



**PROGRAM COORDINATION
AND
MASTER FACILITIES PLANNING
BEST PRACTICES PROJECT**

TASK 1 REPORT

August 26, 2004

**For the Office of the Mayor and City Administrator
Washington, DC**

by the

21st Century School Fund

and the

Brookings Greater Washington Research Program

Preface

The District of Columbia contracted with the Brookings Greater Washington Research Program in January 2004 to conduct a three-part study of the city's master facility planning and capital budget process. Brookings subcontracted with the 21st Century School Fund to assist in the study.

The first task was the review of best practices in coordinated public facility and capital budgeting processes around the country. This task was led by the 21st Century School Fund and is the subject of this report. The second task was to assist the District of Columbia in the design and implementation of a new, coordinated facility planning and capital budget process. This task was led by Brookings and is the subject a separate report. The third task, led by the 21st Century School Fund, is to provide an analysis of the DC Public School and Charter Public School capital projects, budgets and expenditures and to develop some alternate criteria for setting capital investment priorities for schools. That report will be completed in the fall of 2004.

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The author also thanks Kimberly Driggins, the Project Manager for the Master Facilities Program Coordination Plan in the City Administrator's Office, and Noel Bravo, Special Assistant to the Mayor for Budget and Finance, for their guidance and oversight of this project for the city

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Executive Summary

This report examines inter-governmental and inter-agency programs, and facility and capital coordination in seven cities and the US General Services Administration. The researchers searched for systemic approaches to coordination, managed by the public sector, rather than approaches more commonly found and facilitated through public private partnerships. The findings are intended to inform District of Columbia decision making as the District develops its own Master Facilities and Program Coordination Plan.

The report is organized in two main sections, followed by appendices containing detailed supporting information. The first section specifically addresses the research findings on different approaches to program coordination that resulted in improved use of public facilities. In the study cities, public schools were found to be the most important entity around which coordination was developed, and the examples fall into three different categories or models: (1) community schools, which integrate social services for students into the school building; (2) co-location or joint use, which integrate services for the neighborhood into the school building; and (3) shared land use, which entails use of school land for other purposes, such as recreation or housing. In addition to program coordination involving schools, examples of coordination between other municipal agencies were found as well.

The second section of the report examines how governmental management practices, specifically planning, budgeting and capital management can affect program coordination and efficient use of facility and land assets. The research showed that, typically, authority for schools, social services, infrastructure and other public functions tend to be dispersed among state, county and city governments and one or more school districts. Each governmental entity has autonomous decision making, as well as taxing and bonding, powers and independent responsibility for implementing capital projects. Nevertheless, it is possible to identify key elements of successful management practices that affect program coordination and facility and land use.

The following elements common to a well managed municipal capital program emerged: sound planning, trusted capital budget decision making processes, and the capacity to effectively manage the implementation of capital projects.

There appears to be tremendous desire on the part of city governments and school districts to increase the level of coordination and collaboration. However, the report findings indicate that strong leadership is required to create the conditions for such coordination and collaboration. Research also suggested that a vision connecting specific projects into a larger plan, specialized guiding committees or other bodies, public engagement, communication, ample time and processes, and experienced staff are all beneficial to effective and efficient program coordination and collaboration.

Introduction

This report examines inter-governmental and inter-agency programs, and facility and capital coordination in seven cities and the US General Services Administration. The researchers searched for systemic approaches to coordination, managed by the public sector, rather than approaches more commonly found and facilitated through public private partnerships. The findings are intended to inform District of Columbia decision making as the District develops its own Master Facilities and Program Coordination Plan.

In the Budget Support Act of 2003, the Mayor and Council of the District of Columbia set in motion the development of a Master Facilities and Program Coordination Plan for all District of Columbia public buildings. The overall goal of this plan is to identify program coordination opportunities related to facility and land utilization, with the goal of more efficient use of capital and operating budgets along with improved city programs, services, and operations.

The Master Facilities and Program Coordination Project seeks to achieve this through three primary strategies:

- *Coordinating programs* among key agencies to better serve community needs in fewer or smaller facilities;
- *Utilizing facilities across agencies* to better support coordinated service delivery and achieve cost savings; and
- *Restructuring the capital planning, budgeting and management* processes to support coordinated service delivery, provide more stable and predictable funding, and secure effective implementation of capital projects.

The District engaged the Brookings Institution and the 21st Century School Fund to investigate program coordination and facility master planning in seven cities and the US General Services Administration. This work was undertaken to inform the restructuring of the District's capital planning, budgeting and management processes and to support the District's efforts to increase revenue to support capital facility and infrastructure needs.

Report Scope and Methodology

The report is divided into two main sections. The first section focuses on examples of program coordination in the study cities that have resulted in efficient facility and land use and improved public services or infrastructure. The second section focuses on capital planning, budgeting, and management practices in the study cities, and within the General Services Administration of the federal government.

The report is not meant to be exhaustive or academic, but rather is an exploration of program coordination and capital processes that might offer the District direction on key elements to include in a city wide program coordination and facility master plan.

The selection of cities for study and interviews was based in part on 21st Century School Fund's prior knowledge of particular municipalities or counties engaged in some aspect of well-coordinated and managed public programs and assets. Twenty one individuals were interviewed and many documents were reviewed. The documents referred to in this report are available in the appendices. In addition, a national search for additional study cities was conducted with assistance from the American Planning Association, National School Board Association, and International City-County Management Association. The following criteria were used to select the cities:

- *A major central city or urban county;*
- *An existing coordinated approach to program planning, budgeting, and management between at least two major government agencies; and*
- *An existing coordinated approach to facility planning, budgeting, and management that supports integrated agency programming.*

The seven locales chosen were:

- Akron, Ohio;
- Chicago, Illinois;
- Kansas City, Missouri;
- Lincoln, Nebraska;
- Los Angeles, California;
- Oklahoma City, Oklahoma; and
- City of Portland and Multnomah County, Oregon.

In addition, the US General Services Administration was considered relevant because of its innovative approaches to government property management and its special relationship to the District.¹

Throughout the balance of this report, various initiatives and programs of these seven cities and General Services Administration will be explored and analyzed.

¹ Among other items, GSA had been tasked by Congress to administer the DCPS capital program from 1996 until 1998 when the U.S. Army Corps of Engineers assumed responsibility at the request of then Chief Executive Officer of DCPS, General Becton.

Section 1: Program Coordination

This section of the report describes examples of program coordination that have resulted in improved use of public facilities. The objective of such program coordination is to improve public programs and services, and/or to save money by more efficiently using public buildings or land.

Inasmuch as a Master Facilities and Program Coordination Plan for the District of Columbia may include incentives or mandates for program coordination, it is useful to examine program coordination and facility utilization techniques that other cities have determined to be worthwhile.

1.1 Program Coordination between Municipalities and School Districts

School districts own or control significant building inventory, land area, and capital funds. In the study cities, public schools were the single most important entity around which program coordination was developed. Schools have an incentive to coordinate with municipalities, and vice versa, because of the potential to improve programs and services and more efficiently use capital assets. Such coordination can have facility implications as well.

Two distinct models for program coordination resulted in improved utilization of public school buildings. The first, a community school model, is where the school provides the nexus for many partners to offer a range of supports and opportunities to children, youth, families and communities - before, during and after school, seven days a week. Typically the community school is student-centered and integrates specific social services into the educational program. The principal goal of this model is to enhance the student's academic outcome. The second model, referred to here as co-location or joint use, provides space in a public school for programs not necessarily operated by or in conjunction with the local school. The principal goal of the second model is to increase neighborhood programs and services and/or to fully utilize excess public school space. These models are not mutually exclusive, and often exist together. However, they are not the same.

In the community school model, the educational needs of the child and his/her family are the focus of planning. This model identifies the social-service supports needed to prepare children for academic success. It integrates such services – provided by different agencies – into the traditional academic program. It locates such services as health, counseling, and extended day programs at the school to facilitate the integration of these services into the school. Among the study cities, there are a number of school districts that have some integrated social services, but do not have the capability to bring social service providers from the municipal or non-profit sectors into schools on a system-wide basis.

In examples of co-location or joint use, the school district permits and facilitates non-school, public access to school building space. This enables non-profits or other governmental organizations use of either surplus daytime space or vacated after-school space for neighborhood programs and services to the larger community as well as students.

There are many individual examples of the co-located program model throughout the country. Among the study cities, Akron and Los Angeles have planning underway for systematic use of this model. In those two cities, bond language pledged that new school designs would facilitate public use of the new schools after hours and on weekends.² However, Akron has co-location or joint use as a requirement and Los Angeles does not require, but encourages it.

