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THE THOMAS JEFFERSON INSTITUTE FOR PUBLIC POLICY

INNOVATIVE SCHOOL FACILITY PARTNERSHIPS:

DOWNTOWN, AIRPORT, AND RETAIL SPACE



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Thomas Jefferson Institute for Public Policy

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Foreword

As the children of the "baby boom" have hit the Commonwealth's public school system, the need for additional classrooms has competed with the need for renovations and upkeep of existing space.

Although an annual survey by *School Planning and Management* magazine reveals that Virginia is more conservative in its facilities requirements than the nation at large, increased student numbers as well as increased program requirements have increased the need for space. Preschool programs, federally-mandated Individualized Education Plan conference requirements, reduced class size programs – among others – have all put new demands on facilities needs.

In 1998, the Virginia Commission on Educational Infrastructure, created by the Virginia General Assembly, revealed construction deficiencies of \$6.2 billion, finding that an estimated 7,900 new classrooms were needed, and that 45 percent of schools rely on temporary/mobile classrooms. A 1998 survey by Virginia Commonwealth University indicates that Virginia's schools now have on average 2.1 trailers per school. Trailers, therefore, accounted for more than eight percent of all children enrolled in those schools. In fast growing areas like Fairfax County, the challenge is even greater: There, more than 18,000 students – nearly 11 percent of the district's students -- are educated in 784 trailers.

But Virginia has been less than innovative in solving the school facilities crunch. A reliance on bond sales is often capped, to maintain a high rating from the nation's investment houses. The ability to sell bonds may be non-existent in areas where the voters are disinclined to take on additional debt. And the cost of a mediocre bond rating means fewer schools are renovated or built.

One answer may lie in turning to private organizations for help in providing space through public-private partnerships.

Increasingly, school systems across the country are looking at alternative facility arrangements, creating partnerships with downtown office buildings, airports, and retail malls to provide facilities that benefit children, parents, employers, and taxpayers. Such benefits include increasing parental involvement in education, decreasing employee absenteeism and turnover, easing overcrowding in the traditional schools, and freeing up resources for other school system initiatives.

Additionally, such facility arrangements offer flexibility not customarily found in a typical "bricks and mortar" solution. When student populations decrease or change, alternative facilities can be more easily converted to other uses.

But moving in a different direction requires thinking "outside the box." Government agencies need to examine a number of regulations that unnecessarily work against such ideas and inhibit the ability to move in new directions. Virginia educational specifications, just for starters, require a certain room size for each grade level, a media center (library) in each building, a clinic room and administrative space. Yet, these requirements seem irrelevant in a large corporate office building with its own nursing facilities, or when there is a public library nearby.

Local building codes can also be unnecessarily restrictive, and staffing requirements might have to be freed up for such Satellite Learning Centers, to permit staffing that reflects the special needs of the students in those centers.

The idea of public-private partnerships is a new one in Virginia. Only Fairfax County, with more than 165,000 students, has even put together an internal task force to consider the idea. And Fairfax's inquiries to the Virginia State Department of Education to determine what would need to be done made clear that their inquiries were the first in the Commonwealth.

House bill 755, offered by Delegate Kristen Amundson and signed into law this year, provides a new tool to create such facilities by authorizing local school boards to enter into agreements with private business and industry for precisely this kind of satellite education facility. It empowers local school boards to adopt procedures for the enrollment of children of employees who reside outside the attendance zone for such classrooms and allows the relevant local governing body to provide for tax exemptions for private sector businesses entering into agreements to build such learning centers.

Another way to streamline the process for school divisions exploring such satellite schools would be to assist in the formation of charter schools. Charters are already exempt from the aforementioned state educational specifications, should be exempt from most staffing restrictions and would not have to go through the process of requesting annual waivers. Nationally, such schools have proven themselves able to address the specific needs of individual students and increase student learning – and their "freed from red-tape" status would give them a leg up in opening innovative educational sites.

This Reason Public Policy Institute study has important implications for solving the Virginia school facilities crunch. It offers several outstanding examples of the kind of successful public-private partnerships that can flourish in the Old Dominion, provided local and state officials are willing to go beyond the usual way of doing things ... and try to get more done, at less cost.

> Christian N. Braunlich Vice President for Program Development, The Thomas Jefferson Institute Member, Fairfax County School Board

Innovative School Facility Partnerships: Downtown, Airport, and Retail Space

BY MATTHEW D. TAYLOR AND LISA SNELL

Executive Summary

major condition plaguing American public school systems is lack of school facility space. Fastgrowing enrollments and facilities in desperate need of long overdue maintenance and renovation are primary reasons for the need for classroom space. Some school districts have turned to private organizations for help in providing space through public-private partnerships.

Alternatives for school facilities exist through public-private partnerships between businesses and local school districts. This study provides a descriptive analysis of three innovative locations where public schools have partnered with private businesses to help ease school overcrowding. In these partnerships, the schools occupy space located in commercial spaces such as downtown, airport, and retail space.

The downtown model is funded by downtown businesses. These schools primarily serve students whose parents work in the downtown area. In the mall-school model a shopping mall provides space that could otherwise be used for retail business and the district funds the educational endeavors. The mall school model targets high school students who want an alternative education with job training. In the airport model the airport provides the school space so that students of airport employees can attend a school on the grounds of the airport. The mall owner funds the cost of this space.

Clear benefits accrue to businesses and communities that invest in these types of partnerships for classroom facilities. The participating businesses report reduced absenteeism and lower turnover due to the additional benefits that are offered to their employees and children through the educational partnerships.

Other localities should consider similar solutions to address the problem of lack of classroom space. These partnerships can be beneficial to the districts, the parents, and the children involved and should be seen as a viable alternative to traditional means of funding school construction.

The local school districts save funds that would otherwise be used to construct facilities. The private partnerships offset the cost of facilities construction, which frees up these resources for other district endeavors. These partnerships also help to alleviate the overcrowding in the surrounding public schools.

