's strip-joint business, was charged last week with two

counts of promoting prostitution resulting from an undercover "sting" operation in which he allegedly arranged "dates" for two men. His attorney has said he will plead not guilty to the charges.

Earl Montpetit pleaded not guilty to the charges against him last week. He was arrested in a similar sting operation last month. One charge, engaging in prostitution with a minor, is based on information police received nearly a year ago.

Assistant County Attorney Charles Balck, who signed the Kludt agreement, wouldn't say what authorities expect to learn from Kludt, but that police would be discussing "matters pertaining to the ongoing (prostitution) investigation."

Ayers has been negotiating with authorities for several months, he said. He and attorneys reached the agreement Wednesday, and Kludt approved it yesterday.

W. Germany to get Nazi archives

Associated Press

Bonn, West Germany. The United States plans to give to West Germany the world's largest collection of Nazi documents, U.S. officials said Wednesday.

The Berlin Document Center, administered by the United States, holds about 30 million documents from the Nazi era. They can be viewed by scholars, government officials, prosecutors investigating Nazi war crimes and others.

400 turn out to support horse-racing tax cut

By Robert Whereatt and Paul Klauda
Staff Writers

An overflow crowd of 400 people turned out at a Minnesota House committee hearing Thursday night in Shakopee to support legislation that would reduce state taxes on Canterbury Downs by more than \$4 million a year.

The committee was expected to vote on the measure last night, but postponed action until early next week. Most of the tax savings would go to improve purses, the money paid to winning horse owners and their employees. But Canterbury Downs, the financially troubled track in Shakopee, also would pick up more than \$300,000 in revenues each year from the tax reduction.

The legislation has the backing of the track, horse organizations and some members of the Minnesota Racing Commission, the agency charged with regulating the track. The diverse interests are presenting a unified front for the legislation this year, after failing in the past two sessions to get any tax reduction.

"The primary need (for the tax cut) is to build purses," said Mike Manning, general manager for the track, at the first half of the hearing held yesterday afternoon in St. Paul. "This

measure will improve business (betting and attendance). It gives us a chance to build the industry," he said.

Rep. Richard Kostohryz, DFL-North St. Paul and the author of the revised tax structure, said, "We're trying to put the horse industry on the same footing as any industry in the state of Minnesota." This year, Gov. Rudy Perpich has endorsed a tax cut, although he proposes only \$3.2 million to cover the loss to the state.

Kostohryz is chairman of the General Legislation and Veterans Affairs Committee, which considered the measure. He announced his plan at

an afternoon committee meeting in St. Paul. The committee recessed and reconvened last night at the Knights of Columbus Hall in Shakopee. At last night's meeting, about 25 people, including Shakopee area business owners, horse trainers, veterinarians, feed dealers and the mother of a jockey, testified in support of the measure. No one spoke against it.

Kostohryz said after the hearing that he decided against voting on the bill because his committee lacked a quorum last night. Some of the legislators who were not there have in the past opposed helping the track. He said he plans to bring the proposal up for a vote Monday or Tuesday.

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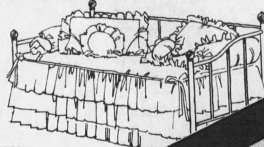
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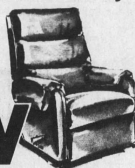
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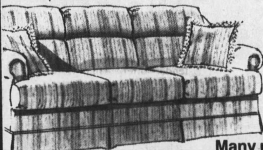
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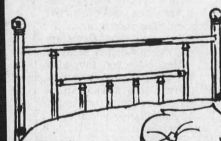


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