Schools Uniting Neighborhoods, Portland

Portland and surrounding Multnomah County sustain a system of community schools that integrate social-services into the school program for children, the families and their communities.³

Schools Uniting Neighborhoods (SUN) is a collaboration of State of Oregon, Multnomah County, Portland Public Schools, other Multnomah schools districts, and Portland Bureau of Parks and Recreation. The SUN goal is to improve the lives of children, their families, and their communities. Started in 1999 with eight schools, SUN now encompasses 46 schools. The SUN initiative is community-driven, and allows each school community to design the programs that fit neighborhood needs. SUN centers were established on a site-by-site basis, largely through the strength of the non-profit service providers that are funded through the Multnomah County social services system.⁴

Programs are provided by non-profits and governmental social service and recreation agencies and funded by foundations, the school system, universities, the State of Oregon and Multnomah County.⁵ The goals of the SUN programs are:

- Increase the capacity of local schools to provide a safe, supervised and positive environment for expanded experiences that improve student achievement, attendance, behavior and other skills for healthy development and academic success.

² Appendix I.3: Cooperative Agreement for Community Learning Centers Between City of Akron, Ohio and Board of Education of the Akron City School District, December 2003 (56 pgs.) and V.3: Legislative Counsel's Digest (School Facilities: Joint Use legislation) and School Joint Use Projects Fact Sheet (4 pgs.)

³ Interview information supplemented by publication: Making the Difference: Research and Practice in Community Schools, Coalition for Community Schools, May 2003, page 83.

⁴ Appendix VII.2: Portland Parks & Recreation SUN Community School Program (www.parks.ci.portland.or.us) (3 pgs.)

⁵ Interview information supplemented by publication: Making the Difference: Research and Practice in Community Schools, Coalition for Community Schools, May 2003, page 83.

- Increase family involvement in children’s education as well as supporting the school and school-based activities that build individual and community assets.
- Increase community and business involvement in supporting schools and school-based programs that combine academics, recreation and social/health services.
- Improve the system of collaboration among school districts, local governments, community-based agencies, families, citizens and business/corporate leaders.
- Improve use of public facilities and services by locating services in the community-based neighborhood schools.

SUN schools are open from 7:00 AM to 9:00PM. They offer an array of programs, services and activities beyond the school district’s educational offerings. SUN schools tailor their programs, events and services to the neighborhoods they serve based on local needs assessments. An Advisory Committee at each school brings together school staff, parents, community leaders, students and partner agencies to determine the best ways to support youth and families. Because their programs are locally determined, each SUN school looks different. Some partners and activities are at every SUN school and some are unique to a single site. There are three main components of the model, each necessary to maintain the balance and effectiveness of the whole: academics; social and health services; and extended day activities linked with the school day.

One operational difficulty in the SUN program is worthy of note. The collaboration was established without an inter-governmental agreement. Rather, it was institutionalized by creating an office of SUN schools at the county, and a counterpart office at the school district. While this arrangement has worked effectively in many instances, worsening budget problems in Portland Public Schools and in the City of Portland have caused tensions between the school district and the city recreation department. To resolve this problem, Portland Public Schools and the City of Portland Recreation Department are currently formalizing an inter-governmental agreement to address funding issues.⁶

Caring Communities, Kansas City

The Caring Communities program is also a community school model, based on a comprehensive integrated-social-services and neighborhood-services program. The program is supported by Missouri’s Caring Communities Fund, which supports school-linked and neighborhood-based services. The fund was established by seven state departments: Social Services, Mental Health, Health, Labor, Education, Corrections, and Economic Development. The program, which involves 60 schools in five districts serving 15,000 students, is part of a broader effort to develop comprehensive integrated

⁶ Appendix VII.3: Draft Article for *Portland Sun Community Schools*: “Community Education Partnerships in Portland, Oregon” (8 pgs.)

neighborhood services by means of neighborhood involvement, professional development, and change management.⁷

In Kansas City, the Local Investment Neighborhood Commission (LINC) was chosen by the state to administer the Caring Communities Fund. LINC, governed by a 36-member citizen commission supported by a professional cabinet, sets broad program policy and defines parameters to guide site-level planning efforts. In this procedural role, LINC established a "Request for Interest" process, which ensures that all sites selected for the Caring Communities program have demonstrated commitment from parents, neighborhood residents, and school and agency personnel. LINC also requires that planning and implementation efforts at each site be directed by an advisory council that is composed of parents, neighborhood residents, school personnel, business or civic leaders, youth, and agency representatives.

LINC provides training, technical assistance, and support to the local Caring Communities sites, each of which is assigned a Development Coordinator who serves about six sites at a time. LINC also provides planning funds, ongoing training and professional development, specialized consultants as needed, and periodically assembles site personnel for peer assistance.

By bringing together welfare reform, economic development and job creation, child welfare, health care, and education, LINC is able to foster an integrated system of social supports and services. The program enables agency workers to be conveniently located at school or neighborhood sites, service agencies can provide services closer to their clients' homes or schools, and resources can be more efficiently directed. LINC's results-oriented approach includes progress benchmarks, evaluation systems, result reports, and an ongoing quality assurance program.⁸

Community Learning Centers, Akron

The Akron Public School Educational Facility Master Plan includes Community Learning Centers (CLC), which are expected to encompass both the community school and the co-location or joint use approaches to program coordination and facility utilization. Plans call for the specifics of each CLC to be determined by local committees.

The CLC program arose from a local bond referendum. The Akron School District agreed to make each public school a CLC—available to the public for community use—in order to win support for a \$328 million bond referendum for the local share of an \$800 million school construction program. Each neighborhood will decide what sorts of uses they want from their CLC, such as access to the gym, library, cafeteria, kitchen, or classrooms.

⁷ Appendix III.2: Local Investment Commission (LINC) – Background Information, Summary & History (www.kclinc.org) (23 pgs.)

⁸ Appendix Section III.2: Local Investment Commission (LINC) – Background Information, Summary & History (www.kclinc.org) (23 pgs.)

Parks and recreation department officials will have an office in every CLC, facilitating service delivery coordination and collaboration.

A Joint Use Committee—with appointees from the school district and the city—has been established to implement the Community Learning Centers program; a usage agreement will guide the committee. The agreement includes the following provisions: (1) Akron Public Schools has priority use of the buildings. It will establish a shared-use time schedule with the city. (2) The buildings will be used primarily for educational, governmental and civic needs. Any use beyond this is considered auxiliary. (3) Auxiliary users must pay Akron Public Schools to use the buildings. (4) Beginning on Dec. 1, 2006, the city will pay the schools \$30,000 annually to help cover utility and maintenance costs. This amount will be adjusted each year based on the Consumer Price Index.⁹

The YMCA is also partnering with the Community Learning Centers to operate programs after school in the gymnasiums.

Schools as Community Centers, Los Angeles

The Los Angeles Unified School District (LAUSD) has incorporated design elements into the plans for 60 new schools that will facilitate community use of school facilities. All of these schools are in various stages of planning, design and construction. These 60 schools will be open to the community during non-school hours. The school designers have located gyms, community rooms, and multi-purpose spaces at the periphery of the site so that the community can enter them without traversing the entire school.

The impetus for considering joint-use facilities came more from citizen advocates and community groups than from mayoral pressure, according to a LAUSD development team manager. The mayor's Director of School Facilities Planning—one of the two positions created to specifically work with schools—observed that the new schools are being planned for multiple purposes because it “obviously does not make sense” to invest such enormous resources into stand-alone schools.¹⁰

Joint-use Facilities, Lincoln

In Lincoln, there are three community recreation centers that are part of school buildings, exemplifying co-location that was planned and designed into a public facility.

The complexes are constructed as a single facility, but paid for by different agencies. Lincoln has had joint-use facilities for over 15 years; one is more than 30 years old. Maintenance and related issues at the centers are addressed by a joint, staff-level

⁹ Appendix I.2: Imagine Akron Public Schools Overview & Cooperative Agreement Summary (www.imagineakronschools.org) (4 pgs.)

¹⁰ Appendix V.2: New Schools, Better Neighborhoods Memorandum of Understanding: Gratts Primary Center (7 pgs.)

subcommittee composed of facilities directors; facilities managers are also present but do not vote.

Such facilities maximize construction dollars by providing services to multiple demographic groups under one roof. For instance, computer labs are used not only by students, but to provide senior citizens with internet training. Facilities are also used during non-school hours for family service programming.