The students benefit from smaller class sizes and unique educational opportunities afforded to them by the school location and interaction with local businesses. The students and parents also benefit from the creative scheduling that the schools offer. By working around the schedules of the parents, the schools report increased levels of parental involvement.

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Part 1

Introduction

The need for school facilities in school districts across the nation is growing as enrollments boom and older buildings crumble. However, relying solely on school districts to construct new buildings and renovate old ones can be expensive and slow. An alternative to traditional approaches to school facility funding relies on innovative programs in which the private sector provides the space for classrooms and the school districts provide the teachers and textbooks.

The idea of a satellite, or work-site school, first emerged in 1987 in Miami-Dade County, Florida. These schools represent a partnership between local school districts and businesses. The private business provides the physical space and maintenance for the school at its site, and the public school system provides resources such as teachers, textbooks, and curriculum. In exchange for this private-sector involvement, these schools offer a targeted enrollment designed to serve the children of the employees of the sponsoring companies.

The superintendent of Miami-Dade County Public Schools turned to local businesses to help ease overcrowding in the schools. American Bankers Insurance Group (ABIG) was the first business to respond.¹ The satellite learning center (SLC) program in Miami-Dade schools provides exclusive enrollment in these schools to the children of the employees of the host institution. In 1999-2000, four SLC schools operated in cooperation with the Miami-Dade County Public Schools. This initial push to alleviate crowding through creative alliances created a move nationwide toward public-private partnerships to share the costs of education facilities with the private sector.

More than forty-five satellite, or work-site, schools operate in the United States.² Different models of these partnerships are developing between businesses and school districts. This study offers a descriptive analysis of three specific types of work-site schools. The first model is the Downtown Business Model, in which partnerships of downtown businesses have joined to help fund and operate a school in partnership with one or more public school districts. These unique arrangements have resulted in schools that serve students from several school districts, with some schools exclusively serving the children of participating downtown businesses and the schools due to their involvement in a common endeavor.³

¹ Richard Seder, Satellite Charter Schools: Addressing the School-Facilities Crunch Through Public-Private Partnerships, Policy Study No. 256 (Los Angeles: Reason Public Policy Institute, April 1999).

² Deborah Cowan, "Benefits Balancing Work and Family: Onsite Schools Keep Parents Close," Business Insurance, June 23, 1997, p. 3.

³ Kelly Lacey and Jan Holmes Drees, *Downtown School Community Report* (Des Moines, Iowa: Des Moines Business/Education Alliance, 1999), p. 79.

In the second model schools are located at the airport. In Miami, for example, Spring Valley Elementary is a full-fledged public school serving the children of Miami International employees. Funded by the airport authority, the school has been very popular with parents and has a waiting list of 65 children.

A third model involves retail shopping malls dedicating space for classrooms within the mall itself. One such school is located at The Mall of America, located outside of Minneapolis, the largest retail shopping mall in the United States. The Metropolitan Learning Alliance, in similar fashion to work-site schools, works with the mall to provide physical space for classrooms, and local school districts provide the teachers, textbooks, and incidentals. As new shopping malls are constructed and others renovated, these retail centers offer ideal location for new partnerships with school districts across the nation.

These three models share a common theme of partnering with a host business and utilizing commercial space to build a new school. The downtown business and airport model saves the school district capital building costs and provides parents who work for the host business with a valuable employee benefit. The mall-school model provides high school students with an alternative education experience where they study at an individualized pace and gain work experience through internships with local stores.

Downtown Business Model: Des Moines, Iowa

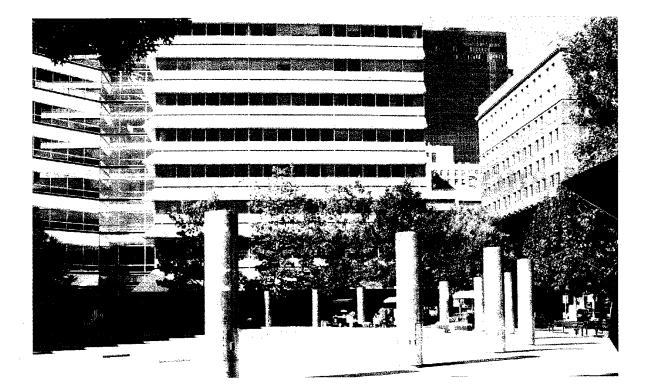
ne of the major problems facing working parents is the logistical concern of balancing their careers with the education of their children. The Business/Education Alliance (Business Alliance) was created in February 1990 in downtown Des Moines, Iowa to address this concern and to research the feasibility of creating a public school in the downtown Des Moines area. The Business Alliance concluded that parental involvement is vital to the success of students. Locating a school where parents work could facilitate that involvement. After extensive research into best educational practices and cost-sharing arrangements, the Downtown School was created in 1993, a creative alliance between the Des Moines Public Schools and the Des Moines downtown business community.

The Downtown School opened its doors in 1993 to serve 45 students in classrooms located in space along a skywalk that connects downtown businesses. The Principal Financial Group donated this initial classroom space. The school expanded in 1994 to accommodate 80 students, expanding again in 1995 to increase the total enrollment to 96 students. The Business Alliance, through donations, paid for these renovations from the business community. In 1996, due to increased demand, the Downtown School added a second location in property owned by the City of Des Moines. This additional classroom space was located on top of a parking garage that was used as a day-care center operated by a private third party. Locating additional classrooms for the Downtown School at this site allowed enrollment of the school to grow to 120 students. In 1997, Pioneer Hi-Bred, International, and Draper and Kramer, Inc. donated additional classroom space in the downtown area, increasing overall enrollment in the school to 160 students. The Downtown School enrolled, for school year 1999-2000, 160 students in kindergarten through fifth grade (full capacity) with a waiting list of over 450 students. The school employs 10 full-time teachers to serve these students.⁴

The Downtown School believed smaller class sizes were important to student achievement. The school has a student-teacher ratio of 16 to 1. These smaller class sizes are a result of the classroom teachers' willingness to assume the responsibility of art, music, and physical education instruction. By not employing specialists in this area, as is standard practice in other Des Moines public schools, the Downtown School was able to reallocate its resources towards employing more classroom teachers. Allocating resources towards the goals of the Business Alliance and parents, e.g., smaller class sizes, led to what many parents believe is a more individualized learning environment for students.⁵

^{*} Ibid., p. 14.

⁵ Ibid., p. 110.



A. Facilities for Classrooms

The Downtown School in Des Moines campus stretches across three separate locations in the downtown area. The first space opened in 1993 serving 45 children in kindergarten through third grade in three classrooms with 4,500 square feet of classroom space on the downtown skywalk, a structure that connects buildings and businesses. The second site for classrooms opened in 1996 atop a parking facility owned by the City of Des Moines with two additional classrooms and 2,000 more square feet. Prior to the Downtown School's expansion into this space, the facility was being used as a preschool facility operated by the First Baptist Church.

The First Baptist Church operated a Headstart program, a low-income childcare center in a facility located atop a city-owned parking garage that the church leased from the city. However, the church could not afford to cover all of its operational costs. When the Downtown School looked to expand, the church offered to lease a portion of the garage facility to the Business Alliance to share with the preschool. The school district, through the Business Alliance, agreed to make utility payments for the entire facility. By doing so, the Business Alliance and the school district subsidized the operations of the preschool, which allowed the preschool to stay in business. In return for these payments, the Downtown School occupies two classrooms and 2,000 square feet of the facility. The preschool occupies four classrooms in 6,000 square feet of space. The preschool and the elementary school occupy separate classroom spaces and share workrooms and office spaces.

Pioneer Hi-Bred, International, and Draper and Kramer, Inc., donated the third site in the downtown area in 1997. This donation of space added three more classrooms and 6,000 square feet and expanded the school's capacity to its current level of 160 kindergarten through fifth grade students.

In total, the Downtown School campus occupies ten classrooms, utilizing approximately 16,000 square feet while serving 160 students across three sites in the downtown Des Moines area.

These partnerships extended beyond just finding classroom space. Because the school serves children in kindergarten through fifth grade, there was a need for playground space. A joint project between the City of Des Moines and the business community created a playground for the Downtown School in 1997.

A local hotel was planning to build a parking structure on a parcel of undeveloped land. In return for the land being transformed into a park, the administration of the school and the Business Alliance arranged for the hotel to have access to existing parking facilities owned by the city. The development of a park on the vacant one-eighth city block became the playground area for the Downtown School. The playground equipment was purchased with a \$10,000 donation from Nationwide Insurance Group. The parents at the school raised \$4,000 to build and plant gardens in the park area. The school district paid \$8,000 for a fence to enclose the area to ensure the safety of the children playing near the busy downtown streets. The district also pays for services to mow the lawns and maintain the grounds. The city appropriated \$16,000 for renovations of the entire park facility and pays for snow removal at the facility. This area is now used as a park for the entire downtown community.

Utilizing existing public facilities, such as the public library, enables the school to provide enriching programs without incurring the costs of new construction, renovation, or duplication of resources.

> Finally, the school needed a library. The Des Moines Public Library is located within one block from one site and two blocks from the other two sites of the Downtown School. The students use the library resources that the city already possesses. Utilizing existing public facilities, such as the public library, enables the school to provide enriching programs without incurring the costs of new construction, renovation, or duplication of resources.

> Being a part of the downtown community gives the students a unique educational experience. The students have businesses surrounding them, which gives them greater familiarity with the "real business world." As Jan Drees, director of the Downtown School writes, "Students use the downtown as an extended classroom. They have had hundreds of excursions, including visiting bank vaults, hotels, flower shops, restaurants, insurance companies, the newspaper, as well as business and government offices."⁶

B. District Costs and Savings

The Des Moines Public School District pays for electricity, water, and liability insurance, as it does for any other public school in the district. In addition to the utility payments, the district also pays for books, learning materials, and teacher salaries. The district also provides a speech teacher and a nurse on a part-time basis. In a traditional public school, the district would normally provide art, music, computers, and physical

⁶ Ibid., p. 79.

education teachers, but the staff of the Downtown School decided they would prefer to hire more classroom teachers and take on the responsibilities of teaching these other subjects directly.

The district pays some standard operating expenses for the Downtown School, but it also enjoys some savings. The district pays no transportation costs, as the school does not use the district transportation system. Over 90 percent of the student body has at least one parent employed in the downtown community. Due to these circumstances, the parents bring their children with them on their commute to work.

The district also saved taxpayers money on capital expenses for the construction of new classroom facilities. The Business Alliance, along with participating businesses, funded many of the renovations that were necessary to start the school at each of its locations.

One of the major problems facing working parents is the logistical concern of balancing their careers with the education of their children.

C. Costs Associated with Business Alliance

The Business Alliance pays for rent at one site (skywalk) costing the alliance about \$20,000 per year.⁷ The city owns the second space (parking garage) that is shared with the church day-care center. The school district pays utilities for the entire facility in lieu of rent for the facilities. The third site, donated by the Principal Financial Group, would rent for \$80,000 per year if it were retail space.⁸

The Business Alliance pays many of the costs associated with the unique location of the school. The Business Alliance pays the skywalk fees of \$30,000 per year. These are fees required for use of the skywalk that connects the downtown businesses. The Business Alliance also pays \$7,500 annually in parking fees for the teachers and other employees of the Downtown School.⁹

The Business Alliance also pays for innovative practices that the school undertakes, such as the extended school year. The Downtown School has a year- round schedule, with only a six-week summer break. The Business Alliance covers the teacher salaries and utility costs associated with the longer school year through donations by member businesses. The additional teacher's salaries cost the Business Alliance \$25,000 per year. The district does not cover these costs, because these services are not offered to other schools within the district. The Downtown School administration and parents believe that these extra services are important to the success of the school and are willing to pay the extra costs associated with these practices.