All new public schools in Lincoln are designed with after-hours use in mind; gyms, cafeterias and meeting rooms can be accessed while the rest of school is closed. Lincoln representatives observe that budgetary constraints would mean fewer recreation centers without the schools partnership. Savings can result from such features as shared HVAC systems. Officials estimate that single-purpose facilities simply cost more: A stand-alone recreation center built in 1995 cost \$4.5 million, while a school based recreation center built the same year cost only \$1 million.

Another collaboration Lincoln has explored involves co-locating public libraries and school libraries, a subject in which there has been demonstrated public interest. To date this has not happened, principally because of concerns about security, safety, liability, and student internet restrictions that may be inappropriate for public library users. Lincoln's mayor has been instrumental in encouraging such a partnership, for which discussions continue.¹¹

1.2 School District Land Sharing

The report's seven study cities all demonstrated the importance of public schools as public landholders. In each city, agreements had been developed with regard to shared use of school land. Usually these agreements involved parks and recreation; some aimed to improve the environment, or supported housing development.

The study cities varied in their approaches to land sharing. Some had a "systemic" approach that included policies, processes, and procedures to support school-agency relationships. Other cities had more political, case-by-case approaches to land sharing.

Coordinated Site Acquisition, Lincoln

In Lincoln, the school district land sharing agreement is straightforward. Lincoln Public Schools has agreed with the Parks and Recreation Department that the school district will purchase surrounding land for parks and recreation use when a future school site is acquired. Parks and Recreation has agreed to later purchase this land from the school district. When the Parks and Recreation Department purchases land, it also determines whether to buy extra land for possible collaborative use.¹²

¹¹ Appendix IV.1: Best Practice Interview – Draft (5 pgs.)

¹² Appendix IV.1: Best Practice Interview – Draft (5 pgs.)

Gratts New Primary Center, Los Angeles

In Los Angeles, the school district land sharing situation is more complicated. Los Angeles faces the dual problems of intense school crowding and a shortage of affordable housing. In order to build new schools (and there are 60 in the first phase of development), the school district uses rights of eminent domain to purchase land. The school district is working with the city and housing developers to relocate displaced residents, as well as seeking ways to integrate affordable housing into school site development.

One example in is the Gratts New Primary Center site, where the school district will build a Pre-K through 3rd grade school. Los Angeles Unified School District (LAUSD) is considering two options there: (1) incorporating this new early education child care center into an affordable housing project, or (2) devoting a portion of proposed Gratts New Primary Center's open space and other facilities (such as a library, multipurpose room, and parking) for community use, which would help the housing developer satisfy open space requirements. LAUSD will employ a master planning process to make the final determinations about these joint-use options.

New Schools Better Neighborhoods—a not for profit technical and advocacy organization dedicated to improving schools and neighborhoods—has entered into a Memorandum of Understanding with LAUSD and the non-profit developer to facilitate a planning process to develop a feasibility for joint use of all or a part of the site by the developer and LAUSD.¹³

TREES Project, Los Angeles

Los Angeles offers another innovative example of collaborative planning and development. The TREES Project was spearheaded by the TreePeople, an environmental non-profit group. In partnership with LAUSD, the Water Department, and other city agencies, this group transformed a schoolyard that was mostly asphalt into a green space that conceals below-ground water filtration fields.

TreePeople recognized a double problem, and offered a creative solution. While LAUSD had earmarked nearly \$200 million for asphalt paving, the Water Department was exploring ways to decrease run-off. The rate that rain water was entering the bay has meant that there are more pollutants in the water since it is not purified by draining through the ground and that the earth is drier, leaving plants and animals with less water. The acres of asphalt paving on school yards was partly to blame for this rapid run-off and provided an opportunity to reclaim large areas of open space for water filtration.¹⁴

¹³ Appendix V.2: New Schools, Better Neighborhoods Memorandum of Understanding: Gratts Primary Center (7 pgs.)

¹⁴ Appendix V.4: Trans-Agency Resources for Environmental & Economic Sustainability (TREES) Overview, Sponsors & Public Site example (www.treepeople.org) (10 pgs.)

The project created a water filtration field to collect runoff from other paved areas adjacent to the school, including roads and other hard-surface parking areas in the neighborhood. The resulting green space is a vastly improved outdoor play and recreation area for children. It also benefits the school, community, and long term environmental health of the region.

1.3 Program Coordination among Municipal Agencies

While program coordination for improved programs or better facility use often centers on collaborating with school districts, there are examples of program coordination between other agencies and their facilities in the municipal inventory.

The following examples of program coordination focus on services to neighborhoods, and on individuals at the neighborhood level. This contrasts with the student- and school-centered examples that were discussed in the previous section of the report.

Neighborhoods Alive! With Seniors, Chicago

Chicago has built ten new “satellite centers” for senior citizens throughout the city, to provide one-stop shopping and a variety of conveniently located social services geared to this demographic group. These city-owned sites, monitored by the Department on Aging, are operated by non-profit agencies.

The *Neighborhoods Alive! With Seniors* program was predicated on a successful 1997 initiative for the general population. The original Neighborhoods Alive! program stated as its goals: “(1) improve the lives of our children—by rebuilding schools, easing overcrowding, making schools safer, and most importantly, making schools a better place to learn; (2) improve the life of families—by making certain that good parks and libraries are nearby; (3) work to bring new homes to neighborhoods, where working families can afford to buy a home and raise their children; and (4) work to make communities safe, by expanding community policing to involve more and more citizens—and building new police stations that make those communities more stable.”

Building on its success, the mayor launched *Neighborhoods Alive! With Seniors*, an aggressive plan to make Chicago the “city of choice” for seniors. Ten state-of-the-art satellite centers range in size from 7,000 to 9,000 square feet, and accommodate up to 175 people each day. The total capital budget for all ten sites was \$20 million, including structural development, furniture, fixtures and equipment. In addition to shopping, the centers offer such services as daily fitness and exercise classes with personal trainers; a soup and salad bar with nutritional snacks; computer classes with internet access; a wellness center including health educational classes and health screening; citizenship classes; community safety meetings; resources and support for grandparents as caregivers; energy assistance and home maintenance referrals; benefits eligibility screening; and multipurpose meeting spaces.

The program's implementation success is attributed to a cross-departmental approach that includes the mayor's 26-city-department task force on seniors. Interdepartmental collaborative efforts—in combination with the mayor's belief that stand-alone facilities are less efficient—were a major factor in saving municipal construction costs. For example, two senior centers were built as additions to existing Chicago Park District facilities; this saved the city more than a half million dollars. A third senior center was co-located with the Department of Human Services and the Mayor's Office of Workforce Development, which not only provided construction savings, but enables seniors to take advantage of these agencies' services in addition to those offered at the senior center proper. Another center was located at an underused school property.

This broad inter-departmental collaboration—along with public and private resources—has made senior citizens a priority in Chicago's city government. One example is particularly illustrative. After finding that many Chicago grandparents were the primary care-givers for young children, the city started a program to provide priority enrollment for children under grandparental care in Early Childhood Programs offered by the Department of Human Services or Chicago Public Schools. This program results from cooperation among the Chicago Department on Aging, Illinois Department of Children and Family Services, Chicago Public Schools, and the Day Care Action Council of Illinois. Since this program's inception, the city's Head Start and Early Head Start programs have provided assistance to approximately 4,000 grandparents raising their grandchildren. This number reflects roughly 15 percent of the more than 25,000 children enrolled in Head Start and Child Care.¹⁵

FOCUS Centers, Kansas City

Kansas City also has an exemplary program for social services collaboration among city agencies. It differs significantly from the Chicago approach.

Kansas City's FOCUS Centers, intended to be accessible to every neighborhood and every citizen, were located along the city's multi-modal transportation network. They provide an array of cross-departmental services, and each center is geared to serve the particular needs of its own neighborhood. For instance, if a considerable number of residents in one neighborhood have mental health problems, that neighborhood's FOCUS center will provide access to mental health assistance.

The needs of each FOCUS center were identified through the comprehensive planning process. The program comprises the city's strategy for delivering services and information to its citizens at the neighborhood level. Residents come together at these centers of activity to solve problems, share ideas, and to feel part of their community. One FOCUS center is located in a public school, but most are located in spare office space of not-for-profit organizations.

¹⁵ Appendix II.2: Press Release: Mayor's Press Office, "Mayor Daily Reports on Senior Progress in Chicago," www.cityofchicago.org, 3/21/2002 (3 pgs.)