⁸ Ibid.

⁹ Ibid.

⁷ Jan Drees, Executive Director Des Moines Business/Education Alliance, interview with author, February 23, 2000. In all the interviews in this study "author" refers to Matthew Taylor.

D. After-school Care Partnerships

Since the Downtown School has a student population selected from a group of working parents, after-school care is a major concern among the parents. A typical school day ends early in the afternoon before parents end their workday. The Downtown School does not offer after-school programs on its campus but has partnered with local private and public organizations to administer these services. The Federal Building in downtown Des Moines has an operating daycare program that the children can attend following school as does the YMCA and local churches. The parents of the students enrolled in the programs pay for this additional care. These programs typically cost between \$50 and \$60 per week.¹⁰ About half of the children enrolled in the school participate in these programs.

E. Business Benefits

These work-site school partnerships have demonstrated elsewhere that they can generate business benefits, due to increased retention of employees.¹¹ The Downtown School and the Downtown Business Alliance have also benefited from increased employee satisfaction.

The parents who enroll their children in the Downtown School have an incentive to maintain their employment. The only way that a child can remain in the program is for parents to continue their employment in a participating downtown business. Siblings of current students are given preference in admission; so many parents enroll all of their school-age children in the Downtown School.¹²

Scheduling parent teacher meetings around work schedules coupled with the proximity of the workplace to the school provides for greater parental involvement in the school.

F. Meeting Parents' Needs

According to Drees, the parents are actively involved in the Downtown School. They participate in the Parent Teacher Association (PTA) and volunteer at the school. During the first two years of the school, there were 3,492 parent visits logged at the school. One Downtown School parent witnesses the impact of the proximity to the workplace:

Because of the location we are able to stay involved with school projects, communicate with the teachers and staff about our children's progress on a daily basis, take our children to lunch, go on lunchtime field trips or picnics, and have easy access to the school in case of emergencies, etc. We observe firsthand how this school helps every child learn, fit in, and contribute on a daily basis. Children develop and strengthen their unique talents as well as master the basics. They are enthusiastic about their teachers and their school.¹³

¹⁰ Drees, interview with author, May 1, 2000.

¹¹ Seder, Satellite Charter Schools, p. 18.

¹² Jan Drees, interview with author, February 20, 2000.

¹³ Lacey and Drees, Downtown School Community Report, p. 26.

Scheduling parent teacher meetings around work schedules coupled with the proximity of the workplace to the school provides for greater parental involvement in the school.¹⁴

G. Student Benefits

Parents, students, and the business community are very satisfied with the success of the school and the quality of education offered. The school has established a waiting list of over 450 students.¹⁵ This high number of students on the waiting list is one indicator of the community and parental satisfaction with the school.

The early results have been promising for the Downtown School. Students are performing above their counterparts in the traditional schools as shown in Tables 1, 2, and Figure 1. However, these results must be viewed with some caution due to the small sample size.

Table 1: Reading Test Levels			
	Below 1 st Grade Level	At 1 st Grade Level	Above 1 st Grade Level
District: 6 yr. olds 1993-94 (End of First grade)	48.0%	13.0%	39.0%
Downtown: 6 yr. olds 1993-94 (End of First grade)	0.0%	0.0%	100.0%
6 yr. olds 1994-95 (End of First grade)	7.0%	10.7%	82.3%
5 yr. olds 1994-95 (End of Kindergarten)	57.5%	7.7%	34.8%

Source: Kelly Lacey and Jan Holmes Drees, *Downtown School Community Report* (Des Moines, Iowa: Des Moines Business/Education Alliance, 1999).

Table 2: District Objectives-Based Math Problem-Solving Test (Percent of students scoring 70% or higher, 1994-95)

	District	Downtown	n	District	Downtown	n
All Students	70.8	100.0	6	73.7	100.0	8
Females	70.6	100.0	4	72.6	100.0	3
Males	71.0	100.0	2	74.7	100.0	5
Non-Minority	76.1	100.0	4	77.9	100.0	7
Minority	52.8	100.0	2	58.6	100.0	1
Free & Reduced	60.1	100.0	2 5	62.7	100.0	2
Non-Free & Reduced	80.5	100.0	4	82.8	100.0	5

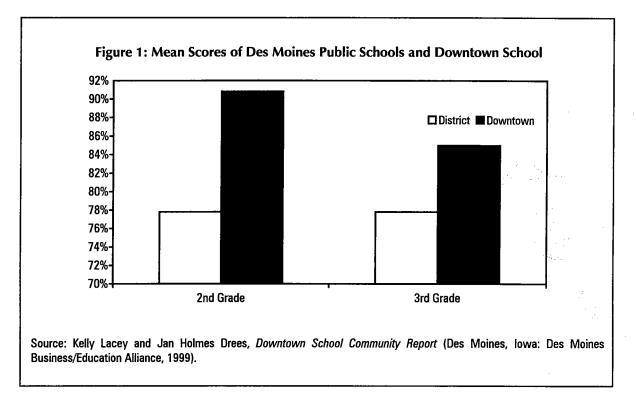
District 2nd graders n=2319; District 3rd graders n=2284

Source: Kelly Lacey and Jan Holmes Drees, *Downtown School Community Report* (Des Moines, Iowa: Des Moines Business/Education Alliance, 1999).

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¹⁵ Ibid.

¹⁴ Ibid. p. 27.



The children enrolled in this program reflect the diversity of the Des Moines area (Table 3). The Downtown School practices open enrollment, in which the major criterion for admission is the proximity of the parent's workplace to the school. In addition, the small numbers of students that reside in the downtown area are also eligible for the program. One of the goals of this school is to reflect economic and racial diversity that exists in the greater Des Moines area.¹⁶ This goal is achieved and reflected in the student body.

Table 3: Demographic Comparisons				
	District	Downtown		
African-American	14%	17%		
American Indian	1%	1%		
Asian	5%	4%		
Caucasian	76%	74%		
Hispanic	5%	4%		
Total of Minority Groups	25%	26%		
Students with a parent who works in the downtown area	N/A	91%		

Source: * 1997-98 Des Moines School District data; 1999-2000 Downtown School data.

¹⁶ Ibid., p. 57.

Downtown Schools Model: Tampa Downtown Partnership Elementary School

B usinesses and education groups in the city of Tampa, Florida have also come together to establish a downtown school. The Partnership of Downtown Businesses in Tampa created the Downtown Partnership Elementary School in 1998. The population served by the school is the children of those employed by all downtown businesses.

The school operates in renovated space within the First Presbyterian Church. The school began in 1998 with 44 students in grades K-2. In 1999, the school expanded to serve 125 K-3 students. In addition to the six classrooms of the elementary school, 23 students are enrolled in a preschool program operated by Easter Seals in additional classroom space within the building. The school currently has a waiting list of 48 students, but organizers have been unable to expand the program due to a lack of space in the current building. The Downtown Partnership Elementary School received the 1999 Public-Private Partnership Award by National Council for Public-Private Partnerships in Washington, D.C.

A. Facilities for Classrooms

The school district has been growing at a rate of 3,500 students per year, and the need for facilities is a pressing one. The school district began searching for facilities in the downtown area to serve the students of downtown workers. The First Presbyterian Church was the only facility available to be utilized as a school without substantial renovations to create a school-type environment. The Partnership of Downtown Businesses signed a five-year lease with the church. The school and the district would fund the renovations and the upkeep of the building in exchange for rent payments on the space used for the school.

During the start-up phase of the school, both public and private funds were used to prepare the building for students. The renovation of the church classrooms cost \$350,000. The rooms had not been in regular use and needed many cosmetic improvements as well as modifications to comply with fire codes.¹⁷ The school received a nonrecurring legislative appropriation of \$300,000 from the state to help with start-up costs. One

¹⁷ Denyse Riviero, Administrator, Downtown Partnership, interview with author, May 1, 2000.

of the stipulations attached to this appropriation was a local match. This match came from Easter Seals, operators of a day care program and preschool at the facility, who paid an additional \$50,000 to help fund the renovations.¹⁸

The Partnership of Downtown Business spent \$50,000 prior to the first year of operation on planning, marketing, and siting of the school.¹⁹ The partnership was also instrumental in organizing a grassroots campaign that lobbied the legislature to receive the start-up grants.

B. District Costs and Savings

The Downtown Partnership School is not a charter school. Rather, it is classified as a Choice School under Florida law. This Florida program allows schools to operate as a public school with some local control over decisions.²⁰ Therefore, the school is allocated money each year, based on the number of students enrolled, by the Hillsborough County School District. The Downtown Partnership School administration has the responsibility to spend the money, as do traditional public schools, within specific guidelines mandated by the state and the district. This allotted money pays for books, supplies, salaries for teachers and administrators, utilities, and insurance. The Hillsborough County School District has experienced benefits from this program as well. The creation of a new school alleviated some of the overcrowding that had previously existed in neighborhood schools.

The district has also experienced reduction in capital outlays necessary to build a new school. Most of the building expenses were paid by the state, through a one-time appropriation, and through private donations. By comparison, it would cost the school district \$6-7 million to construct a new school.²¹

C. Costs for Partnership of Downtown Businesses

Along with district payments for educational services, the partnership of Downtown Businesses funds many of the additional services that the school offers. The partnership pays the parking expenses for all of the teachers, administrators, and aides that work at the school, totaling between \$7,000 and \$8,000 monthly.²² The city designated three parking meters and a marked pick-up/drop-off area where parents can park during their visits to the school.

The partnership also funds the marketing efforts on behalf of the school. The partnership publicizes events and keeps the community aware of the downtown school and its activities.

The school has benefited from other donations from downtown businesses. The South Trust Bank and Intermedia, two local businesses, donated computers to the school. The Florida Aquarium donated fish tanks and maintenance of those tanks. The Florida Aquarium also provides tours of its facilities for student field

¹⁸ Ibid.

¹⁹ Beth Leytham, Director, Downtown Partnership, interview with author, March 2, 2000.

²⁰ Candy Olsen, Administrator, Hillsborough County School District, interview with author, May 8, 2000.

²¹ Ibid.

²² Leytham, interview with author.

trips. Uniform City also donated uniforms, valued at \$10,000, for all of the children that attend the downtown school.

D. After-school Care Partnerships

Since this school is primarily designed to serve students whose parents work in the downtown community, after-school care is a prime concern. The Downtown Partnership School collaborated with Easter Seals, who put up some funding early on to help finance renovations for day-care services. Easter Seals runs an after-school and preschool program in the same First Presbyterian Church facilities. Parents drop both their school-aged children and their preschool children off at the school in the morning on their commute into work. During the day, 23 preschool students participate in the program.²³ After the normal school hours, the Easter Seals program provides after-school care for the students. The after-school program costs \$48 per week and the preschool program costs \$90 per week.²⁴ The parents pay for this after-school and preschool service directly. The Downtown Partnership School covers the cost of maintaining the space and the supplies used by the Easter Seals program.

E. Business Benefits

The Partnership of Downtown Business is pleased with the program and the return on its investment.²⁵ The business involvement with the school has created a sense of community in the downtown. The fieldtrip program, where the students visit many of the downtown businesses, gives the business people an opportunity to interact with the children. Business people also interact with the children in the classroom. Many of them volunteer their time and help in the classroom with reading or other academic programs.