One area of particular concern to the FOCUS program involved “reconnecting” the city. From this abstract goal grew a recommendation to develop a more effective transportation system. The planning department used a Geographic Information System (GIS) to map demographic data such as job locations and daycare locations, and determined such things as the number of autos an area’s residents were likely to own, if any. This analysis led to conclusions such as this: Welfare-to-work requirements place burdens on residents who own no car, but who must take their children to daycare in order to work at a job. Once this problem had been identified, the planning department catalyzed a solution by bringing together the transit authority, major daycare providers, the economic development office, and the housing authority in search of a remedy. When the new transit system was built, stops were placed near heavily used daycare centers. Ultimately these transit centers developed not only with daycare centers, but with retail and housing.¹⁶

Super Commons, Lincoln

In Lincoln, yet another method yields effective program coordination among municipal agencies. The Super Commons is a quarterly forum whose members include Lincoln’s city council and mayor, school board, and county board. As the participants discuss their agendas, opportunities for coordination are identified. The regularity of the Super Commons encourages ongoing identification of opportunities to coordinate among government agencies.

These are some examples of collaboration that can result from the Super Commons:

- (1) If the city needs a bond for street repairs, and the schools need a bond for a new school building, the two groups coordinate bond issues, increasing chances of passage and eliminating competition between the bonds.
- (2) The Transportation Department coordinates with Lincoln Public Schools to schedule bus service to and from schools.
- (3) The departments of Parks and Recreation, Planning, and Transportation collaborate with the Lincoln Public Schools on trail development and planning. Lincoln’s 80 miles of bike trails are used not only for recreation, but for office commutes and safe school routes for area students.¹⁷

¹⁶ Appendix III.3: City Planning & Development: FOCUS Kansas City Contacts & Background Information (www.kcmo.org) (6 pgs.)

¹⁷ Appendix IV.1: Best Practice Interview – Draft (5 pgs.)

1.4 Observations about Program Coordination

In most of the study cities, interviewees reported a dearth of public policy to encourage or guide intergovernmental program coordination. Few officials reported that they were required by law to collaborate. The lack of policy on collaborative school/community planning reported in the study cities was consistent with a 2002 review of state policy on integrated planning for schools and neighborhoods done by the National Trust for Historic Preservation, as part of the Building Educational Success Together (BEST) initiative. This review found only 11 states with policies that either provided incentives or mandated joint planning for schools and communities.

The sole exception to this trend, among the study cities, was Lincoln. In the 1970s, under a strong Mayor and Council chairperson, inter-local agreements were codified to create joint city/county departments of planning, health, purchasing, corrections, aging, personnel and information services. The Lincoln legislation permits agencies to jointly levy additional taxes outside of their tax ceiling. These interagency agreements are enforced by an independent legal council; one agency thus has no power over another. This arrangement facilitates collaboration and fosters a collegial approach.

In the other study cities, then, what encouraged program collaboration among agencies, given the dearth of policy direction? Many of the study cities reported that a strong mayor or city administrator provided leadership for program collaboration, joint development and shared use. Civic demand for improved services—or better management—also encouraged varied agencies to plan together.

What seemed clear was that strong leadership—along with mandates and incentives—is necessary to achieve effective program coordination within a city government, and especially across independent government entities.

Such leadership is evident in Los Angeles, where program coordination occurs primarily at the direction of the mayor, who has made it a clear priority. The mayor's Director of School Facilities Planning—who is responsible for coordinating municipal concerns associated with housing, recreation, roads, parking, permitting, and new school construction—described her job in bringing agencies to the coordinating table as a “nagging” role. She also observed that without the mayor's strong encouragement, department heads and agency directors—who are busy with their own programs, and who do not have authority over each other—would likely not take the time for interdepartmental coordination. She noted that executive leadership is necessary not only to bring the players to the table, but to ensure that coordination is a continuing priority.

In Chicago, coordination also occurs primarily as a result of a top-down approach. The success of the city's collaborative initiatives such as *Neighborhoods Alive! With Seniors* seems largely a result of the vast influence enjoyed by Mayor Richard M. Daley. The mayor has made “better, smarter government” his mission statement to the public and to the city departments; coordinated service delivery results from mayoral expectations. The

mayor himself is instrumental in identifying coordination opportunities. For instance, he routinely drives around the city looking for under-used buildings where co-location of services might be possible.

The presence of a strong mayor or top-level leader certainly facilitates program coordination and shared use of public facilities. The practice associated with program coordination can be codified to sustain it, however, as it has been in Lincoln.

Section 2: Planning, Budgeting, and Management

This section of the report examines how governmental management practices can affect program coordination and efficient use of facility and land assets. Such practices include capital planning, budgeting, and capital management.

Typically authority for schools, social services, infrastructure and other public functions were found to be dispersed among state, county, and city governments, and one or more school districts. Each governmental entity—whether state, county, municipality, or school district—had autonomous decision making, as well as taxing and bonding, powers, and independent responsibility for implementing capital projects.

Nevertheless, it was possible to identify key elements of successful management practice that affected program coordination and facility and land use. The findings that follow were based on interviews with officials from the study cities, and other research.

There were common elements to a well managed municipal capital program, even though the extent of policies that guide program coordination and capital planning, budgeting and capital management varied in each city. These common elements were:

- *sound planning*, based on up-to-date and comprehensive information and a public engagement process to establish a vision for building or infrastructure improvements;
- *a trusted capital budget decision-making process* that includes the requirement and systems for regular communication and cooperation among agencies and governmental entities; and
- *the capacity to effectively manage the implementation* of capital projects, including external oversight.

2.1 Planning

Master facility planning lays the foundation of a well managed capital program. A master facility plan is distinguished from a capital plan by how comprehensive it is in linking program to facility needs, the duration of the plan and the detail associated with scope of work. A master plan covers a 10- to 15-year timeframe, while a capital plan typically covers something closer to a five-year period. With regard to detail, the master plan provides less certainty about scope, cost, and schedule, but more detail on goals and objectives, and criteria for setting priorities and making decisions.

A master plan includes:

- *a description of the current conditions and a vision* for where a city, agency or school district want to be at the end of the plan;
- *the programmatic elements* that need to be supported by the plan;
- *a preliminary estimate of the scope of work* on a project specific basis required to reach the plan's objectives;
- *a preliminary estimate of the cost* to implement the plan; and
- *a schedule* for the start and completion of the projects described.

A capital plan would provide additional detail in each of these areas, and is discussed in more detail later in this report.

Among the report's study cities, only Akron and Oklahoma City engaged in master planning processes aimed at a shared community vision and securing new-tax revenue support for public facility improvements. In the case of the former, the Ohio School Facilities Commission required that Akron Public Schools develop a facility master plan.

Most cities interviewed, however, did not have long range facility master plans. In Chicago and Los Angeles, planning was more ad hoc, with project-specific planning considered more important than district-wide planning. Neither of these major cities engaged in a master planning process as precedents to major capital investments in public schools or other public facilities.

Long Range Educational Facility Master Plan, Akron

In 2002, Akron Public Schools developed a long-range educational facility master plan, which was required and paid for by the Ohio School Facilities Commission. This 15-year plan included all of the city's public schools, and provided the basis for the Community Learning Center program described in Section One. It identified the basic scope, cost estimates, and priorities for each of the public schools in the district. The planning process was broadly participatory and fostered public support for the 41-percent local share of the \$800 million that was needed to fund the plan.

The Akron master plan was informed by *Imagining Akron 2025*, a citizen-led comprehensive planning effort to assist the city identify goals for its future. An 18-month civic discussion had already taken place, beginning in 1999, that involved more than 1000 participants. This discussion encompassed issues such as education; delivery of services to families; attention to services for children, seniors, and the disabled; health care; early, primary, secondary, adult, and higher education; and the role of charitable and religious organizations.

Metropolitan Area Projects¹⁸, Oklahoma City

Oklahoma City's master planning process coincided with a tax increase targeted for municipal capital improvements. In 1993, the voters of Oklahoma City had approved a temporary, one-cent sales tax to fund a major capital improvement initiative to upgrade public facilities. By the time the tax expired on July 1, 1999, more than \$363 million had been accumulated through tax collections and earned interest.

Shortly after approval of the one-time tax, the mayor appointed a 21-member oversight board, the Metropolitan Area Projects (MAPS) board. This citizen group reviewed projects, including financing issues, and made project recommendations to the City Council. The MAPS oversight board led the public process for the master plan for upgrading public facilities. The master plan was approved by the Oklahoma City Council on February 14, 1995.

The master plan was subsequently implemented, and included a variety of projects. Among these were a new ballpark, a renovated convention center, a facelift for the state fairgrounds, development of Bricktown Canal, a mile-long canal with retail and entertainment, hiking, bike trails, water features and landscaped park areas that links downtown with the Bricktown Ballpark, a new library/learning center, new trolleys, a near-rebuilding of the Civic Center Music Hall, improvements to the North Canadian River, and construction of the Ford Center—a 20,000-seat, 581,000 square foot arena for major sporting, entertainment and exhibition events.¹⁹

MAPS for Kids, Oklahoma City

Following the model of the city facility master plan, in 1999 a highly diverse group of civic, business and community leaders facilitated a collaborative planning process among the City of Oklahoma City, Oklahoma City Public Schools and the Oklahoma City Public Schools Foundation. The former Mayor of Oklahoma City, Kirk Humphreys was a prominent leader in this initiative. Civic leaders set up Project KIDS (Keep Improving District Schools) to study the Oklahoma City School District and its needs for the future. Fifty people served on the committee, which was composed of city leaders, business leaders, chamber of commerce members, city officials, private organizations such as the public schools foundation, and community members.

Over the course of a year, the Project Kids Community Inclusion Initiative organized nearly 60 community meetings that involved more than 3,000 residents. The organizing committee, with input from a diverse public, offered a document called "Project Kids: Rebuilding Oklahoma City Schools." The report recommended overhauling the school

¹⁸ Information from a pre-publication article "A Matter of Trust: A Model of School Construction and Renovation Financing That Really Works" Ron E. Bogle, President and CEO, The American Architectural Foundation, former president of the Oklahoma City School Board. March 12, 2004.

¹⁹ Appendix VI.3: Memorandum of Understanding between City of Oklahoma City and Oklahoma Metropolitan Area Public Schools Trust (26 pgs.)

system's management, instructional programs, and renovating or reconstructing every school in the city.

In November 2003, Oklahoma City voters approved MAPS for Kids, a \$470 million school construction program including more than 100 projects to be completed over ten years. Several MAPS for Kids schools will have health clinics and/or media centers that will be open to the community after school hours. The MAPS for Kids program manager noted that once the construction phase is over, schools will have complete decision making power over their operations, so any joint use will be defined through intergovernmental agreements.²⁰

2.2 Capital Planning and Budgeting

A capital plan, like a master plan, describes goals, priorities, work scope, project cost estimates, and schedules. The capital plan, however, provides more accuracy and detail with regard to scope, cost, and schedule. The capital plan also may—depending upon context—include information on the source and amount of funding for implementation and an analysis of borrowing capacity.

The processes for capital planning and budgeting vary. Anecdotal examples from interviews with officials from Lincoln, Kansas City, Portland and Los Angeles follow.

Capital Planning and Budgeting, Lincoln

An important planning document in the Lincoln budgeting process is known as the Capital Improvement Program (CIP) which projects six years into the future the needs for more than twelve city departments and agencies. This document is updated yearly. The city planning department is the lead agency in its development, per the city charter.

The value of the CIP is clear. Besides providing a multi-year perspective and identifying related capital projects, it enables other public entities—such as Lancaster County and the Lower Platte South NRD—to create more predictable improvement plans of their own, and fosters cooperation on infrastructure issues of mutual concern.

To generate the annual CIP update, each department projects its capital needs and creates a six-year improvement program. Community meetings are held to discuss departmental proposals. (In 2004, early, meaningful public input was increased through a mayor's town hall meeting event where attendees were invited to fill out a comment form that was also available online.) Departments also coordinate among themselves with regard to the individual projects.

²⁰ Appendix VI.5: Project KIDS Report 2001: "Building a Learning City for Children of the New Economy," 8/9/2001 (31 pgs.)

These individual projects are then submitted to the planning department which assembles them into a single document, the annual CIP update. As this is done, the planning department evaluates each project for conformity with the City-County Comprehensive Plan, along with the most recent funding projections and revenue calculations.

The CIP is then reviewed by a Capital Improvements Advisory Committee (CIAC) composed of directors from the public works, planning and finance departments, the budget officer, and the mayor. Although there is no formal CIAC system for prioritizing project requests, projects that evidence coordination between or among departments have a better chance of funding because the mayor highly values such coordination. For example, a proposal to build a joint recreation center/school will be given priority over a stand-alone project proposal.

Capital projects slated to start in the first year of the six-year CIP are then incorporated into a separate document, the Capital Budget. The mayor forwards the CIP, the planning commission recommendations, public testimony, and the proposed Capital Budget to the Lincoln City Council which takes the formal action of approving and adopting a one-year Capital Budget consistent with the six-year Capital Improvement Program.

Lincoln uses an array of funding sources to pay for capital projects. Capital improvements funding may come from one or several sources, including the private sector, or city, state, or federal government. City funds are principally derived from property and sales taxes which are used to finance borrowing for capital projects.

Public Improvements Advisory Committee (PIAC), Kansas City

Kansas City has an unusual capital budget process in that the capital improvements plan is largely managed by a citizen advisory board. This board, known as the Public Improvements Advisory Committee (PIAC), consists of 13 persons—two from each council district—and a chairperson, appointed by the Mayor and City Council. Created in 1983, the group has developed a comprehensive understanding of the city's needs and therefore is in good position to determine priorities and foster adequate coordination for citywide and neighborhood portions of the Kansas City capital budget.

The PIAC is staffed through the planning department, which ensures that the city's FOCUS comprehensive plan is included in the PIAC process. Kansas City's FOCUS program, which provides demographically-tailored social services in centers accessible to the municipal transportation system, is described in section one of this report.

PIAC's most notable trait is the degree to which it includes the public in the capital improvements process. In fact, PIAC's primary function is to solicit citizen input and make recommendations regarding both the citywide and neighborhood portions of the city's capital budgets. Citizens can complete a project request form (available online or from the city manager's office), or inform the PIAC about needed public improvements—or express other concerns and opinions—in a series of public hearings that begin in early summer. In one recent year, more than 700 requests for public

improvements were received through the PIAC process, the transparency of which is increased by internet information dissemination.

Even city department heads who wish to request capital funds must do so through the PIAC process. Department heads consult with the Capital Improvements Program (CIP) Administrator from the city manager's office, and departmental requests are added to the PIAC-generated list of proposed projects. The CIP technical committee—composed of one or two members from each department—narrows down this large list, and department heads may “lobby” for their projects at CIP technical committee meetings. Ultimately the CIP technical group shortens the list of proposed capital improvement projects but does not delete any of the citizen-generated requests.

This briefer list is returned to the PIAC, which assigns project costs and balances the capital improvements program budget. The PIAC submits its balanced five-year capital improvements budget in late November.

While Kansas City has no explicit policy that mandates interdepartmental collaboration and coordination, the PIAC and CIP processes foster them. Coordinated projects are more likely to be funded since they are advocated by more than one department.²¹

Capital Review Committee, Portland

Portland's capital project management and budgeting system provides insight about what happens when the process is somewhat informal in nature. This provides an interesting contrast to the more structured Kansas City PIAC process.

In 1996 the Portland city council created a “capital set-aside” to help general fund bureaus pay for capital costs. Candidate projects are reviewed by an inter-bureau team, the Capital Review Committee (CRC), which makes budget recommendations to the city council.

For the last two years, the CRC has applied specific criteria to candidate projects to guide its recommendations. CRC measures projects against three strategic priorities—improving aging infrastructure, safety issues, and whether a project is mandated—and also considers how the project supports the city's goals of economic vitality, “River Renaissance,” and growth management and livability.

Portland interviewees observed that coordination efforts among the bureaus are more often based on personal relationships than institutional design. Individual perspectives, rather than government directives, drive many collaborative efforts. Some institutional encouragement occurs—for instance, recommendations for coordination by the budget

²¹ Appendix III.4: Capital Improvements: Capital Improvements Program & Management Office Information, Public Improvements Advisory Committee Information, and Requesting a Capital Improvement Project (www.kcmo.org) (Five-Year Capital Improvements Plan Overview included) (22 pgs.)

office—but these have apparently met with limited success. Most cooperative efforts are designed to save money.

Portland bureaus do, however, coordinate in the sense that they contract services with each other. In fact, interviewees reported that nearly half of the city's financial transactions are completed in this manner. These arrangements are carried out through Memoranda of Understanding among the bureaus, in part because the bureaus have separate revenue streams.

Examples of coordination among bureaus include the following. The water bureau contracts with the transportation bureau to carry out sewer maintenance for environmental functions. Landscaping and maintenance of public rights of way is done by the parks bureau, even though the land is owned by the transportation bureau. The city parks department and school district jointly operate swimming pools, which are open to the public some of the time and reserved for school use at other times. Community center programs are run out of school buildings.

Portland contacts noted that it is most important to have coordination between parks and transportation and between the bureaus of environmental services and transportation. This makes sense because, for example, in order to get to parks, one has to use transportation. Both agencies are interested in biking/walking, so it makes sense for them to work together.