This interaction with the local community has been important for the retention of employees.²⁶ In order to enroll a child in the school, one parent must work downtown. Leaders in the Partnership of Downtown Business have noticed a difference in employee behavior.²⁷ With a very low unemployment rate and high turnover rates, the downtown businesses are looking for any edge to retain employees.

Another important difference that is occurring in employee behavior is a decrease in tardiness and absenteeism. Since the school offers no public transportation to the facilities, parents are responsible for taking their children to school. The average commute for the downtown workers is 35 minutes.²⁸ Employees are coming to work on time more regularly when they are responsible for dropping their children off at the school.²⁹ Parents feel an obligation to both their employer and their child to be on time. With school and work so close to one another, fulfilling this obligation is easier.

- ²⁵ Leytham, interview with author.
- ²⁶ Ibid.
- ²⁷ Ibid.
- ²⁸ Ibid.
- ²⁹ Ibid.

²³ Riveiro, interview with author.

²⁴ Ibid.



F. Parent and Student Benefits

Since the Tampa school is designed to serve students with working parents, many of the school's policies address the special needs of these parents. The school has constructed special parking spaces outside the school reserved for parents when they come to visit the school. Teachers schedule conferences with the parents around the lunch hours of the parents. Parent Teacher Association (PTA) meetings are scheduled at 5:15 PM so the parents can attend right after their workday when they come to pick up their children. The Downtown Partnership School has a 95 percent participation rate at PTA meetings.³⁰

The First Presbyterian Church offers free parenting classes, and the Easter Seals program offers reduced-rate child-care services for parents during PTA and other parent meetings. These additional partnership services help facilitate parent involvement in the education of these children.³¹ The school has a waiting list of 48 students, an early indication that other parents have heard positive reports about the school and are eager to enroll their own children.³²

The location of the Downtown Partnership School provides a unique environment where the students learn about their community. The students take an average of two field trips per month. Many of their field trips are into the surrounding downtown community. The students are given the opportunity to tour businesses in the area, attend plays at the performing arts center, visit the aquarium, and even go to the downtown public library.

³² Riveiro, interview with author.

³⁰ www.tpadowntown.com

³¹ Leytham, interview with author.

Part 4

The Airport School Model

n order to solve some of its problems with school facility construction, the Miami-Dade County School District has turned to the Miami International Airport for school facilities. This public-private partnership resulted in the creation of the Miami Springs Elementary Community School Satellite Learning Center, which operates within renovated space at the airport facility. The students at the school have parents that work on the airport property.

When the school opened its doors in 1988, it enrolled only kindergartners, and the program was originally designed to serve only kindergarten through second grade, but parental support led the district and the airport to expand enrollment to fifth grade. The school added an additional grade each year until it reached its capacity of 170 students in kindergarten through fifth grade.³³ It has a waiting list of 65 children to be enrolled in kindergarten and a waiting list of 11 for first grade.

A. Facilities for Classrooms

The Miami–Dade County School District faces near-constant pressure to develop new facilities. In 1988, the district developed a program in which satellite learning centers are created at local businesses to serve the students of their workers. Each of these satellite-learning centers is required to have a supporting school that is a traditional public school and acts in a supervisory role over the satellite-learning center. One principal is in charge of both campuses, and these campuses share teachers of specialty subjects, such as music, art, and physical education. Both schools also use the same curriculum and share resources for children with special needs.³⁴

When the district began to implement this program, the superintendent turned to the principal of Miami Springs Elementary School to start a program at the Miami International Airport, which is located about 1.5 miles from the Miami Springs Elementary School. The airport had been operating a child-care facility for the children of airport employees. The building next door to the child-care facility was the ideal location for the satellite-learning center. The airport paid for and conducted the renovations of the building.

The original facility was renovated by the airport for a cost of 450,000 and gave the school 7,600 square feet of interior space to utilize as three classrooms for grades K-2. In 1996, the facility was renovated again to

³³ Susan Lehrman, Principal, Miami Springs Elementary, interview with author, September 12, 2000.

³⁴ Ibid.

include almost 15,000 square feet in six classrooms serving grades K-5.³⁵ This expansion cost the airport an additional \$540,000, bringing the total renovation cost to \$990,000. The facility also includes 14,800 square feet of playground space that is shared between the school and the child-care facility. These renovations completed the facility and allowed the school to serve 170 students.³⁶

B. District Costs and Savings

The district pays for services as it does in any other public school. It pays for books, supplies, and teacher salaries, and it purchased all the equipment, desks, chairs, and tables necessary for the classrooms.

The district has experienced a reduction in capital outlays that would be necessary to construct a new school facility. These costs were borne by the airport. The airport paid for all of the renovations of the building and the playground that are used by the school, and it continues to pay for much of the maintenance of the building.

The parents are responsible for transportation of the students to the airport school. (However, the children with special needs are transported to the main campus, where they can receive the necessary special attention.)³⁷ The district also saves money by sharing some instructors between the two campuses.

C. Costs Paid by the Airport

The airport owns the facility that the school occupies. The airport allows the district to use the facility in return for the school serving the employees of the airport. The school district is responsible for the management of the facility.³⁸ The airport also pays for telephone service, utilities, cleaning, and repairs of the building.

To help coordinate the schedule of the school day with the work day of the parents, the airport school offers before- and after-school care. The parents can choose whichever of these programs they would like to enroll their children in. This program costs the parents \$30 to \$50 per week per child, depending on the number of hours the child is enrolled.³⁹

D. Business and Parental Benefits

While the airport has not officially examined the impact that the school has had on recruitment and retention rates, airport management reports that the school has had a positive impact on employee behavior.⁴⁰

⁴⁰ Ibid.

³⁵ Esterlene Lewis, Miami Airport Authority, correspondence with author, September 14, 2000.

³⁶ Ibid.

³⁷ Lehrman, interview with author.

³⁸ Lewis, correspondence with author.