Interviewees observed that Portland would benefit from having a single source for resolving conflicts between bureaus. There is no city administrator, and the chief administrative officer is in charge of administrative functions only, with no operational authority. This arrangement clouds accountability, which is as important to successful coordination as flexibility.

Observers concluded that while Portland does a good job of capital budgeting within bureaus, it does not do a good enough job of coordinating among bureaus. A better understanding of overall objectives by the entire organization would result in a more informed budgeting process. One specific problem noted was that, in striving for consensus decisions, the Capital Coordinating Committee tends to stretch the budget monies too thinly. This may be because the committee is composed of representatives from the bureaus competing for the funds. Efforts to centralize the process did not work well due to the commissioner structure of the city government.²²

²² Appendix VII.1: Best Practice Interview with Steve Dotterrer, Principal Planner, Planning Bureau and Ron Bergman, Director, General Services Bureau – Draft (6 pgs.) and VII.4: FY04-05 Proposed General Fund Capital Setaside Projects – Interim Ranking Results for 1st Year Projects Only (2/2/2004) (1 pg.)

Funding for Joint-use Planning and Facilities, Los Angeles

The most recent bond issues passed for Los Angeles Unified School District (LAUSD) provide for a small amount of funding to create incentives for joint planning of schools and other municipal facilities. The first was Measure K, the Safe, Healthy Neighborhood Schools Bond Measure of 2002. This bond earmarked \$10 million of the \$3.35-billion total for joint planning of new schools, parks and libraries. Specifically these funds were intended for: building new schools with parks and libraries to make schools community centers; encouraging partnerships with other governmental agencies when selecting school site; allowing LAUSD to make effective use of state matching funds; and meeting additional community needs such as health clinics, enhanced recreational activities, and after school space.²³

The second bond measure was the \$3.87-billion Safe and Healthy Neighborhood Schools Improvement Act of 2004, which increased joint-use facility funding to \$20 million. This act specified that funding is intended to “provide new facilities opportunities through the acquisition; purchase, lease, construction, reconstruction, furnishing, and equipping of joint-use facilities separate from and in conjunction with other construction and repair projects.” These projects will enable LAUSD partnerships with other public and private entities for the joint and community use of facilities, potentially including the expansion of early childhood development centers, the creation or expansion of satellite academies on non-district campuses, the shared use of open space associated with school recreational facilities, expansion of joint school and community recreational facilities, the creation and expansion of adult education facilities in partnership with private and public entities and the creation and expansion of opportunities to share the use of facilities like parks and libraries.

The State of California also provides funding specifically for joint-use facilities. Proposition 47, The Kindergarten-University Public Education Facilities Bond Act of 2002, was a \$13.05-billion bond measure to relieve overcrowding, accommodate new enrollments, make overdue safety repairs and upgrade California's elementary, middle and high schools, community colleges, and universities. Of the total bond, \$50 million is available to fund joint-use projects.²⁴

One example of a joint-use project involved a facility constructed for use by both a K–12 school district and a local library district. However, in this case regulations were so restrictive that only \$15 million was appropriated to districts. For example, the legislation required that the joint-use partner—whether governmental agency, non-profit, or other—had to cover fifty percent of the total costs. The type of joint programming—for instance, disallowing medical clinics to partner with schools—was also restricted. Subsequent legislation amended the original bill; partnering entities must now contribute

²³ Appendix V.1: Best Practice Interviews with Jane Blumenfeld, Office of the Mayor and Department of Planning and Susan Cline, Development Team Manager for LAUSD – Draft (6 pgs.)

²⁴ Appendix V.1: Best Practice Interviews with Jane Blumenfeld, Office of the Mayor and Department of Planning and Susan Cline, Development Team Manager for LAUSD – Draft (6 pgs.)

twenty-five percent or more of the total costs and schools are allowed to partner with a wider array of programs. Proposition 55, The Kindergarten-University Public Education Facilities Bond Act of 2004, also earmarked \$50 million for joint-use facilities.

Although the funding set aside for joint-use facilities in both the state and local initiatives represents only a small fraction of the total bond amounts, the fact that money was earmarked specifically for joint-use purposes points to voter support for facilities used in this manner.

2.3 Management of Facilities and Properties

Managing public facilities involves a multitude of functions, which include physical maintenance, clear understanding of space and technology needs, and oversight for design and construction. Management procedures for maintaining current inventory and developing new projects can have major consequences for capital and operating budgets.

Physical maintenance aspects of facility management include cleaning, routine and preventive maintenance, repairs, energy and environmental management, and planning and overseeing lifecycle replacements of building components and systems. Managing public facilities requires understanding space and technology needs for a whole host of users. It also requires comprehensive, up-to-date information on how space is being utilized, policies for space allocation, and guidelines for space standards.

Management of design and construction projects is an important subset of property management, because these activities can greatly affect capital and operating budget requirements.

In the private sector, property management is a well developed industry. However, in the public sector only recently have land and buildings been viewed as “assets” whose management can contribute to municipal program and budgeting goals. Rather, these public assets have traditionally been managed as “free goods.” Depreciation, for instance, has only recently been required of publicly held capital assets.

Property management is such a broad topic that research for this report can in no way do it justice. The report draws on brief interviews and supporting information from the Chicago Department of General Services and the U.S. General Services Administration concerning allocating, managing, and utilizing space.

Also notable is work underway in Akron, which involves management of the school building inventory as that city transforms its city public schools into a system of community learning centers to be used not just by students, but by many other community members.

Department of General Services, Chicago

In Chicago, a single entity—the Department of General Services (DGS)—operates as the municipal assets manager, serves as lead agency for capital budgeting, contracts for bulk services, and implements citywide master facility planning. The desired result of this centralized approach is the efficient delivery of city services, cost reduction, increased revenues, greater productivity, and maximization of city assets and resources.

Specifically, the DGS Commissioner’s Office is responsible for managing the safe and efficient operation of all city facilities; formulating policy for all city-owned facilities, leases and telecommunications services; and administering and coordinating strategies throughout six bureaus.

DGS has responsibility for prioritizing capital needs for municipal facilities. In fact, individual departments do not receive funding for capital improvements from the city’s Office of Budget and Management. DGS has this responsibility and thus is able to actively pursue cost savings through such techniques as facility consolidation.

For example, DGS might measure all the spaces used by health services and human services, looking at ways to cut or consolidate as much as possible, while also looking for extra space. DGS asks questions such as, “why is this space not being used; should this agency even operate out of this space anymore.” A list of possible facility consolidations and relocations are reviewed on a semi-annual basis by the DGS space committee, which includes representatives of the mayor’s office, the budget director, and the head of DGS real estate. Subsequently, DGS implements the decisions of the committee.

Since DGS manages the capital improvement project (CIP) funding allocated to all city departments, there is ongoing discussion between the departments and DGS. The coordinated approach between DGS and the city departments leads to better CIP planning. For example, when there are plans to consolidate a department’s buildings, there will be issues related to informing the client base that the services will move. DGS takes into account how consolidation will affect any relevant client bases (i.e., whether there will adequate transportation available at the new location). The coordinated planning between DGS and the departments allows for better-informed decision making.

Several benefits result from Chicago’s centralized capital budgeting process. There is direct accountability, since DGS serves as the lead agency for capital budgeting. Also, there are significant costs savings, since DGS can contract for services in bulk. For example, a single roofing contract might encompass work as several departments’ facilities, in order to obtain favorable pricing. A further benefit of the process is that DGS is able to successfully implement citywide master facility planning.

The centralized approach is not without shortcomings, however. Small agencies can be disadvantaged as they compete with larger agencies within DGS, facilities become an easy target for cutting when revenues are slow, as they are a consolidated budget item,

and facility managers may dominate what should be programmatic or service related choices on the part of agencies.

Chicago officials noted that coordination is more difficult between agencies that have different sources of revenue. Such agencies include schools, parks, transit, and housing authorities. In these cases, financial arrangements among the agencies are difficult to uphold. For example, if the parks department plans to carry-out programming at school-owned swimming pools, there might be an arrangement by which parks agree to provide the additional life guards and schools agree to cover the extra energy costs.

US General Services Administration, Washington, DC

The federal government's principal property manager, the General Services Administration (GSA), oversees a far larger operation than any of the report's study cities. GSA is included in this report because it has developed innovative approaches to government property management, and because it has a special relationship with the District of Columbia, where much of the GSA property inventory is located.

According to the General Services Administration website, the agency's mission is to "help federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services and management policies." GSA support can include office space, equipment, supplies, telecommunications, and information technology. GSA also plays a key role in developing and implementing policies that affect many government agencies.

GSA has responsibility for managing nearly fifty percent of all federally owned property. It is almost easier to delineate what federal property is *not* in the GSA portfolio, which excludes Department of Defense, Park Service, and the Department of the Treasury properties.

Only one percent of GSA's budget is provided through direct congressional appropriations. Most of GSA's operating costs are recovered through charges for the products and services it provides to federal agencies. Prior to 1972, space and improvements had been a "free good" to federal agencies, which tended to use property inefficiently and exhibit little spending restraint. This is because in 1972 Congress passed a law that gave GSA authority to establish fair market rents and to charge federal agencies for the space they use and operating costs.²⁵ Each agency must decide the quantity and quality of space it can afford and must justify this decision in its budget. Rents, based on fair market value, are paid directly to GSA which in turn uses these revenues for both operating expenses and a capital reserve fund earmarked for building improvements and operations. The revenue stream also supports maintenance and provides an incentive to agencies to complete maintenance.

²⁵ Appendix VII.1: Public Buildings Amendments of 1972 (<http://hydra.gsa.gov/pbs/pt/call-in/p192-313.htm> (6 pgs.))

Today GSA maintains standards for maintenance, repair, renovation, and new construction. It also uses customer satisfaction surveys to ensure that agencies are not too thrifty in their facility allocation to employees and the public.

GSA has learned that a system in which rent is charged motivates each agency to use as little space as possible, since the agency must balance fixed facility costs against personnel and program costs. The system also motivates GSA to seek full occupancy of federal buildings—either by leasing excess space to other agencies or private users—because GSA is ultimately responsible for the cost of owning and operating the space it owns. For example, if a leasing agency needs only half of a 200,000 square foot building, the responsibility for finding a tenant to occupy the unused balance of space falls to GSA, not the tenant agency. These incentives for both GSA and the federal agency-tenants have resulted in more efficient overall use of federal buildings.

This information is based on an interview with the former GSA Commissioner of Public Building Service.

Cooperative Agreement on Community Learning Centers, Akron

Since Akron is building Community Learning Centers with its city and state bond proceeds, it is creating an inventory of buildings and land which will not be exclusively under the control of the public schools.

To address this change, a rethinking of issues associated with the ownership and operation of the schools was required. The Akron Public Schools and the City of Akron have established various decision-making bodies and put in place various agreements to support the Community Learning Centers (CLC). A Cooperative Agreement was signed between Akron Public Schools and the city of Akron which lays out the financial, operational and oversight details of the Community Learning Centers. With regard to financing, the agreement states that:

- A 0.25 percent income tax increase was approved in May 2003 and is in place for 30 years unless the project is paid off early. The city may choose to renew the tax for an additional 20 years if necessary.
- The city of Akron and Akron Public Schools have locked in a favorable bond rating to obtain \$215 million. This money will pay for segments 1 and 2 and a portion of segment 3.
- Akron Public Schools will pay the city \$3 million annually from its permanent improvement fund to cover a portion of the project's costs until the project is complete.²⁶

²⁶ Appendix I.3: Cooperative Agreement for Community Learning Centers Between City of Akron, Ohio and Board of Education of the Akron City School District, December 2003 (56 pgs.)

With regard to ownership and operations of the CLCs the agreement states that:

- The Akron Board of Education is the owner of record for the community learning centers and the land they sit on, unless it chooses to lease the land from a third party.
- Akron Public Schools is responsible for utilities, maintenance and repair.²⁷
- In order for the city of Akron to sell bonds to pay for the buildings, the city will have an ownership interest. The city's ownership interest will end when the bonds have been repaid or the term of the agreement has expired.
- The Ohio School Facilities Commission, which will pay 59 percent of the total construction cost, will have an ownership interest.
- For the purpose of state and federal laws, the buildings will be considered schools.

With regard to construction, the agreement states that:

- Akron Public Schools and the city will work together to select building sites, approve designs, and decide major changes in the design or budget.
- Akron Public Schools will oversee the bid process and property acquisition.

With regard to oversight, the agreement states that:

- A 10-member Joint Board of Review, comprised of equal parts Akron Public Schools and the city, will be established. Each side will name five members to the Joint Board. For the city, two members will be the president of city council and the chairman of the finance committee.
- Akron Public Schools maintains the ultimate responsibility for final decisions, but, if agreements cannot be reached, arbitration will be sought.
- A Disadvantaged Business Enterprise and Workforce Development Advisory Committee will be established to involve local and disadvantaged workers.
- A 10-member Citizens Monitoring Committee, comprised of business, labor and finance leaders, will monitor expenditure funds.
- A CLC Advisory Committee will be established and comprised of four members designated by Akron Public Schools, four members designated by the city and one member voted on by the other eight members. The advisory committee will review documents and provide advice and recommendations on the CLCs.²⁸

The capital program is still in its planning stages, so final outcomes regarding the governance and management of these schools remain unknown. What is clear is that the city and school district are very determined to ensure that the \$800 million capital program not only improves the school buildings, but also alters the way schools integrate

²⁷ Appendix I.3: Cooperative Agreement for Community Learning Centers Between City of Akron, Ohio and Board of Education of the Akron City School District, December 2003 (56 pgs.)

²⁸ Appendix I.3: Cooperative Agreement for Community Learning Centers Between City of Akron, Ohio and Board of Education of the Akron City School District, December 2003 (56 pgs.)

into the Akron community.

2.4 Management of Capital Programs

A good plan can suffer from poor implementation. Even though a good capital improvement plan and budget may be in place, inability to meet quality standards, adhere to public procurement requirements, and stay on budget and schedule—can undermine even the best-intentioned capital program. Many cities have experienced problems with the implementation of their capital projects and have developed different approaches to managing their capital improvement projects and program.

Capital Improvements Management Office, Kansas City

In Kansas City, an increase in city construction projects, budget reductions, and staff shortages prompted the development of a more strategic and comprehensive management approach to capital improvement and infrastructure projects.

The Capital Improvements Management Office (CIMO) is a new citywide office in the City Manager's Office. Its creation was supported by Kansas City's mayor, city council, and city manager. CIMO is responsible for the coordination and expedited delivery of capital improvement projects in order to more efficiently and expeditiously meet the deferred maintenance and economic development needs of the city. Work is carried out by an integrated team of Public Works, Water Services, Aviation, and Parks and Recreation staff, together with private sector firms.

Through the improvements made to the project delivery system, CIMO is designed to ensure faster project start and delivery; strategic coordination of all projects across departments; centralized project monitoring; improved and shared common processes, standards, methods, and systems; and proven best practices, performance measures and metrics, and management reporting.

Since the CIMO was created in January of 2004, not enough time has passed to be able to assess its impacts. Bringing on private sector consultants has helped the departments look at things differently. Although hiring them had a substantial price tag, the new city manager believed that the addition of outside contractors would facilitate fresh thinking within the culture of the municipal government.

Public Building Commission, Chicago

Chicago, on the other hand, has had a commission to ensure professional management of public construction projects since 1956. The Public Building Commission (PBC) is made up of volunteer business and civic leaders and is chaired by the mayor. PBC client agencies include the City of Chicago, Cook County, Chicago Public Library, the Chicago Public Schools, the Chicago Park District and City Colleges. Beginning with land

acquisition, PBC staff manages each project through planning, environmental assessment, architectural drawings, construction and interior design. The PBC is an important link between clients and contractors.

The city uses the Public Building Commission to implement its building program. The Building Commission serves all city agencies with project management and construction services so the individual agencies—police, libraries, and even schools do not have to build this capacity at the agency level. Agencies are not required to use the PBC, so it must compete to have agencies use its services. Because of the extent of their capital programs, the “sister agencies” of Chicago Transit Authority, the Chicago Housing Authority, Chicago Public Schools, Water, the Parks District and the Airport Authority may establish their own in-house capital program management capabilities or, as in the case of the schools in the mid 1990s, contract out their program management to a collaborative of private firms.²⁹

Oklahoma City Metropolitan Area Schools Trust, Oklahoma City

Oklahoma City has a newly created entity for managing school bond projects and appropriating the sales tax funds that pay for them. Not long ago the Oklahoma City I-89 School District (I-89) had run into cost overrun problems in trying to implement a \$90-million bond program earmarked for school air conditioning. In order to shore up public support, the city promised to assume responsibility for school construction if the schools would focus on education.