³⁹ Lehrman, interview with author.

"Absenteeism among employees is lower. The beauty of it is that working parents now have time to take care of the meetings with teachers and the school events," says Esterlene Lewis, Miami Airport liaison to the Miami Dade County schools.⁴¹

Another indication of parental satisfaction is the expansion of the program in 1996 that increased the enrollment to grades K-5.⁴² This expansion was brought about by parental lobbying of the airport to expand the school. The school also has very low student turnover, with most students completing all five years at the airport school.



E. Student Benefits

The students at the satellite campus are performing equally with the students at the traditional campus on the Florida Comprehensive Assessment Test, and the Miami Springs Elementary School, including the satellite campus, has been awarded the Florida schools award for outstanding improvement.⁴³ The students at the airport school not only are receiving the benefits of a quality education, but also have benefited from increased parental involvement in their

school activities, due to the proximity to the workplace. A shuttle runs between the school and the airport so that parents can meet with their kids for lunch and other school events. Some parents help out in the classroom during their breaks and days off.

According to Mildred Smith, lead teacher at the Miami International Airport's SLC and a thirty-year veteran of public education, children receive more attention and support at the SLC than in a regular public school. Interaction between parent and teacher is also enhanced because parents must physically enter the school twice each day to sign their child in and out of class. Mildred Smith reports, "Here, everyone is involved. The children know that everyone is working for them. If more children had this kind of situation in their early years, they would get much more out of going to school."⁴⁴

Students also interact with the airport personnel. The students take tours of the airport facilities, they celebrate holidays with airport personnel (they carol during Christmas), and they meet celebrities that travel through the airport.

⁴² Lewis, correspondence with author.

⁴³ Lehrman, interview with author.

⁴¹ Diane Lewis, "School Without the Bus; Some Firms Set Up Class for Their Staff's Children Right at the Workplace," Boston Globe, November 8, 1998, p. G4.

⁴⁴ As quoted in Janet R. Beales, Satellite Schools: The Private Provision of School Infrastructure, Policy Study No. 153 (Los Angeles: Reason Public Policy Institute, January 1993).

Mall School Model

ost mall schools are for students who have difficulty adjusting to the traditional classroom. The schools are a collaborative effort between school districts and the mall owner. In 1998 the Simon Youth Foundation, the nonprofit arm of Simon Property Group which owns 252 malls across the United States, began a national initiative to build mall schools. To date the Simon Foundation has opened 12 mall schools and has plans for a total of 35 schools. For each of the foundation's 12 mall schools, Simon absorbs the cost of mall space. The school districts supply the curriculum and teachers. National enrollment in Simon's mall schools is more than 800 students.⁴⁵

In addition to helping students complete their required courses, the mall schools stress career training in fields like retail sales and marketing through internships, often at stores in the malls. Much of the curriculum is computer-based, and students work at their own pace in small classes. "Shopping centers are a natural place for kids," said Ron Hanson, vice president for Simon Property Group. "Next to schools, malls have the highest concentration of kids. This program is open 12 months of the year and each day until the mall closes."⁴⁶

An example of a Simon Foundation mall school opened in the Jackson County Mall in Missouri in Fall 2000.⁴⁷ The school is a collaborative effort of five eastern Jackson County school districts and the Simon Youth Foundation. In nine-week internships each student will work with the manager of a mall business. Students who complete the class will earn 18 college-credit hours. Students at Jackson County's school must maintain a 2.5 grade-point average or better and have good conduct.

In addition to the Simon Foundation several other malls have arranged individual contracts with local school districts to operate public high schools within the mall. An early pioneer of the mall-school model is the Metropolitan Learning Alliance (MLA), a public high school that operates within the Mall of America in Bloomington, Minnesota. The school is an off-site campus available for high-school students in grades 10 through 12 from five Minneapolis-area school districts. The school enrolls 100 students and employs 12 teachers. The MLA has been in operation since 1993. This school operates as a partnership between the five local school districts and three business partners. Students receive high school credits, and for some courses, even college credits. The college credits are offered through partnerships with three higher-education institutions. The school has seven classrooms and a computer lab equipped with state-of-the-art technology.

⁴⁵ Keith Sharon, "School District Offered a Big Bargain at the Mall," Orange County Register, September 23, 2000, p. A1.

⁴⁶ Scott Stephens, "Alternative School will be Located at Mall," Cleveland Plain Dealer, June 20, 2000, p. 3B.

⁴⁷ Mara Williams, "Mall School Teaches Real-Life Lessons in Business," Kansas City Star, October 23, 2000, p. B1

A. Business Partnerships

The mall school would not exist if it were not for the development of the business partnerships. Since the school is located within the Mall of America, classroom space is a major challenge. The Mall of America is 99.2 percent occupied, so retail space is at a premium. Although the mall is nearly at capacity, the mall helped to fund the start-up of this school by building the space out from the existing structure at a cost of \$350,000.⁴⁸ The school occupies approximately 9,000 square feet. If this space were retail, the Mall of America could rent the space for \$32 to \$50 per square foot.⁴⁹ Instead of charging the retail rent for the space, the mall charges the school \$1 per year. This partnership allows the school to continue operating, because the retail rent would be prohibitive.

The MLA is also involved in a partnership with Browning-Ferris Industries, which is giving \$1 million to the school over a 10-year period. This extra revenue has allowed the school to undertake many innovations.

A third partnership—with Vector Internet Services (visi.com)—has also been very beneficial to the school. Vector donated 75 computers to the school and offered the school steep discounts on Internet service and email accounts. This partnership has allowed the school to offer its students college-level courses in computers and Internet technologies. The computer lab has also served as a source of revenue to the school, which rents the lab to a local college to teach night classes in computers. These partnerships have been instrumental in the creation and continuation of the school.

The computer lab has also served as a source of revenue to the school, which rents the lab to a local college to teach night classes in computers.