Thus was created the Oklahoma City Metropolitan Area Schools Trust, which is composed of seven members appointed by the city council and the school district. The trust, which meets bi-monthly, is authorized to purchase public school sites, erect or purchase school buildings, furnish and equip public school buildings, repair existing school buildings, improve public school sites, demolish public school facilities, and purchase school transportation equipment. There is also a Program Implementation Plan (PIP) that is approved by the school board, the city council, and the trust.

The city is responsible for management and control systems, budgets, cash flow, oversight of design and construction contracts, and comprehensive reporting. The office manages all I-89 projects and the suburban schools funding program. [The Facility Group](#), a specialist in building schools and other public facilities, was hired to assist City staff with administrative design and construction services.³⁰

²⁹ Appendix II.4: Public Building Commission of Chicago – Brief History, Projects & Press Release: Mayor Daley Opens Second of Ten Senior Centers (www.pbcchicago.com) (3 pgs.)

³⁰ Appendix VI.2: Oklahoma City Metropolitan Area Public Schools Trust – Trust Indenture (29 pgs.)

Schools-City Capital Project Coordination, Los Angeles

The Los Angeles Unified School District manages the implementation of the school construction program. This involves hundreds of school district employees and scores of private firms working to support the management of the multi-billion-dollar design and construction program.

The mayor created two jobs that specifically deal with coordination between the city and schools. One position looks at connections between schools and city agencies such as parks and recreation, and the other looks at the nexus between schools and housing developments. Since there are no formal relationships between the city and schools, and since school construction is funded separately through bonds, the city has no official authority over the schools. Therefore, successful coordination is reliant on nurturing good working relationships. This fact motivated the mayor to create these two coordinator positions.

Although the schools have no legal or financial obligations to the city, there are still some approvals the schools need from the city. For example, construction of a new school may require city permits for street widening. Streamlined processes were instituted by the mayor's office to help schools implement their projects more expeditiously. The mayor's office convened meetings where all relevant agencies—such as zoning, public works, and transportation—were brought together to make important decisions regarding necessary actions on a school-by-school basis. The mayor's influence was necessary to ensure that people with sufficient authority attended the meetings so that important decisions could be made on the spot, and thus the overall implementation of projects would move much faster.

According to Los Angeles Director for School Facilities Planning, the biggest stumbling blocks to collaboration are the political and legal issues associated with complex arrangements between and among government agencies. Agencies often have competing policy priorities that make coordination difficult to achieve. A major Los Angeles library construction program illustrates this point. LA County Libraries passed a bond to build 30 libraries several years before the schools' bond program passed. Thus the county program schedule was ahead of the schools'. Even if the two library entities had sought to coordinate the projects, time-specific performance milestones would have inhibited their collaboration. Had the two groups delayed to pursue coordination, they would have risked losing the bond monies.

2.5 Observations

There appears to be tremendous desire on the part of city governments and school districts to increase the level of coordination and collaboration. However in each case it required a strong leader to create the conditions for such coordination and collaboration. In some cases the mayor created the incentives to bring different public agencies together to coordinate programs and share public facilities. In others leadership came from a third party non-governmental organization. In this paper we were interested in a systemic governmental approach to program coordination and public facility utilization. A number of themes emerged from the interviews and document review associated with this report, including the following:

- *A vision for program integration and utilizing public facilities more openly is often first articulated by the Mayor or other city leader and made a prominent part of their agenda.*
- *A comprehensive plan that incorporates the vision and puts specific projects in the larger context can help build public support for the vision.*
- *A technical committee that can review agency and public priorities provides a useful tool to winnow the list of requests.*
- *Public and agency engagement can be built into capital planning and budgeting to create an environment for integrating programs and services and projects and establishing priorities consistent with the public interest.*
- *Frequent communication among public agencies helps to rationalize the allocation of agency requests, and openness about public agency requests offers the opportunity to weigh various interests against each other.*
- *A high level committee, commission or other body is beneficial in order to provide the level of expertise needed to oversee or guide the capital decision making process.*
- *The process takes **time** and most effectively stands on its own, not included in any other municipal budgeting process and scheduled to occur before the operating budget cycle. It appears to require a full 9 to 12 months and needs to happen on a regular basis, although necessarily annually.*
- *Experienced staff or contractors are necessary to ensure efficient and effective management of capital program implementation.*
- *There needs to be both a “bottom up” and “top down” approach to rationalizing allocation of public facility space. The top down approach involves setting standards, rents, or other requirements for how much and what quality of space to*

which a particular agency is entitled. The bottom up approach gives an agency the ability to purchase the amount and type of space it believes it needs to meet its programmatic and operational needs to find synergies with other agencies.

Section 3: Appendices

I. Akron OH

1. Best Practice Interview with Tom Long, Design Administrator, Department of Planning and Urban Development – Draft (3 pgs.)
2. Imagine Akron Public Schools Overview & Cooperative Agreement Summary (www.imagineakronschools.org) (4 pgs.)
3. Cooperative Agreement for Community Learning Centers Between City of Akron, Ohio and Board of Education of the Akron City School District, December 2003 (56 pgs.)
4. Newspaper Article: Warsmith, Stephanie, “Akron school board picks up members for panel,” *Akron Beacon Journal*, 2/10/2004 (2 pgs.)

II. Chicago IL

1. Best Practice Interview with Beth O’Reilly, Office of Management & Budget – Draft (2 pgs.)
2. Press Release: Mayor’s Press Office, “Mayor Daily Reports on Senior Progress in Chicago,” www.cityofchicago.org, 3/21/2002 (3 pgs.)
3. Sample Intergovernmental Agreement: Intergovernmental Agreement to Convey Land and For Use of Facilities (Murray Language Academy and Nichols Park) (17 pgs.)
4. Public Building Commission of Chicago – Brief History, Projects & Press Release: Mayor Daley Opens Second of Ten Senior Centers (www.pbcchicago.com) (3 pgs.)

III. Kansas City MO

1. Best Practice Interview with Pat Klein – Draft (6 pgs.)
2. Local Investment Commission (LINC) – Background Information, Summary & History (www.kclinc.org) (23 pgs.)
3. City Planning & Development: FOCUS Kansas City Contacts & Background Information (www.kcmo.org) (6 pgs.)
4. Capital Improvements: Capital Improvements Program & Management Office Information, Public Improvements Advisory Committee Information, and Requesting a Capital Improvement Project (www.kcmo.org) (Five-Year Capital Improvements Plan Overview included) (22 pgs.)

IV. Lincoln NE

1. Best Practice Interview – Draft (5 pgs.)
2. Sample Inter-local Agreements between Lincoln Public Schools and City of Lincoln, and between City of Lincoln and Lancaster County (8 pgs.)

V. Los Angeles CA

1. Best Practice Interviews with Jane Bluefield, Office of the Mayor and Department of Planning and Susan Cline, Development Team Manager for LAUSD – Draft (6 pgs.)
2. New Schools, Better Neighborhoods Memorandum of Understanding: Gratts Primary Center (7 pgs.)
3. Legislative Counsel’s Digest (School Facilities: Joint Use legislation) and School Joint Use Projects Fact Sheet (4 pgs.)
4. Trans-Agency Resources for Environmental & Economic Sustainability (TREES) – Overview, Sponsors & Public Site example (www.treepeople.org) (10 pgs.)

VI. Oklahoma City OK

1. Best Practice Interview with Eric Wenger, MAPS for Kids under City Manager – Draft (3 pgs.)
2. Oklahoma City Metropolitan Area Public Schools Trust – Trust Indenture (29 pgs.)
3. Memorandum of Understanding between City of Oklahoma City and Oklahoma Metropolitan Area Public Schools Trust (26 pgs.)
4. Draft Article for NSBA: Bogle, Ronald E., President & CEO, The American Architectural Foundation, Washington, DC, “A Matter of Trust: A Model for School Construction and Renovation Financing that Really Works,” 3/12/2003 (4 pgs.)
5. Project KIDS Report 2001: “Building a Learning City for Children of the New Economy,” 8/9/2001 (31 pgs.)

VII. Portland OR

1. Best Practice Interview with Steve Dotterer, Principal Planner, Planning Bureau and Ron Bergman, Director, General Services Bureau – Draft (6 pgs.)
2. Portland Parks & Recreation SUN Community School Program (www.parks.ci.portland.or.us) (3 pgs.)
3. Draft Article for *Portland Sun Community Schools*: “Community Education Partnerships in Portland, Oregon” (8 pgs.)

4. FY04-05 Proposed General Fund Capital Setaside Projects – Interim Ranking Results for 1st Year Projects Only (2/2/2004) (1 pg.)

VIII. General Services Administration

1. Public Buildings Amendments of 1972 (<http://hydra.gsa.gov/pbs/pt/call-in/p192-313.htm>) (6 pgs.)