B. School Partnerships

Any student from one of the five participating school districts is eligible to attend the mall school but must submit an application with a writing sample for review and an admission decision. This gives each district equal opportunity to have students attend this school. The Board of Directors of the Metropolitan Learning Alliance consists of superintendents from each of the five districts and school board representatives from each district. This organizational structure distributes the power evenly across the districts.

Each district pays the MLA a flat rate for each student from that district who attends the mall school. This amount represents the entire contribution from each district. The MLA, with consent of the board, can spend the funds on whatever services are necessary. Neither the district nor the school pays for transportation costs; the students either take a city bus or provide their own transportation. This process leaves the school insulated from much of the regulation by the district in terms of funding and allows the school to seek outside sources of funding to pursue its educational goals.

⁴⁹ Ibid.

⁴⁸ Sue Bunting, School Administrator, interview with author, February 20, 2000.

One such goal is to help the students get a head start into college-level coursework. The 11th and 12th graders have the opportunity to take college-credit courses offered by three local colleges. These courses pose no additional cost to the students and the credits can be applied to a degree program when the students move on to college. Two public colleges and one private college have partnered with the school. Dakota City Technical College and Normandale Community College are the public colleges. They offer credit for coursework that is transferable to their institution or any other community college. The Brown Institute is a local private college that also offers courses at the mall school. These credits are transferable only to the Brown Institute but are still college-level courses. These partnerships with local colleges have given the school the ability to recruit higher-achieving students by offering those students a chance to get ahead by taking college courses.

Grants to the school have enabled every student to have an e-mail account and access to the Internet.

C. Results

Since any student from any of the five partner districts is eligible to attend the mall school, the range in abilities among students is dramatic. The MLA educates students struggling to stay in school as well as very advanced students hoping to get a head start on college course work. Up until the past few years the school has been looked upon as a place to send troubled kids that do not succeed in a traditional classroom. Therefore, the school was perceived as dangerous and had a difficult time recruiting higher achieving students. Recently, with the higher- education partnerships, the school has reinvented its image. The administration has toughened its admission standards in an attempt to make the MLA much more selective and prestigious.

One of the ways that the school has redesigned its image is through innovation in the classroom. This school does not offer traditional coursework for the students. In social studies, for example, students have the opportunity to take classes on 1960s culture or the Cold War. These are college-level history classes that engage students through the study of modern history. Another important aspect of the curriculum is the teaching of use of the Internet and advanced computer classes. Grants to the school have enabled every student to have an e-mail account and access to the Internet. This computer and Internet program teaches students technical skills that will make them better equipped to enter the workforce and earns them college credits.

All of the students that participate in this program came from very large high schools. The MLA offers small class sizes and a community atmosphere that the students enjoy. This school community helps students remain in the school and learn practical skills while taking college-level courses.

Conclusion and Recommendations

his study served as a description of the downtown, airport, and mall satellite-school model. More research needs to be done to examine the best practices of these satellite schools and to look at barriers to the implementation of satellite schools due to local and state legislation.

Without completing a comprehensive analysis of the barriers to the construction of more satellite schools several initial policy recommendations can be made:

- States could provide tax credits to businesses who sponsor satellite schools.
- States should examine any unnecessarily restrictive building codes that prohibit the use of commercial space for schools or make the renovation of commercial space cost prohibitive. In California, for example, by far the biggest impediment to worksite schools is the Field Act. The mandate of Field Act legislation, passed in 1933 shortly after an earthquake destroyed several public schools in Long Beach, Calif. is to ensure earthquake safety for children attending public schools. It does so with a multitude of structural and inspection standards regulating public school site selection and construction. Complex building codes need to be streamlined to include only those provisions that truly impact a child's safety.
- In many states equal access laws may prevent host businesses who construct satellite schools from targeting their enrollment to the children of their employees. To make available the satellite school option for interested businesses, legislative action may be necessary in all but one state. Florida, the pioneer and leader in the satellite-school concept, is the first state to expand its charter-school legislation to allow targeted enrollments for charter schools in the workplace. As part of Florida SB 1996, legislation taken up in Spring 1998, provisions that allow the creation of charter "schools-in-the-workplace" were passed. The intent of the legislation was to increase business partnerships in education, reduce school and classroom overcrowding, and help offset the high cost for educational facility construction.⁵⁰ To carry the intent out, the legislature encourages the formation of business-partnership schools through charter school status. Section 22 (b) of the bill states:

A charter school-in-the-workplace may be established when a business partner provides the school facility to be used: enrolls students based upon a random lottery which involves all of the children of employees of that business or corporation who are seeking enrollment as provided for in subsection (6); and enrolls students according to the racial/ethnic balance provisions described in subparagraph (9) (a) 8. Any portion of a facility used for a public charter school shall be exempt from ad valorem taxes, as provided for in s. 235.198 for the duration of its use as a public school.

⁵⁰ Florida Senate Bill 1996, Section 22, amending section 228.056, Florida Statutes.

Further research needs to carefully examine state and local barriers to the construction of satellite schools.

The downtown school models, airport school model, and the mall model, prove to be innovative alternatives to traditional classroom construction for school districts. These schools provide participating businesses and parents with greater proximity to children and teachers, longer school years, and smaller classes.

As states and school districts continue to search for classroom space to accommodate growing enrollments and to combat deteriorating facilities, these school districts are showing that students can learn in a variety of settings. Joint efforts from the public and private sectors break away from the traditional mold of schools and benefit all of the parties involved.

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Other Related RPPI Studies

Satellite Charter Schools: Addressing the School-Facilities Crunch through Public-Private Partnerships, by Richard C. Seder, Policy Study No. 256, April 1999.

Satellite Schools: The Private Provision of School Infrastructure, by Janet R. Beales, Policy Study No. 153, January 1993.

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"... a wise and frugal government, which shall restrain men from injuring one another, shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to close the circle of our felicities."

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